

March 30, 2016

POLICE PENSION COMMITTEE MEETING MINUTES
March 30, 2016

The Committee meeting was called to order at 3:00 p.m. Committee members present were: John Owens, Brian Peters, Mike Hecker, Alan Roth. Absent: None. Other officials present: Bonnie Otte, Assistant/Administrator/Clerk-Treasurer/Budget & Human Resource Director recording the proceedings, and City Administrator Bruce Smith. Presentations and meeting information was presented by Scott Holechek of Ameritas.

1. ANNUAL RETIREMENT PLAN INVESTMENT REVIEW AND FUND RECOMMENDATIONS AND ANY ACTION NECESSARY

- A. 2015 Market Overview
- B. 2015 Annual Plan Review
- C. Mesirow Fiduciary Service Premier List review
- D. 2016 Initiative
 - 1. Participant Meetings

Scott Holechek provided the 2015 Market Overview for the City's Police Officer Pension Plan highlighting the areas of total employee/employer contributions, investment by Asset Class, plan demographics, withdrawals, distribution, and asset allocation. (Copies of all reports are attached to the original minutes).

Mr. Holechek stated State Statute increased the mandatory contribution amount for employers and employees to 7.0%. He indicated it was wasn't the best investment year, but overall yielded a YTD average Rate of Return of 1.35%, which is down from the prior year, but comparatively, is in the positive range. He stated the majority of funds are invested in the guaranteed fund, which has a guaranteed minimum annual return of 3.0%.

Mr. Holechek reviewed the performance results and pointed out a few funds that were either under-performing or on the "watch list" for management changes. There was a brief discussion of how the Committee would be informed by Mesirow if they were going to make fund changes, if it were prior to the next annual review. Mr. Holechek stated there would be a letter drafted by Ameritas and sent to the Committee indicating the proposed changes and the Committee would have 90 days to meet and determine any action needed. Fund changes would be approved by the Committee and then the employees would be notified and they would have the opportunity to move their funds or they would be moved to the default fund.

No fund changes were made by the Committee.

Mr. Holechek advised the Committee that a separate General Employee Pension Committee recently formed.

The meeting adjourned.

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & Human Resources Director