

**URBANA FIRE PENSION BOARD OF TRUSTEES
MEETING MINUTES April 22, 2016**

The Fire Pension board of Trustees of the City of Urbana, Illinois met at 9:30 am, Friday, April 22, 2016, in the second floor Executive Conference Room of the Urbana City Building.

MEMBERS PRESENT: Gerald Sappenfield, President - end of term 4/26/16
Mark Ashby, Firefighter/Secretary - end of term 4/26/18
Andrew Rickords, Firefighter - end of term 4/26/17
Mike Dilley, City Appointment – end of term 5/31/17
Elizabeth Hannan, Finance Director

MEMBERS ABSENT: None

OTHERS PRESENT: James Dobrovoly, Fund Attorney
Ronald Eldridge, Fund Consultant
Todd Rent, Human Resources Manager

I. CALL TO ORDER

President Gerald Sappenfield called the meeting to order at 9:30am.

II. INVESTMENT BUSINESS

Mr. Scott McAdam and Mr. Thaddeus Yasunaga of First Busey Trust & Investment Co. were present. They distributed the quarterly report and reviewed the Pension's Investment activity through the quarter ending March 31, 2016. The ending value for the portfolio as of that date was \$25,223,741, showing a loss of \$30,558 from the previous quarter.

Mr. McAdam and Mr. Yasunaga suggested moving some of the fund from treasury bonds to corporate bonds. After discussion Mike Dilley made a motion to allocate up to an additional \$1 million from fixed investments of CD's and U.S. Government bonds to corporate bonds. Finance Director Elizabeth Hannan seconded the motion. Motion was approved by roll call vote as follows:

Sappenfield – aye Ashby - aye
Dilley – aye Rickords - aye
Hannan – aye

The fee Busey charges the Urbana Fire Pension Fund is .0005 per each dollar invested.

****The order of the following items did not follow the order of the agenda.**

III. *APPROVAL OF MINUTES

A motion to approve the minutes with from the January 22, 2016 meeting, with corrections, was made by Ms. Hannan and seconded by Mr. Dilley and carried by voice vote.

IV. QUARTERLY FINANCIAL REPORT

Mr. Eldridge presented the quarterly financial report for the quarter ending March 31, 2016. He went over the activities in the Busey or the money market accounts. He stated that the only changes in pension benefits during the quarter were those for Mr. Dilley and Ms. Buirley as well as the normal 3% inflationary increases in pension payments in

January 2016.

A motion to accept the financial report was made by FF/Sec Ashby, seconded by FF/Sec Ashby and carried by voice vote.

V. **PUBLIC COMMENT**

There was none.

VI. **OLD BUSINESS**

A. **Kingren and Maross** – continuing – in the future will be referred to as pension physicals

B. **Russell Chism disability pension – cancer duty disability is taxable** – Hearing was held on April 15, 2016, in which the Board voted Ms. Chism a pension from the occupational disease cancer death of Rusty Chism. Ms. Chism's pension will be 100% of final salary of R. Chism or \$7,784.42 per month. R. Chism also has one dependent child who shall receive a pension of 12% of final salary until age 18 or \$934.13 per month. Ms. Chism received a 50% pension beginning January 20, 2015. The amount of back pension due Ms. Chism is \$55,056.72, assuming back payment will be paid in May 2016. Upon recommendation of the attorney, no change in pension or back pay will be made until the formal order document is signed. Mr. Eldridge distributed an IRS letter indicating that this pension would be taxable since it is due to a cancer.

VII. **NEW BUSINESS**

A. **Electronic meeting attendance.**

Ms. Hannan made a motion to adopt the policy on electronic meeting attendance. Motion was seconded by Mr. Dilley and carried by voice vote.

B. **Policy and procedures for public comment**

After discussion Ms. Hannan made a motion to approve the procedure for public comment. Motion was seconded by Mr. Dilley and carried by voice vote.

C. ****Cost sharing physicals with the City**

FF/Sec Ashby informed the pension board that he met with Todd Rent, Human Resources Manager, Rhonda Collins, Benefits Coordinator and Elizabeth Hannan, Finance Director concerning pension and city employment physicals. The city asked if the pension fund would be willing to share in the cost of the physicals, since they are basically the same as far as requirements. FF/Sec Ashby asked FF Rickords to go through the most recent city physicals and make note of what he thinks is missing for pension physical requirements. FF/Sec Ashby would then let the Occupational Medicine Department at Carle know that the City physical and pension physical are to be combined into one, and any additional requirements necessary for the pension part of the physical. FF Rickords made a motion that the fire pension board and the City equally share the cost of new employee physicals. The motion was seconded by Mr. Dilley and carried by roll call vote as follows:

Sappenfield – aye	Ashby – aye
Dilley - aye	Rickords - aye
Hannan – aye	

D. Approval of Auditing Firm

Mr. Eldridge presented information to the board for two auditing firms to be considered for the pension fund. After discussion Mr. Dilley made a motion to approve Feller & Kuester as fund auditors for this year and the next three years. The amount paid to them this year will be \$4,680, which will increase 3% each subsequent year. Motion seconded by FF/Sec Ashby and carried by roll call vote as follows:

Sappenfield – aye	Ashby – aye
Dilley - aye	Rickords - aye
Hannan – aye	

E. Approval of Actuarial Firm

Mr. Eldridge presented information to the board for two firms for consideration as pension fund actuaries. After discussion FF/Sec Ashby made a motion to employ Lauterbach and Amen for pension fund actuarial services in the amount of \$4250, for one year. Motion was seconded by Ms. Hannan and carried by roll call vote as follows:

Sappenfield – aye	Ashby – aye
Dilley - aye	Rickords - aye
Hannan – aye	

F. McDuffy Letter

The pension board received a letter from retiree Jeff McDuffy. Mr. McDuffy requested that his pension be based on a final salary that included an adjustment that was awarded to management personnel after he retired, similar to retroactive adjustments provided union personnel. Since there was no contract, Jim Dobrovolny stated that he believed no adjustment could be made. Based on this recommendation, the Board voted no change in his current pension. Mr. Dobrovolny said he would send a letter to him.

Motion made by Ms. Hannan to include a summary of this item in the minutes and seconded by FF Ashby. Motion carried by voice vote.

- G. Mr. Jim Dobrovolny provided updates on current legislation to board members. He informed board members that the deadline for completing the required annual training for pension board members is August 31, 2016.

VIII. **Next Quarterly Meeting** - The next quarterly meeting of the Fire Pension Board is set for Friday, July 29, 2016 at 9:30am.

IX. **ADJOURNMENT** – Having nothing further to discuss, the meeting was adjourned by President Sappenfield at 11:47am.

Prepared by,
Kay Meharry

Submitted by,


Mark Ashby