

**AMENDED MINUTES
ROCKFORD POLICE PENSION BOARD
SEPTEMBER 15, 2016**

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

ABSENT:

ALSO PRESENT: Roberta Holzwarth, Al Mezny - Holmstrom & Kennedy
Mike Piotrowski – Marquette Associates

GUESTS: Darren Kleis and James McMillan – Principal Real Estate Investors

STAFF: Linda Wlaznik, Finance

The September 15, 2016 Rockford Police Pension Board convened at City Hall 425 E. State St., Jeff Nielsen called the meeting to order at 8:18 a.m.

Motion by Mueller and seconded by Laue to approve the August 18, 2016 minutes of the Board meeting. APPROVED.

PUBLIC COMMENT

NONE

ATTORNEY'S REPORT

Attorney Mezny stated that Christina Haske-Whisenand had reported a problem with the doctor that had examined her. The same doctor that examined Christina-Haske Whisenand examined Holly Berke and Holly reported no issues with the doctor. The board discussed the possibility of Christina Haske-Whisenand not remaining disabled.

Motion by Mueller and seconded by Laue to approve the recommendations by Dr. Rosche to determine if Christina Haske-Whisenand continues to be disabled.

Motion was amended by Mueller and seconded by Stevens to proceed with recommended testing for Christina Haske-Whisenand for a not-to-exceed amount of \$10,000.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

CASH & INVESTMENT REPORT

Piotrowski reviewed the Report ending August 31, 2016. Piotrowski stated that the total fund composite is \$178,047,844. Equities for August have performed well. The fund was up 30 basis

points for the month. The markets react negatively to the possibility of a Federal Interest Rate increase. There are no cash needs this month.

Piotrowski stated that the investment policy is reviewed annually. Attorney Holzwarth agreed with Piotrowski no changes were needed to the investment policy **from a legal perspective**. Wlaznik will contact the Department of Insurance to see if they need a policy updated with the current board member's signatures.

Motion by Mueller and seconded by Laue to ratify the current investment policy dated July 2013 with no changes. APPROVED.

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

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

CITY BILLS

Motion by Mueller and seconded by Laue to approve September City Services of \$8,875.25. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve August postage charges of \$131.53. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve payment to HolmstromKennedyPC for general matters for the month of August in the amount of \$2,287.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve payment to HolmstromKennedyPC for the Bubik disability matter for the month of August in the amount of \$502.50 which includes \$120.00 for court reporter fees. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, 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, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve payment to HolmstromKennedyPC for annual medical exams for the month of August in the amount of \$9,190.00 which includes \$7,750.00 out of pocket expenses for Dr. Giakas, Dr. Rosche, and Dr. Pylar. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

NEW BUSINESS

Motion by Mueller and seconded by Laue to approve the termination of pension benefits for Arthur Fegan due to his death on September 2, 2016. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the surviving spouse pension benefits for Louise Fegan in the amount of \$4,117.12 monthly/\$49,405.44. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the first increase for Barbara Hardin in the amount of \$534.88 for a new monthly benefit of \$4,571.71/\$54,860.52 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the termination pension benefits for Mel Schallberg due to his death on August 19, 2016. The death certificate needs to be obtained. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve not pursuing the repayment of \$95.64 from Betty Bushaw's estate. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg and Laue

Nays: None

PAYROLL

Motion by Mueller and seconded by Laue to approve the September estimated payroll amount of \$1,324,653.10. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve the actual August payroll amount of \$1,329,319.00. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Motion by Mueller and seconded by Laue to approve checks being written to the estate rather than direct deposit upon death of a pensioner. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Swanberg, and Laue

Nays: None

Wlaznik reported there are 11 pensioners that have not returned their affidavits as required.

The board recessed from 9:20 a.m. to 9:27 a.m.

PRINCIPAL

Darren Kleis and James McMillan were at the meeting to present information regarding the performance of the City's portfolio with Principal Real Estate Investors.

Mr. McMillan gave a brief history of the firm. Mr. McMillan referred the board to page 3 which illustrates the Portfolio Management Team. Mr. Kleis referred the board to page 6 which provides an Account Overview. The portfolio occupancy is at 94.4%. The one year net absorption is 1,502,409 sf, which is the amount of square feet that was **net** leased last year. The board discussed the Top 10 Assets listed on page 13. The Performance Summary is on page 16. The reason for the good performance is income return.

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

A red handwritten signature, likely of a board member, is written in the lower right quadrant of the page. The signature is stylized and appears to consist of several overlapping loops and lines.