



Urbana Police Pension Fund

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URBANA POLICE PENSION FUND

October 19, 2007

*Emergency Board Meeting, Thursday, December 27, 2007 at 1:30 PM
Police Department Conference Room

** Next Board Meeting: Friday, January 25, 2008, @ 10 AM **
** City Building Conference Room **

Present: Ron Eldridge, Treasurer (Mayoral Appointee)
Steve Royal, Secretary (Elected by Active Duty Members)
Greg Foster (Mayoral Appointee)

Others

Present: Patrick Donnelly, Smith Barney
Jim Dobrovolny, Attorney for the Board

Absent: Elmo Denniston, President (Elected by Pensioners)
Rich Surlles, Assistant Treasurer (Elected by Active Duty
Members)

S. Royal called the meeting to order at 10:15 AM. Motion by S. Royal, seconded
by G. Foster to approve the Minutes of July 20, 2007; motion passed.

New Officers:

James A. Kerner DOE 051007, DOB 091283
Everett J. Parkerson DOE 051007, DOB 072778

The Board reviewed the reports for the above-referenced; motion by S. Royal,
passed to accept Kerner & Parkerson into the Fund. Motion passed.

Jacob E. Brand

DOE 100207, DOB 070881

While reviewing J. Brand's, J. Dobrovolny recommended S. Royal to send a letter to Dr. Sutter, for further clarification of his letter, to establish a baseline; S. Royal will report his findings at the next meeting.

Annual Disability Check – DeAnn Winn Maurer: The Board reviewed the report from Safeworks, which deemed D. Winn-Maurer disabled.

Pension Buy-Back of Time (SURS, IMRF, Article 3): S. Royal expressed the following individuals have expressed an interest in the recent change regarding pensions for SURS, IMRF, and Article 3.

Payment to Pension Fund for Buy Back of Service Time

Kevin J. Riddle (062981 – 012184)

*(Service time monies will then be transferred to the
IL State Employees Retirement System)*

The following individuals plan to buy back time:

Troy Phillips (030790-0430200) – SURS

Larry Jacobsen (041888-Present) – IMRF

Steve Royal (080387-Present) IMRF

David Roesch (120805-Present) IMRF

Kim Cessna (012292-042597) SURS

Dan Morgan (012491-Present) Article 3

Discussion regarding this new Law the Governor signed in August. According to R. Eldridge, who talked to IMRF & SURS, the law is not clear, but if the monies are coming from IMRF to the Police Pension, partial buy back is possible (up to 8 years). If the monies are going to IMRF, it shall include the entire amount/time, or nothing.

Prior service before the effective date of this Act has to be at least two years for an inclusive buyback. No partial buy backs will be allowed for prior service. J. Dobrovolny will check with the Department of Insurance regarding D. Morgan.

Department of Insurance: R. Eldridge sent the D of I a response; however, he has not heard from them.

Audit Report (Ending 063007): R. Eldridge distributed the report, highlighting details for the Board. R. Eldridge stated the City pays for the actuary amortization done each year; a copy is provided to the Board.

Motion by S. Royal to accept the annual financial statement submitted by R. Eldridge; G. Foster seconded; motion carried.

Smith-Barney Presentation: Presentation by P. Donnelly regarding the economy.

Motion by S. Royal to sell all of the Dryefus fund and raise \$1,840,000 from the S&P 500 and S&P Mid Cap ETF's; motion seconded by G. Foster; motion carried. To accomplish this, R. Eldridge will transfer \$500,000 from the Pension Fund checking account into the accounts at Smith Barney. The Board then directed P. Donnelly to add \$200,000 into the Madison Bond account.

Motion by S. Royal, seconded by G. Foster, for the remainder of the free funds to be invested as follows; 35% in the Calamos Growth and Income, 20% invested in Third Ave Value, 15% invested Gabelli Value, 15% Thornburg International Value, and the remaining 15% invested in William Blair International. Motion passed.

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

Respectfully submitted,



Karen Snyder
Recording Secretary

Approved this 20th ay of December, 2007.



Steve Royal
Secretary