

BOARD OF TRUSTEES

of the

Policemen's Pension Fund

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES

Tuesday, October 20th, 2015

1. The regular meeting was called to order by President Phil Wilson at 9:14 a.m.
2. Roll call was taken. Present were President P. Wilson, Secretary John Thompson, Trustees Janet Myers, Lisa Monson, Doug Miller, Attorney Dobrovolny and City Treasurer Stephanie Wilson.
3. Monson moved to approve the agenda as presented, seconded by Miller. On a voice vote, all ayes, no nays; motion carried.
4. After reviewing the Minutes for the July 14th, 2015 Regular Meeting and August 4th, 2015 Special Joint Meeting with Danville Fire Pension Fund, Monson moved for approval of the Minutes, seconded by Myers. On a voice vote, all ayes, no nays; motion carried.
5. No one in the audience for comments.
6. Report by Mayor Eisenhauer was delayed due to Mayor having a meeting prior to the Pension Board Meeting.

Mayors Report:

Mayor Eisenhauer explained the City is currently going through the property tax levy at this time. Mayor Eisenhauer advised the police pension fund is a little hard to talk about at this time due to not having all the numbers in yet. Mayor stated as of now the City is trying to project the Police Pension Fund costs using information from the Fire Pension. Mayor explained the City is using a projected increase rate of 13%-15% and hoping they are overestimating. The Mayor advised the City is trying to be conservative in their estimates keeping the expenditures estimated high and the revenue estimated low. The Mayor did state he had some concerns with the funding rate as to what the City could afford. The Mayor explained using the levy rate of 6.75% from 7.75% last year for the Fire Pension Fund actually dropped the funding ratio of the Fund.

Mayor Eisenhauer explained the City has adopted new policies in an attempt to make up the difference in funding. The City has created a policy that would allow up to \$400,000 to be transferred from the General Fund at the end of the physical year to help offset the costs. The City is setting aside this money to help make up the difference in unpaid property taxes. The

City has also created the Public Safety Pension Fee which is currently \$2.00 per every 5,000 square feet of roof space per building. The Mayor advised this fee generated \$297,000 in revenue last year. The Mayor explained he has requested to raise the rate to \$6.00 which would generate approximately \$815,000 for the next year. Mayor Eisenhower concluded by explaining some of his thoughts on some recent comments made by the Illinois Municipal league and advised the Board if there is ever a question to please contact his Office.

7. Treasurer's Report

- A. Treasurer's Report's for July 2015 and August 2015 were presented by Treasurer S.Wilson. Wilson noted the August treasurers report shows the fund has received the first Distribution of real estate taxes from 2014 totaling \$1,131,523.68. Myers moved to accept and place on file the Treasurer's Report, seconded by Monson. On a voice vote, all ayes, no nays, Motion carried.
- B. Approve IPPFA Membership for 2016
Motion made to approve IPPFA Membership for 2016 by Myers, seconded by Miller. On a roll call vote: Myers-yes, Monson-yes, Miller-yes, Thompson-yes, and Wilson-yes. Motion Carried.
- C. The Accounts Payable Report for July, August and September 2015, totaling \$25,836.35 was presented, stating the following payments:
Raymond James for 2nd Qtr. Fees-\$8,437.28
BankChampaign for 2nd Qtr. Fees - \$4,620.49
Eagle Asset for 2nd Qtr. Fees - \$4,701.38
Reimer, Dobrovolny & Karlson- \$2,484.50
Clifton Larson-\$2,800.00
Reimer, Dobrovolny & Karlson- \$434.50
Woodlake Medical (Rogers)-\$2,060.00
Public Safety Medical (Rhodes)-\$190.34
Delmar Rhodes (mileage reimbursement)-\$107.86
Monson moved to approve, seconded by Myers. On a roll call vote: Myers-yes, Monson-yes, Miller-yes, Thompson-yes and Wilson-yes. Motion Carried.
- D. The Monthly Pension Payroll Reports for July 2015 of \$245,153.88, August 2015 of \$249,603.27 and September 2015 of \$250,079.99 were presented. Treasurer S.Wilson advised changes were made to July's payroll due to Dennis Rogers disability pension being increased to its full amount of \$3,515.84. Rogers disability Pension started in June 2015, his annual salary at the time of his disability was \$64,907.88, his disability pension will be based on 65% of his salary for a total of \$42,190.12. Rogers monthly salary will be \$3,515.84 which started in July 2015.

Treasurer Wilson noted Commander John Miller retired on 08-03-15 and began his pension on 08-04-15. Miller completed 26 years, 7 months and 3 days. Miller had previously bought back his IMRF time giving him a total of 28 years 1 month and 17 days of creditable service. Miller's salary at the time of his retirement was \$84,447.64. Miller will receive a 70% pension of \$59,113.35 which calculates to a monthly pension of \$4,926.11. Miller was prorated for 28 days in August 2015 for a total of \$4,449.39.

Treasurer Wilson advised the monthly pension report for September was changed due to it reading August of 2015. S. Wilson advised she marked out August and hand wrote in September. The only other change to the report was that J. Miller moved to his full pension or \$4,926.11.

Myers moved to accept and place on file July, August and September Pension Payroll reports, seconded by Monson. On a roll call vote:

Monson-yes, Myers-yes, Miller-yes, Thompson-yes and Wilson-yes.

Motion Carried.

E. Approval of splitting the Treasurer's training costs with the City and Firemen's Pension Fund. Motion made by Myers, seconded by Miller. On a roll call vote:

Myers-yes, Monson-yes, Miller-yes, Thompson-yes, Wilson-yes. Motion Carried.

F. Approve closing Bank Account and Combining into Checking Account. Motion to close the 1st Financial savings account totaling \$1,000.38, the Iroquois Federal money market account totaling \$112.86 and transferring the funds to the 1st Financial checking account made by Monson, seconded by Miller. On a roll call vote:

Myer-yes, Monson-yes, Miller-yes, Thompson-yes, Wilson-yes. Motion Carried.

8. Pension Investment Cost Report

The Board has not received the Pension Plan Investment Cost Report at this time.

9. Quarterly Investment Report-Bank of Champaign

Quarterly Investment Report has not been received at this time.

10. Approve Annual Pension Increases and Disability Pension Increases.

Motion was made by Myers to approve the annual Pension increases, seconded by Monson. On a Roll Call Vote:

Myers-yes, Monson-yes, Miller-yes, Thompson-yes, Wilson-yes. Motion Carried.

11. Process of new applicants.

Officer T. Nipper and Officer T. Walsh were hired by the Police Department on June 24, 2015.

Both Officers are Tier 2 pensioners and will be submitting application to the pension fund. At

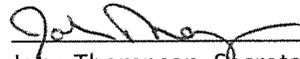
this time, Thompson has not received the applications. Thompson will contact both Officers and

obtain their application forms.

12. Process Retirements

Commander John Miller retired from the Police Department on 08-03-15 with his pension beginning on 08-04-15. Miller completed 26 years, 7 months and 3 days with the Danville Police Department. Miller had previously bought back his IMRF time giving him a total of 28 years and 1 day. Miller's salary at the time of retirement was \$84,447.64. Miller will receive 70% pension $\$84,447.64 \times 70\% = \$59,113.35$ which calculates to a monthly pension of \$4,926.11. Miller's pension was prorated for the month of August 2015 at \$4,449.39.

13. Process disability applicants
No disability applications.
14. Approval of Final Draft of Board Rules
Board members reviewed the final drafts of the Board Rules. Monson moved to approve Board Rules, seconded by Miller. On a voice vote: 5-Ayes,)-Nays: Motion Carried.
15. Attorney's Report:
Legislature is back in session, Attorney Dobrovolny discussed Governor's and Speaker Madigan's political agenda to include possible consolidation of funds in the future. Discussion into the DOI report recommending consolidation of smaller pension funds. Discussed case from Gurnee Hills, IL. involving PSEBA.
16. Items of Information:
 - A. Wilson and Monson will be attending Trustee Certification Training in Hoffman Estates in November.
 - B. Setting of meeting dates and times in 2016. Motion made by Myers to set the meeting dates on the second Tuesday quarterly at 3:00 p.m., seconded by Monson. On a voice vote: 5-ayes, 0-Nays, Motion Carried.
17. There being no further business to discuss, Miller moved to adjourn, seconded by Monson. Meeting adjourned at 10:58 a.m.



John Thompson, Secretary