

**AMENDED MINUTES  
ROCKFORD POLICE PENSION BOARD  
JULY 21, 2016**

**MEMBERS PRESENT:** Jeff Nielsen, President  
Marcia Mueller, V.P.  
Joe Stevens, Secretary  
Scott Laue, Trustee

**ABSENT:** Paul Swanberg

**ALSO PRESENT:** Roberta Holzwarth - Holmstrom & Kennedy  
Mike Piotrowski – Marquette Associates

**GUESTS:** Ed Schollmeyer and Yasmin Landy – Fidelity Diversified International Fund

**STAFF:** Linda Wlaznik, Finance

The July 21, 2016 Rockford Police Pension Board convened at City Hall 425 E. State St., Jeff Nielsen called the meeting to order at 8:08 a.m.

Motion by Mueller and seconded by Laue to approve the June 16, 2016 minutes of the Board meeting as amended. APPROVED.

**PUBLIC COMMENT**

NONE

**CASH & INVESTMENT REPORT**

Piotrowski reviewed the Flash Report ending June 30, 2016. Piotrowski discussed the effect of the Brexit vote on the markets. U.S. markets were very strong during the last week of the quarter. European markets were down significantly over the time period. The police pension fund had a positive month for June. The Fixed Income Composite and U.S. Equity Composite are outperforming the Non U.S. Equity Composite. The total fund composite is \$175,496,634. Piotrowski reviewed the performance of the investment managers.

Motion by Mueller and seconded by Laue to approval the withdrawal of \$350,000 from Kayne Anderson Rudnik for cash needs. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve purchases and sales. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

**CITY BILLS**

Motion by Mueller and seconded by Laue to approve July City Services of \$8,875.25. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Nielsen expressed his concern with the delays with the annual report.

Motion by Mueller and seconded by Laue to approve June postage charges of \$127.92. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve payment to HolmstromKennedyPC for annual medical reviews 2016 in the amount of \$1,500.14 which includes \$1,237.50 for professional services and \$262.64 for disbursements. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve payment to HolmstromKennedyPC for attorney fees for services regarding the Susan Bubik disability matter in the amount of \$585.00. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

## **ATTORNEY'S REPORT**

Attorney Holzwarth stated that the Bubik disability hearing is scheduled for Wednesday July 27 at 10:00 a.m.

Attorney Holzwarth reviewed the evaluators for the various disability matters as listed below:  
Dr. MacKenzie (Ortho Illinois f/k/a ROA) for Peter Drnek, Mark Honzel, and Mark Valadez  
Dr. Rosche for Holly Berke and Christina Whisenand  
Dr. Giakas for Erik Gulbrantson (new) and Aaron Lesmeister  
Dr. Pylar for Sara Ahrens and Philip Statler

Motion by Mueller and seconded by Laue to ratify evaluator Dr. MacKenzie for Peter Drnek, Mark Honzel, and Mark Valadez. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve evaluators Dr. Rosche for Holly Berke and Christina Whisenand, Dr. Giakas for Erik Gulbrantson (new) and Aaron Lesmeister, and Dr. Pylar for Sara Ahrens and Philip Statler for the annual medical reviews. APPROVED.  
Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Attorney Holzwarth reported that Elsie Jean Forsyth's son, Richard, was also listed on the bank account.

Motion by Mueller and seconded by Laue to approve the addition of section 5.2.11 and the revision to section 5.5 to the policy manual regarding medical examinations for disability pension applicants and annual certifications. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve the surviving spouse pension of Rosemarie Gambini in the amount of \$91,977.36 annually/\$7,664.78 monthly. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to void three (3) checks and withhold payment until completed application is filed and approved for Kay Yetterberg for surviving spouse of Robert Cole. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

## **NEW BUSINESS**

Motion by Mueller and seconded by Laue to approve membership application **form** for new officers. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve the military buy back for James Rossow equal to two years creditable service for a total contribution of \$49,995.26 to be paid by July 31, 2016. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve the refund of contributions to Brian Wakeley due to termination of employment on May 7, 2013 in the amount of \$41,073.27. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

Motion by Mueller and seconded by Laue to approve the termination of pension benefits for Harvey Newcomb due to his death on July 12, 2016. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue  
Nays: None

## **FIDELITY**

Ed Schollmeyer and Yasmin Landy were at the meeting to present information regarding the performance of the City's portfolio with Fidelity Diversified International Fund.

Ms. Landy discussed Fidelity's investment process described on page 9. Companies that have a conservative balance sheet do not over extend themselves, tend to perform better in down markets. Ms. Landy referred the board to page 11 which illustrates the Consistency in Process. Historically

the fund has captured 102% when the market is up; when the markets are down the fund historically captures 93.5%.

Ms. Landy stated that technology shows structural growth. Ms. Landy spoke about a software company in Europe that does backend software for airlines. Healthcare exposure is related to two things, cost reduction and treatments for cancer. Much of what is owned in emerging markets is global. Ms. Landy reviewed Fidelity's performance.

## **PAYROLL**

Motion by Mueller and seconded by Laue to approve corrected payroll amount for March in the amount of \$1,310,865.65. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve corrected payroll amount for April in the amount of \$1,306,231.75. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve corrected payroll amount for May in the amount of \$1,316,884.46. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the final June payroll amount of \$1,360,991.99. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the July estimated payroll amount of \$1,360,631.51. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion to adjourn was made and seconded at 10:21 a.m.

