

URBANA POLICE PESNION FUND  
BOARD MEETING - June 14, 2002

\*\* Next Board Meeting: September 6, 2002, 10:00 \*\*  
\*\* Urbana Conference Room \*\*

Present: Elmo Denniston, President  
Greg Foster, Vice-President  
Ron Eldridge, Treasurer  
Steve Royal, Secretary  
Michael Bily, Asst. Secretary

Others

Present: Dennis Belcher, Smith Barney  
Jim Dobrovolny, Attorney for the Board

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President Denniston called the meeting to order at 10:12 a.m.; all Board members were present. Motion by S. Royal, seconded by M. Bily, to approve the minutes of the Board of April 5, 2002. Motion carried unanimously.

Election of Active Membership: S. Royal was excused from the counting of ballots for the election of Treasurer from the active participants. J. Dobrovolny reviewed the administration of the election. Ballots were counted, with the following results:

2 spoiled ballots  
0 A. Cobb  
27 S. Royal

S. Royal was admitted back to the meeting and advised of the election results. His term is from 4/1/02 - 4/1/04.

New Officers: S. Royal stated UPD will be hiring three officers. Currently,

two have been hired:

Jennifer R. Difanis	DOE/062002
Daniel S. Bailey	DOE/062002

The new officers will have to sign an application, which will be submitted to the Board for approval.

Resignation: ERIC VAN GURP resigned from the Police Department. As of this date, he has not requested repayment for funds contributed to the Pension Fund.

James Teague: Discussion lead by J. Dobrovolny regarding J. Teague's pension payments. Following is the history of J. Teague:

1/75	Hired
9/83	Disabled
5/88	Returned to active duty
12/29/90	Returned to disability

J. Dobrovolny stated a police officer can take advantage of state statutes which benefit the pensioner, interpreting the different versions to their benefit. He further stated by adding 2.5% over 20 years, plus a 50% retirement pension, this equals to 65%, however he worked at different times. When returning to work (from disability), in order to get any future increases in pension, he would have had to work 5 years, which he did not meet. J. Teague converted to a duty-related disability, receiving \$1,567.30/month, paying taxes. Had he remained on disability pension, he would be receiving \$1,277.98/month. The \$1,567.30 is not correct; he should be receiving \$1,277.98.

Pension statutes were discussed. As this error has been discovered, J. Dobrovolny will contact him re: a signed agreement to correct this error. The agreement will state both parties (Pension Fund and Teague) recognize an error has been made and it is in the best interest to correct the error. S. Royal will forward J. Teague's telephone number in Tennessee to J. Dobrovolny.

W. Blackmon: R. Eldridge reviewed his figures to determine if it would be advantageous for W. Blackmon to convert his disability pension. The figures are close; R. Eldridge stated it would be to his benefit to remain on a

disability pension.

Recording Secretary Salary: A closed executive session was conducted. Motion by G. Foster to go into and come out of executive session.

Motion by S. Royal to increase the salary of the Recording Secretary from \$50 to \$75/month. Motion seconded by S. Royal, effective the next payroll check, seconded by M. Bily; motion passed unanimously.

Disability Pensioners - Annual Physical: S. Royal stated he will be sending letters to those on disability to have their annual physical. Physicals are conducted on those pensioners until the age of 50. After 50, no physical is necessary.

Department of Insurance: Discussion re: changes in statute; J. Dobrovolny is in the process of working with the Department of Insurance to obtain opinions on some statutes [40ILCS 5/3-114.1(d)].

Presentation by D. Belcher: D. Belcher discussed market fluctuations, long-term strategies, portfolio and stated three options for rebalancing: 1) 45% stocks, 55% bonds and never rebalancing; 2) rebalancing to 45/55 quarterly; or 3) re-balancing yearly. R. Eldridge stated #3 is what our policy statement states should be done. Re-balancing was discussed and updated in the investment policy.

Discussion re: levy, risk levels, Fund's performance and changes made to the Policy Statement. Motion by E. Denniston and seconded by S. Royal to accept the changes to the investment policy. With Board members in agreement, the Board members signed the updated Policy Statement.

There being no further items before the Board, the meeting adjourned.

Respectfully submitted,  
2002.

Approved this 30th day of July,

Karen Snyder  
Recording Secretary

Steve Royal  
Secretary

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# Urbana Police Pension Fund

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400 S. Vine  
Urbana, Illinois 61801  
217(384-2320)  
FAX 217(384-2363)

## URBANA POLICE PENSION FUND BOARD MEETING – September 6, 2002

\*\* Next Board Meeting: December 6, 2002, 10:00 \*\*  
\*\* Urbana Conference Room \*\*

Present: Elmo Denniston, President  
Greg Foster, Vice-President  
Ron Eldridge, Treasurer  
Steve Royal, Secretary  
Michael Bily, Asst. Secretary

### Others

Present: Dennis Belcher, Smith Barney  
Jim Dobrovlny, Attorney for the Board  
Ernie Kosower, Laurel Capital

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President Denniston called the meeting to order at 10:15 a.m.; all Board members were present. Motion by S. Royal, seconded by M. Bily to approve the Minutes of June 14, 2002, with the change of J. Teague's date of employment (11/11/74); motion passed unanimously.

Randy Fouts: S. Royal advised during the first week of August, R. Fouts was reimbursed the funds he contributed to the Fund, for a total of \$28,644.21.

W. Mike Miller: W. Mike Miller will be withdrawing his contributions (close to \$40,000) in the Fund within the next two months.

Annual Disability Checks: Disability pensioners were sent to physicians for their annual check-up. Those disability pensioners include: D. Haig, S. Welch, and J. Koziol. Discussion ensued re: routine physicals, costs associated with physician examination, etc.

James Teague: J. Dobrovlny advised the Minutes of the last meeting were incorrect when referencing J. Teague's date of hire.

*(In confirming with Personnel, Teague's date of employment is 11/11/74.)*

James Wuersch: J. Dobrovlny talked to J. Wuersch and advised him there was an error in his pension payments, resulting in an overpayment of \$5 per month. The error was based on 9 holidays v. 8 (Birthday off is not counted in holidays). J. Wuersch is in agreement and no repayment to the Fund is necessary. Motion to not request repayment was carried unanimously.

In the future, pension calculations will be verified by R. Eldridge and D. Colbert.

Charles Pummill: The Fund has received sad news regarding Charles Pummill, who passed away on 8/12/02. Pummill did not have a spouse at the time of his death.

Audit: R. Eldridge presented the Audit Report to the Board. He reviewed the actuarial, City contributions, tax levies, financial statements, breakdown of participants, retirees, vested and non-vested members, etc.

D. Belcher: Dennis spoke on the economy, manufacturing index, CPI, interest rates, US Stock market, S& P, valuation levels, growth stock, international market, bear market (recession, unexpected event, secular), etc. A reallocation of Funds was discussed.

Motion by S. Royal and carried unanimously: Over the next \$200,000 over the next 4 months, move a total of \$800,000 (or until the max is reached – 35%) in the following manner:

\$400,000 from Busey Money market (\$200,000 Sept; \$200,000 Oct); and  
\$400,000 from Madison bond fund (\$200,000 Nov, \$200,000 Dec).

E. Kosower: Presentation by Ernie Kosower re: Laurel; discussion ensued.

Consulting Fees: Discussion by Board re: D. Belcher's fees and commissions associated with the Urbana Police Pension Fund.

Executive Session: The Board went into Executive Session for 15 minutes.

James Teague: Motion by S. Royal, seconded by M. Bily, and passed regarding J. Teague's pension remaining at the current level.

There being no further business before the Board, the meeting adjourned.

Respectfully submitted,

Approved this 29<sup>th</sup> day of October, 2002.

Karen Snyder  
Recording Secretary

Steve Royal  
Secretary

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# Urbana Police Pension Fund

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400 S. Vine  
Urbana, Illinois 61801  
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URBANA POLICE PENSION FUND  
BOARD MEETING – December 6, 2002

\*\* Next Board Meeting: March 14, 2003, 10:00 \*\*  
\*\* Police Conference Room \*\*

Present: Elmo Denniston, President  
Greg Foster, Vice-President  
Ron Eldridge, Treasurer  
Steve Royal, Secretary  
Michael Bily, Asst. Secretary

Others

Present: Dennis Belcher, Smith Barney  
Jim Dobrovoly, Attorney for the Board

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The meeting of the Urbana Police Pension Fund was called to order, by E. Denniston, at 10:07 a.m; all Board members were present. Motion by S. Royal and passed unanimously to approve the Minutes of December 6, 2002.

New Officers: S. Royal presented applications and physicals of new officers:

Daniel Bailey (DOE/062002)  
Jennifer Difanis (DOE/062002)  
Thaddeus Weese (DOE/093002).

Weese is formerly of Hanover Park PD and had 2 years of service. He may be the first officer to take advantage of the pension buy back.

Motion passed unanimously to approve the new officers to the Fund.

Resignation of Officer: Lt. Michael Cooper resigned from the department, effective 111602, after 21 years of service (DOE/062981). Cooper submitted a request for a duty-related disability for a back injury, which occurred in 1987. J. Dobrovoly sent interrogatories and is awaiting documents from Carle.

Presentation by D. Belcher:

Belcher discussed equities, stock market (past 55 years); stocks (long-term), mutual funds, I shares, cost analysis, international market, Dow Jones, S&P, Laurel, etc.

Consulting fees were discussed. Motion by S. Royal, requesting D. Belcher to mail a letter to Madison to lower their consulting fees; seconded by M. Bily; motion passed unanimously.

There being no further business before the Board, the meeting adjourned.

Respectfully submitted,

Approved this 24<sup>th</sup> day of February, 2003.

Karen Snyder  
Recording Secretary

Steve Royal  
Secretary

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