

**URBANA FIREMEN'S PENSION BOARD OF TRUSTEES MEETING
FRIDAY, JULY 26, 2019**

The Firemen's Pension Board of Trustees of the City of Urbana, Illinois, met at 9:30am, Friday, July 26, 2019, in the second floor Executive Conference Room of the Urbana City Building.

MEMBERS PRESENT: Andrew Rickords, President - end of term 4/30/2021
Josh Ingold, Firefighter/Secretary – end of term 7/28/2020
Brian Hoff, Firefighter – end of term 7/28/2020 (arrived at 9:46am)
Elizabeth Hannan, Finance Director – end of term 6/30/2021

MEMBERS ABSENT: Richard Schnuer, City Appointment – end of term 6/30/21

OTHERS PRESENT: James Dobrovoly, Fund Attorney; Ronald Eldridge, Fund Assistant Treasurer; Carla Tucker, Fund Accountant; Kevan Melchiorre and Darren Wright, Busey Bank Wealth Management; Kay Meharry, Recording Secretary

OTHERS ABSENT:

1. Call to Order

President Andrew Rickords called the meeting to order at 9:30am.

2. Investment Business

Zach Hillard and Darren Wright of First Busey Trust & Investment Co. were present. They distributed the quarterly report and reviewed the pension fund's investment activity through the quarter ended June 30, 2019. The market value as of the end of the quarter was \$33,537,259, which was a gain of \$1,320,243 from the previous quarter.

3. Approval of Minutes from Previous Meeting

FF/Sec Ingold asked whether Richard Schnuer had been reappointed. Kay Meharry said she would look into it and let the board know. A motion to approve the minutes from the April 26, 2019 meeting was made by Elizabeth Hannan, seconded by FF Hoff, and carried by voice vote.

4. Approval of Financial Report and Pension Benefit Changes

Jeff Welch passed away June 22, 2019 and his widow received a partial pension payment in June.

*Mr. Eldridge reported that Rhonda Foster terminated on July 11, 2019. She was vested but requested her contributions back. She was paid \$67,128.89, less taxes on July 25, 2019.

He also reported Chief Lauss has formally requested 1% reciprocity. It will begin with the next immediate payroll and will go back to his start date, plus interest at 6%.

There was discussion concerning fire or police out on military leave or disciplinary leave. The time away from the job should not count toward retirement, unless contributions are made by the employee on leave. It was noted that any breaks in service for a firefighter should be included in the minutes of the July meeting each year, and this procedure should be added to the fund operating procedures.

Mr. Eldridge said the Department of Insurance (DOI) requires that certificates for recurring training for all pension board members be sent to them annually. August is the cutoff month for the required training and all certificates should be sent to FF/Sec Ingold. He will send them to Mr. Eldridge to include in the DOI report.

Mr. Eldridge went over the quarterly investment report through the period ended June 30, 2019. The fund received \$112,000 in dividends for the quarter and paid an insurance fee of \$8,000 to the Department of Insurance.

The annual report of the state of the pension fund for the fiscal year ended June 30, 2019 was presented by Mr. Eldridge. He noted the net worth of the fund increased 2.9% in 2019, with a 7.0% increase over the last 10 years and 4.4% increase in the last five years.

He reported that two employees resigned and were vested, but had not reached the age to draw benefits. Tony Foster will be eligible in October 2031 at age 60, with 15 years of service. Chad Kingren retired August 2019 with 15 years of service and will be eligible to draw benefits in May 2037.

Two employees resigned and were not vested, but have not requested their contributions back. Travis Crowe resigned at age 26 with two years of service and \$15,872 in contributions. Ryan Maczura resigned January 10, 2003 and with contributions of \$2,728.

Bobby Kingren resigned at age 39 with four years of service and his contributions of \$25,358.07 were refunded to him on September 27, 2018.

Ms. Hannan made a motion to accept the financial report, seconded by FF/Sec Ingold and carried by voice vote.

**This discussion did not take place in the order of the agenda, but at a time later in the meeting.*

5. **Public Input**

There was none.

6. **Unfinished Business**

a. **Operating procedures for pension fund**

Finance Director Elizabeth Hannan discussed the addition of the agenda item "Potential modification of investment policy" to the fund operating procedures. She said having it on the agenda for each meeting would allow the board to make decisions immediately, rather than having to wait three months to do so.

Ms. Hannan also addressed the travel and education expenses for trustees and suggested that instead of the board setting a per diem and approving it each year, it might be easier to state in the policy that the board will accept the federal per diem for meals and incidentals.

FF/Sec Ingold said he would send policy changes to Attorney Jim Dobrovolsky, who will have a word version of the document revised, using strikethrough on the revisions. The revised document will then be sent by email to board members to look over before the next meeting.

b. **Pension physicals update**

FF/Sec Ingold provided a certification form from another pension fund which Carle revised for use by the Urbana Firemen's Pension fund. This form would be an addition to the physical forms already in the packet.

A motion was made by FF/Sec Ingold to adopt the Urbana Firemen's Pension Fund physician's certification form. Motion seconded by Ms. Hannan and carried by voice vote.

c. **Investment RFP update**

Ms. Hannan said she would like to get the Request for Proposals (RFP) out the week of July 29, with a deadline at the end of August for any questions. One addendum will be

issued to answer any questions about the RFP from respondents. After the receipt of final RFPs Ms. Hannan, FF Brian Hoff and Police Pension Board Trustee Shaennon Clark will then go through and narrow down the number to be considered. She said there could be a joint meeting of the police and fire pension funds to interview the finalists the first week of December. Then in January, the funds could potentially approve an agreement and move forward.

7. **NEW BUSINESS**

a. **Potential modification of investment policy**

There was none.

b. **Retirement of Mark Clapp**

Mr. Eldridge reported that Mark Clapp retired July 15, 2019, after 26 years and seven months of service. His final salary was \$94,365.54 and his monthly pension payment will be \$5,226.14. His first raise will be 4.5% when he reaches age 55, in February 2021, and he will receive a 3% raise each January thereafter.

Motion was made by FF/Sec Ingold to approve the monthly pension payment of \$5226.14 to Mark Clapp. Motion seconded by FF Hoff and carried roll call vote as follows:

Rickords – aye; Hannan – aye; Hoff – aye; Ingold – aye

c. **Yearly Affidavits**

FF/Sec Ingold said he has received almost all affidavits.

d. **New hires**

FF/Sec Ingold reported that newly hired firefighters Austin Upton, start date June 17, 2019 and Calvin Kerns, start date June 10, 2019, are Tier 2. Both passed their physicals.

Motion to accept Austin Upton and Calvin Kerns into the pension fund was made by FF/Sec Ingold, seconded by FF Hoff and carried by voice vote.

8. **NEXT QUARTERLY MEETING**

After discussion about the possibility of a lack of quorum for the regular meeting date of October 25, the date for the next quarterly meeting of the Firemen's Pension Board of Trustees was rescheduled to Friday, November 1, 2019, at 9:30am.


9. **ADJOURNMENT**

Having no further business to discuss, President Rickords declared the meeting adjourned at 11:13am.

Submitted:

Kay Meharry
Recording Secretary

Date Approved: 11/1/19



Josh Ingold
Firefighter/ Fund Secretary