# PENSION BOARD FOR THE BOROUGH OF DUNMORE

HELD:

Tuesday, March 10th, 2026

TIME:

6:00 P.M.

LOCATION:

DUNMORE BOROUGH BUILDING
Blakely Street
Dunmore, Pennsylvania

P E N S I O N  B O A R D S  M E M B E R S:

THOMAS HALLINAN

MAX CONWAY, MAYOR - absent

GREG WOLFF - absent

MARK BURTON - absent

GREG KAMLA

EUGENE MENTZ

JEAN HILL - alternate

LAWRENCE DURKIN, ESQ., SOLICITOR

MARIA McCOOL, RPR
OFFICIAL COURT REPORTER

ATTY. DURKIN: So we're here for the March 10th, 2026 Dunmore Pension Fund meeting. If we could start the meeting with a roll call.

MR. KAMLA: Greg Kamla.

MR. MENTZ: Eugene Mentz.

MS. HILL: Jean Hill.

MR. HALLINAN: Tommy Hallinan.

MR. COLO: Ralph Colo.

ATTY. DURKIN: And Larry Durkin. The first item of business we have is approval of the minutes from January 22nd, which I believe was a special meeting which got screwed up on my calendar.

So I have the transcript of the minutes of that meeting. Can I have a motion to approve them?

MR. MENTZ: I'll make a motion to approve.

MR. KAMLA: I'll second it.

ATTY. DURKIN: Any question on them? All in favor.

MR. KAMLA: Aye.

MR. MENTZ: Aye.

MS. HILL: Aye.

MR. HALLINAN: I abstain.

ATTY. DURKIN: Okay. In terms of Old Business, I don't believe we have any. New Business, we have a disability pension application from Daniel Kapacs. So we have two IMEs, both of which indicate that he's unable to do the job of a police officer.

He was injured at work back on June of 2024. Greg has been in touch, you know, about it. I have the IMEs if anybody wants to review them. So we're asking for a motion to approve his disability.

MR. MENTZ: Do we have the numbers, Mr. Durkin?

ATTY. DURKIN: I don't have them with me. They would be -- I know Greg has forwarded them to Joe Duda to get the calculation. But we'd be approving it for whatever he is entitled to under the pension order. It's not a specific --

MR. MENTZ: I was just asking for information to pass along to him as I represent the Dunmore Police Association as a member of the Pension Board. But if he's receiving what he's entitled to, I'll go ahead and make the motion to approve.

ATTY. DURKIN: Okay. Do we have a second?

MR. HALLINAN: I'll second that.

ATTY. DURKIN: Okay. And he has a pretty long tenure with the Borough. I think he's got --

MR. MENTZ: Thirty five.

ATTY. DURKIN: Thirty five years and he's almost 55. So I think he just about qualified anyway. So on the question? All in favor.

ALL MEMBERS: Aye.

ATTY. DURKIN: Any opposed? Okay. I think the only New Business we have is an update from Ralph.

MR. COLO: Sure. You know, first, maybe I'll just give a little commentary on what's going on with the markets. We'll go through the numbers clearly. And I'll be happy to answer any questions that you have.

You know, of course, the war with Iran and any oil induced type of shock is typically not good for the equity markets. Over the last 80 years markets have sold off pretty significantly after events like we're going through right now.

Currently we have not seen that volatility yet in the market. So just to caution, you know, when we look at the numbers and we'll go through the allocation where, you know --

(Mr. Kamla exits meeting.)

MR. COLO: I would expect, you know, to see, you know, a 10 percent movement in the equity markets in the short term. Longer term again, I think that the markets should be in good shape. You know, the fundamentals are very strong. But shorter term, I think we could see some severe volatility.

That being said -- and I would just jump around a little bit on the pages. Page 5 of 18 -- and this kind of shows our allocation. And I bring that up -- and I'll go back to what I was just talking about.

You know, right now we have about 50 percent of the Borough's pension is in equities or in stocks. So there is an investment policy statement that the Borough has and what that is, it's really a road map for us as far as the parameters of how much and how little we could have in all different areas of the market, equities, fixed income, or cash.

So when we look at the allocation, currently as 50 percent equity, this is on the conservative end from an equity allocation. And we kind of have been moving that way over the last six months or so. So I feel very good about our allocation.

We're not going to see much less than a 50 percent allocation equities really ever for the Borough. The other thing that we also have is we have a cash reserve of about 11.3 percent. So I've been trying to build up the cash for the Borough as well.

What that will allow us to do is if this market does sell off like anticipated, it will allow us as per the investment policy statement to get some of that cash to work and the really, you know, the whole concept would be to buy at some lower levels instead of selling at lower levels.

You know, that is what we really, really want to do. We also have 15 percent in alternatives. And alternatives, the alternative area I think gives us a noncorrelated asset that does give exposure to different areas of the market, energy, oil, commodities, you know, that is also in the plan and then there's 23 percent in fixed income.

So I think from an allocation standpoint, we are spot on. I think that we'll go through the numbers. I think that we could weather a storm pretty significantly for the Borough. So I'll go to page four, if I can, and, you know, the last 12 months have been very, very good for the Borough.

And when we look at these accounts, these are the three different -- there's fire, police, and nonuniform. So there's a breakdown of each plan. When we look at this on page four, that's the total of all the plans right now. So the total of all the plans is a little bit north of 21 million.

Last 12 months we had a again of almost 13 percent net return. You know, real Dow is almost 2.4 million the Borough had in gains over the last 12 months. When you take a look at year to date, for the quarter -- now this is through the 28th of February, the Borough is up 3.34 percent.

You know, we've seen some fluctuations since then. Looking at the numbers today, the Borough was up very, very slightly, but still up positively, you know, year to date.

And I think when we see, you know, this volatility, you know, the thing that I really try to look at is, okay, look at the allocation. Is the allocation sound and also, you know, the investments inside of each one of the plans, is there anything that needs to change.

So as per the investment policy, we have the ability to make those changes. We typically, you know, like to go through investment cycles before we do. We don't move the needle much. We really try to stick to that investment policy statement.

It prevents the Board and your advisor really from making emotional financial decisions and that I think we want to stay away from, right? We want to have a long-term plan and a long-term process, which we do.

And I think that's what's been -- that's what made this plan very successful over a number of years. You know, we have a net return of almost 7 percent since 2013, you know, almost gain of 12 million dollars for the Borough.

So, you know, the numbers have been very, very good over an extended period of time. But I would expect volatility. You know, the next meeting that we have, you know, we could be talking about a negative return number for the year. So I just want to make everybody aware of that.

MR. MENTZ: But these end total values include the withdrawals, correct?

MR. COLO: They do. They do. Yep. So that is mainly what I wanted to cover, you know, the allocation. And I'm just going to have us turn to page 8 of 18. And what this shows is just the income that's coming in.

So, you know, when we talk about return, we talk about stocks going up in value or bonds going up in value.

MR. MENTZ: Which page are you directing us to?

MR. COLO: Page 8 of 18. So this is, you know, the Borough -- the plans have over $500,000 of income that are coming in, you know, of yield of almost 2 and a half percent. So when markets get choppy, you know, we look to the income that we're earning, not just the growth that we have.

So, you know, I feel very, very good about looking at that income and also, you know, the growth opportunities and potential that the plan has going forward. So that was really all I wanted to cover. I'm happy to answer any questions.

At the very back of the booklet that I handed out -- and I usually don't put this in, but this is really Morgan Stanley's report from this past week on war and oil shocks. You know, not that everyone may enjoy reading this. But I think it could give each one of you a little perspective on what's going on.

And I would be happy to answer any questions, you know, you could call me or e-mail on, you know, what Morgan Stanley is thinking. But, you know, the Cliff note version is to expect some pretty significant short term volatility, you know, in the markets. That's all I have. Hopefully not, hopefully I'm wrong.

MR. HALLINAN: So more or less for my own brain here, we're doing okay. But whatever happens right now with what's going on with the war, we're going to take a whack on it. We're probably going to take a little hit or we don't know what the hit will be.

MR. COLO: So, you know what, Hal, so the answer is yes. So there will be -- and there has been, you know, volatility that we have to have, you know, in the plan in the sense of, you know, we're never all in or all out.

So, you know, as per the investment policy, we have to have a certain percent invested, you know, longer term because, you know, to what Larry said, you know, I could be wrong. This war could be over in a couple of days and the markets take off, right?

MR. HALLINAN: Right.

MR. COLO: I don't think that's likely, but it's possible.

MR. MENTZ: But also, some of the alternates because he hasn't been here for a long period of time is gold, silver, things like that that don't really move as much.

MR. COLO: Correct. Correct. So what we try to do is, you know, there is always going to be areas of the market where we see appreciation and areas where the markets can be down in value.

And I think the tricky part is, you know, to make sure when we look at the different slices of pie that we have, the different slivers in that asset allocation that, you know, we never want to take more risk than we need.

And I think that what we want, you know, when the markets are down and that will happen, we clearly want to be down less. And I feel very comfortable saying that, you know, we've accomplished that.

And I feel very strongly that that will be the case, you know, if this volatility does happen, like, I think that it might. Does that make sense?

MR. HALLINAN: I think I get it. If not, I'll call you.

MR. COLO: Good. Please do.

MR. HALLINAN: We're good. Thank

you.

MR. COLO: Good.

ATTY. DURKIN: Doesn't look like we have any public comment. Any other New Business from the Board or any questions from the Board on anything else? We just need a motion to adjourn.

MR. MENTZ: I'll make a motion.

MS. HILL: Second.

ATTY. DURKIN: All in favor.

ALL MEMBERS: Aye.

ATTY. DURKIN: Nobody is opposed. That's it.

C E R T I F I C A T E

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me of the above-cause and that this copy is a correct transcript of the same to the best of my ability.

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Maria McCool, RPR
Official Court Reporter

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