
MINUTES

SPECIAL JOINT MEETING MOLINE POLICE AND FIRE PENSION BOARDS

Wednesday, June 11, 2014

BOARD MEMBERS

POLICE: Scott Williams, President
Kevin Schoonmaker, Vice President
Kathy Carr, Treasurer
Craig Sommers, Secretary
Brian Johnson, Assistant Secretary

FIRE: Brian Vyncke, President
Mike Rasche, Secretary
Scott Raes, Appointed Trustee
Kathy Carr, Treasurer

OTHER: David Vaught, Mitchell Vaught & Taylor, Inc.
Bill Yocus, Mitchell Vaught & Taylor, Inc.

1. **Call to Order** - President Vyncke (Fire) called the joint meeting to order at 9:03 a.m.
2. **Roll Call of Members** – absent was Fire Trustee Lucchetti.
3. **Custodial Analysis** - The investment consultants and boards discussed custodianship of the funds; currently First Midwest is retained for both funds. Also discussed were TD Ameritrade and Schwab. Mitchell Vaught & Taylor (MVT) recommend TD Ameritrade, and also noted that the 60 days of free trading offered by Ameritrade for new accounts will help in the transition from First Midwest.

Treasurer Carr (Police) made a motion to retain the firm of TD Ameritrade to serve as custodian for the Police Pension Fund, to be effective upon completion of the required paperwork; second by Secretary Sommers; motion unanimously carried.

Secretary Rasche (Fire) made a motion to retain the firm of TD Ameritrade to serve as custodian for the Police Pension Fund, to be effective upon completion of the required paperwork; second by Treasurer Carr; motion unanimously carried.

4. **Manager Line Up** - Discussion moved until after Agenda Item 6.
5. **Fixed Income Managers** – MVT provided recommendations of Wm. Blair, Garcia Hamilton, and Segall Bryant as proposed fixed income managers, and recommended that both funds retain Wm. Blair. They also advised that they also have an in-house fixed manager that could be an option for a portion of the investment, with the rebalancing to be done within the MVT portion.

Vice President Schoonmaker (Police) made a motion to place 1/3 of the fixed income with MVT and 2/3 with Wm. Blaire; second by Treasurer Carr; motion unanimously carried.

Appointed Trustee Raes (Fire) made a motion to place 1/3 of the fixed income with MVT and 2/3 with Wm. Blaire; second by Secretary Rasche; motion unanimously carried.

6. **Investment Policies** – Draft investment policies were provided by MVT. The preferred allocations are 65% Equities, and 35% Fixed Income. Cash on hand is to be \$1 million for police and \$1.2 million for fire.

Appointed Trustee Raes (Fire) made a motion to adopt the Moline Fire Pension Fund Investment Policy as presented by MVT; second by Treasurer Carr; motion unanimously carried.

Assistant Secretary Johnson (Police) made a motion to adopt the Moline Police Pension Fund Investment Policy as presented by MVT; second by Vice President Schoonmaker; motion unanimously carried.

MVT will also provide a copy of each policy to the Department of Insurance.

Agenda Item 4 – Manager Line Up – MVT recommended that both pension funds change the current equity manager lineup to the following: IShares Russell 3000, Vanguard Growth Index Signal, Vanguard High Dividend Yield, Artisan Mid Cap Value, Baird MidCap, Cohen & Steers Realty Shares, T. Rowe Price Health Sciences, Vanguard Explorer, Oakmark International, Oppenheimer Developing Market and Columbia Acorn International.

Vice President Schoonmaker (Police) made a motion to approve the manager lineup as recommended by MVT; second by Assistant Secretary Johnson; motion unanimously carried.

Appointed Trustee Raes (Fire) made a motion to approve the manager lineup as recommended by MVT; second by Treasurer Carr; motion unanimously carried.

7. **Public Comment** – none.
8. **Adjournment** – President Vyncke (Fire) made a motion to adjourn; Secretary Rasche seconded; motion unanimously carried. Assistant Secretary Johnson (Police) made a motion to adjourn; Secretary Sommers seconded; motion unanimously carried. Meeting adjourned at 10:14 a.m.

Respectfully submitted,



Kathleen Carr
Treasurer, Moline Police and Fire Pension Boards