

BOARD OF TRUSTEES  
OF THE  
*Firemen's Pension Fund*

Regular Meeting  
October 27, 2015

1. The meeting was called to order by Board President Tad Beddow at City Hall in Danville, IL at 9:18 A.M.
2. Roll call  
Present: President Tad Beddow, Secretary Chad Busick, Trustees Randy Elliott, Janet Myers and Lisa Monson.  
Others present: City Treasurer Stephanie Wilson, Board Attorney James Dobrovolny, Mayor Scott Eisenhauer, Comptroller Gayle Lewis, and Recording Secretary Bobby Lillard.
3. Elliott moved to approve Agenda as presented, Myers seconded. Motion carried on voice vote.
4. Approve Minutes of Previous Meetings  
Minutes of the August 4, 2015 regular meeting and August 4, 2015 special meeting were reviewed. Busick moved to approve minutes of August 4, 2015 special meeting, Monson seconded. Motion carried on voice vote. Elliott moved to approve minutes of August 4, 2015 regular meeting, Myers seconded. Motion carried on voice vote.
5. No audience comments.
6. Report from Mayor Eisenhauer  
City Comptroller Gayle Lewis, representing Mayor Eisenhauer, presented information on the Property Tax Levy in regards to pension contributions. The City received actual figures from Tim Sharpe on estimates of what the City anticipated receiving in property taxes. City estimates for the Fire Department were 17% and came in at 17.881%. Estimates for the Police Department were 15% and came in at a 38% increase. A difference of \$20,000.00 levied for the Fire Department and \$300,000.00 for the Police Department. Comptroller Lewis stated the rate of return for fiscal year 2015 is 4.67%; 5-year yield 5.55% and 10 year yield 5%. The DOI this year used 6.75% inception for interest rates and is the same thing the City Administration is proposing to the City Council. Mayor Eisenhauer later attended the meeting and stated money earmarked from the General Fund is used to pay the balance for whatever is not received by the tax levy. So whatever is levied gets paid 100%. Also, the City's cash flow balance may also be used to help offset the Police and Fire Pensions. Mayor Eisenhauer stated other revenue sources are being looked at. Comptroller Lewis said the Public Safety Fee this year will be used on top of the tax levy. The Fire Department receives 60% and the Police Department 40% of what is collected by the fee. Mayor Eisenhauer stated the City is always searching for a more equitable solution to *pay down* the Police and Fire pensions.

7. Treasurer's Report

- A. Treasurer Wilson stated August 2015 report showed the 1<sup>st</sup> distribution of the real estate taxes totaling \$1,440,984.36. Myers moved and Monson seconded to accept and place on file the Treasurer's Reports for July 2015, August 2015 and September 2015. There being no further discussion, roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None

Motion carried 5 to 0.

- B. Recap of Accounts Payable for 10/27/15 showed the following payments:

Reimer Dobrovolny--Legal Fees Comrie/Board Meeting--\$517.25

BankChampaign--2<sup>nd</sup> Qtr Fees #1724 - 2255.73 #1725 - 973.09--\$3,228.82

Eagle Asset Management--2<sup>nd</sup> Qtr Billing--\$2,492.58

Raymond James--Reimburse 2<sup>nd</sup> Qtr Fees #1724 - 1972.97 #1725 - 2554.53--\$4,527.50

Clifton Larson Allen--Accounting for IDOI Annual Reporting--\$2,800.00

Bobby Lillard--Recording Secretary payment Aug Mtg and Joint Invest Meeting--\$150.00

No Accounts Payable checks for September

Elliott moved to approve Accounts Payable, Busick seconded. Roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None

Motion carried 5 to 0.

- C. Approve Trustee Liability Insurance with Mesirow Insurance Services, Inc for 10/01/15 to 10/01/16.

Board Attorney Dobrovolny had concerns that the "waiver of liability" is only effective if each Trustee personally pays a \$25.00 fee not reimbursed by the Fund. The purchase would be for personal coverage. After a brief research, it was noted that under *Waiver Recourse* a fee per Trustee does not need to be collected. Monson moved to approve Trustee liability insurance renewal with Mesirow Insurance Services, Inc for 10/01/15 to 10/01/16 totaling \$4,536.00, Myers seconded. Roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None

Motion carried 5 to 0.

- D. Accept and Place on File Monthly Pension Payroll Reports

- Pension Payroll Report for August 2015 totaled \$290,952.26.
- Pension Payroll Report for September 2015 totaled \$289,137.37. Steve Cannon passed away on September 17, 2015. This ceases his pension. \$4,188.21 divided by 30 days is \$139.607 per day. Daily pay *times* 17 days is \$2,373.32. Beddow had a concern regarding Cannon's account at First Illinois Credit Union being closed after his passing and the money returned to the City. Treasurer Wilson stated it was not closed and Cannon's beneficiary was entitled to his last 17 days totaling \$2,373.32. Board Attorney Dobrovolny stated a Death Certificate and newspaper clipping needs to be placed in Cannon's file.
- Pension Payroll Report for October 2015 totaled \$286,764.05.

Elliott moved to accept and place on file the Pension Payroll Reports, Myers seconded. Roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None  
Motion carried 5 to 0.

E. Elliott moved to approve splitting Treasurer's training costs with City and Police Pension Fund totaling approximately \$300.00 each, Busick seconded. Motion carried on voice vote.

F. Monson moved to close money market account at Iroquois Federal Savings & Loan and savings account at First Financial Bank and combine into the checking account at First Financial. Iroquois has \$113.00 and First Financial has \$1,000.00 in savings. Both accounts are currently receiving low interest rates. Interest rate for the checking is 3.5%. Elliott seconded the motion. Roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None

Motion carried 5 to 0.

8. Accept and Place on File Pension Plan Investment Cost Report for period 07/01/14 through 09/30/15. *(Item was postponed due to no reports received.)*

9. Accept and Place on File 3<sup>rd</sup> Quarter Investment Report from BankChampaign ending 09/30/15. *(Item was postponed due to no reports received.)*

10. Myers moved to approve 3% annual pension increases and disability pension increases, effective January 1, 2016, Busick seconded. Roll call vote being:

Ayes: Beddow, Busick, Elliott, Myers and Monson

Nays: None

Motion carried 5 to 0.

11. No New Applicants

12. No Retirements/ Terminations

Beddow commented that Steve Cannon passed away on September 17, 2015. This ceases his pension. Myers moved to accept Lieutenant Rick Gibson's service retirement on May 17, 2015, with a pension effective date of May 18, 2015, Monson seconded. Motion carried on voice vote.

13. No Disability Applications or Hearings

14. Attorney's Report

A. Board Attorney Dobrovolny presented some legal and legislative updates:

- *Jones v. Municipal Employees' Annuity and Benefit Fund of Chicago, Cook County*  
Chicago pension reform thrown out, Supreme Court to Review
- *Village of Vernon Hills v. Heeland, 2015 IL*  
Supreme Court holds granting of Line of Duty disability establishes catastrophic injury for PSEBA purposes
- *Hendricks v. Bd. of Trustees of the Police Pension Fund of the City of Galeburg, 2015 IL*  
Appellate Court reverses Pension Board's felony divestiture finding

15. Items of Information

A. Everyone is compliant with Board Member Certification/ Hours of Education except Lisa

Monson. She is registered for training in November.

B. Next regular meeting will be at City Hall on Tuesday December 1, 2015 at 9:00 A.M.

16. Elliott moved to adjourn, Monson seconded. On voice vote, meeting adjourned at 10:27 A.M.

Date Approved: 12-1-15

  
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Bobby Lillard, Recording Secretary