

MINUTES OF ROCKTON POLICE PENSION BOARD

Regular Meeting

Wednesday – 10/28/2015

CALL TO ORDER:

President Bruce Lans called the Police Pension Board regular meeting to order at 4:05 P.M.

ROLL CALL:

Present were: Bruce Lans, Jim Graber, Officer Wiest, and Sgt. Camacho. A quorum was present. Pension Board Attorney Evan Haim of Reimer Dobrovoly & Karlson, LLC, Dave Harrington of Sawyer Falduto Asset Management, and Todd Schroeder of Lauterbach & Amen were also present.

AMENDMENTS TO THE AGENDA:

There were no amendments to the agenda.

PUBLIC COMMENT TIME:

There were no public comments.

APPROVAL OF MINUTES:

A motion was made by Mr. Graber and seconded by Officer Wiest to approve the minutes from the meeting on July 22nd, 2015. Voice vote: unanimous ayes – motion carried.

A copy of minutes for the Rockton Police Pension Board regular meeting for July 22nd, 2015 has been added to the meeting minutes file.

ACTUARIAL REPORT:

Todd Schroeder of Lauterbach & Amen presented the actuarial valuation as of June 1, 2015. Todd presented a page summary regarding this year's report as it compares to last year. Todd advised that last year's contribution requirement for last year was \$223,068 and this year's recommendation is \$264,653. Todd later added that the statutory minimum contribution is \$168,516. Todd stated that the higher recommendation was partly due to changes in the amount of active employees and primarily due to attempting to shorten the amortization period and pay down the unfunded liability quicker. The Actuarial Valuation Summary and Actuarial Valuation as presented by Lauterbach & Amen, LLP have been added to the minutes file.

A motion was made by Mr. Graber, seconded by Mr. Lans to accept the actuarial report as of June 1st 2014 as presented by Latuerbach & Amen. Roll Call Vote: AYES: 4– Sgt. Dippel, Officer Wiest, Jim Graber, Bruce Lans NAYS: 0 ABSTAIN: 0

A motion was made by Mr. Graber, seconded by Officer Wiest that the municipal compliance report, as prepared by Lauterbach & Amen based upon their actuarial valuation, authorize signature of that document in its final form by the Pension board president and secretary, and submission of this report to the Village board by Reimer &

Karlson, LLC. Roll Call Vote: AYES: 4– Sgt. Dippel, Officer Wiest, Jim Graber, Bruce Lans NAYS: 0 ABSTAIN: 0

A motion was made by Mr. Lans, seconded by Mr. Graber that the Rockton Police Pension board makes a levy request of \$264,653.00 based off the recommendation of the actuarial report by Lauterbach & Amen, LLP. Roll Call Vote: AYES: 4– Sgt. Dippel, Officer Wiest, Jim Graber, Bruce Lans NAYS: 0 ABSTAIN: 0

Attorney LaBardi advised upon approval of the Actuarial report and signing of the municipal compliance report, his office would complete a written request and forward this information to the Village of Rockton Village Board.

MCR report and signed documents have been added to the minutes file.

INVESTMENT ADVISOR REPORT:

Dave Harrington of Sawyer Falduto Asset Management provided the Investment Performance Report for the 3rd quarter of 2015 in the following summation:

	Quarter 3	Year-to-Date
Cash Flow Summary		
Beginning Market Value	\$3,946,819	\$3,740,103
Ending Market Value	\$4,011,417	\$4,011,417
Investment Return	\$-51,235	\$-3,980

Performance	Actual	Benchmark	Actual	Benchmark
Equity	-7.21%	-7.91%	-4.50%	-5.68%
Fixed Income	1.92%	1.70%	2.26%	1.77%
Cash Equivalents	0.00%	0.01%	0.00%	0.02%
Total Account Return (net of fees)	-1.37%	-1.79%	-0.26%	-0.83%

Asset Allocation	Actual	Range
Equity	32.9%	25 – 35%
Fixed Income	64.7%	65 – 75%
Cash Equivalents	2.3%	0 – 10%

A motion was made by Officer Wiest, seconded by Jim Graber to accept the investment advisors report as presented by Sawyer Falduto Asset Management. Voice vote: unanimous ayes – motion carried.

The Quarterly Investment Performance Report (3rd Quarter 2015) from Sawyer Falduto has been added to the meeting minutes file.

TREASURER’S REPORT:

Mrs. Quimby reviewed the prepared balance sheets.

Balance Sheets: Reported assets as of 07/31/2015 were \$3,987,642.70
Reported assets as of 08/31/2015 were \$3,922,919.12
Reported current assets as of 09/31/2015 were \$4,001,614.54

A motion was made by Officer Wiest, seconded by Sgt. Camacho to accept the Treasurer's report as presented by Mrs. Quimby. Voice vote: unanimous ayes – motion carried.

The balance sheets have been added to the meeting minutes file (07/31/2015,08/31/15,09/31/2015).

APPROVE BILLS FOR PAYMENT:

Mr. Lans reviewed the following totals for bills for payment:

- a) Attorney Reimer Dobrovlny & Karlson LLC – Quarterly (09/11/2015) \$750.00
- b) IPPFA Membership Dues (\$795.00)
- c) Bruce Lans – IPPFA Conference Expenses –10/06/15-10/08/15 (\$159.84)
- d) Jim Graber – IPPFA Conference Expenses –10/07/15-10/08/15 (\$102.68)
- e) Dean Camacho – IPPFA Conference Expenses –10/06/15-10/09/15 (\$121.00)
- f) Robert Wiest – IPPFA Conference Expenses –10/06/15-10/09/15 (\$169.83)
- g) Mesirow Financial- Liability Insurance- 10/16/15 (\$2,096.00)

A motion was made by Mr. Graber, seconded by Sgt. Camacho to pay the bills as noted in the total amount of \$4,194.35. Upon roll call, the vote was: AYES: 4–Officer Wiest, Mr. Graber, Mr. Lans, Sgt. Camacho NAYS: 0 ABSTAIN: 0

The invoices have been added to the minutes file.

Bill Ratification

- a) Dean Camacho – IPPFA Conference Expenses (Hotel Room Highwood Police Pension Fun) (\$563.13)

A motion was made by Mr. Lans, seconded by Officer Wiest to ratify the payment previously made for the IPPFA Conference Expenses paid for a hotel room . Upon roll call, the vote was: AYES: 4– Sgt. Dippel, Officer Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

The bill to be paid to Lauterbach & Amen for preparation of the actuarial report (\$3,700.00) was tabled to be paid during the next police pension meeting.

REQUEST FOR BENEFITS:

N/A

OLD BUSINESS:

- a) Trustee Training Certificates
Dean Camacho advised he completed the required FOIA and OMA training requirements.

Certificates of Completion have been added to the meeting minutes file.

b) Pension Board Records

Dean Camacho informed the board he started a digital records storage file on the Police Department Public Storage Drive. Members of the board and Mrs. Quimby were given username and passwords to log into this drive on the Village Hall computers.

NEW BUSINESS:

a) Approval of Actuary's Report:

After reviewing and listening to the presentation of the actuary report by Todd Schroeder of Lauterbach & Amen a motion was made by Jim Graber, seconded by Dean Camacho to approve the actuary's report as date October 28th, 2015 presented by Lauterbach & Amen. Upon roll call, the vote was: AYES: 4—Officer Wiest, Mr. Graber, Mr. Lans, Sgt. Camacho NAYS: 0 ABSTAIN: 0

A copy of the report has been added to the meeting minutes file.

b) Adoption of Municipal Compliance Report and Forwarded to Village Board:

Todd Schroeder of Lauterbach & Amen explained the Municipal Compliance Report (MCR) and steps that needed to be taken to have the report signed and forwarded to the Village Board. a motion was made by Bruce Lans, seconded by Jim Graber to approve, adopt, and authorize the execution of the MCR as drafted by Lauterbach & Amen. Upon roll call, the vote was: AYES: 4—Officer Wiest, Mr. Graber, Mr. Lans, Sgt. Camacho NAYS: 0 ABSTAIN: 0

The MCR was signed and a copy was provided to Mr. Haim to be forwarded to the Village President. The original MCR has been added to the meeting minutes file.

c) Review and approval of Annual Statement to DOI 05-31-15:

The board approved the annual DOI report ending in 05/31/2015 and its submission to the DOI by Mrs. Quimby. A motion was made by Sgt. Camacho, seconded by Jim Graber for the approval and submission. Upon roll call, the vote was: AYES: 4— Sgt. Dippel, Officer Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

d) Insurance Renewal:

The board briefly spoke about the cost and coverage of the insurance as it related to the previous years coverage. A motion was made by Jim Graber, seconded by Bruce Lans to renew the fiduciary liability insurance. Upon roll call, the vote was: AYES: 4— Sgt. Dippel, Officer Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

e) Review and/or modification of Board's Investment Policy:

The board members agreed no change or modification to the investment policy was needed at this time.

f) Adoption of Tax Levy Request:

After prior discussion during the presentation of the actuary report the a motion was made by Bruce Lans to make a tax levy request to the Village of Rockton Board of Trustees in the amount of \$264,653.00. The motion was seconded by Officer Wiest. Upon roll call, the vote was: AYES: 4–Officer Wiest, Mr. Graber, Mr. Lans, Sgt. Camacho NAYS: 0 ABSTAIN: 0

g) Police Pension Fund Checking Account:

The board spoke about opening of a checking account, as required by new pension laws. It was determined that a local bank would be best suited.

A motion was made to authorize Mrs. Quimby to open a checking account on behalf of the Rockton Police Pension fund at the First National Bank (Rockton Branch) and transfer of funds necessary for opening such account . The motion was seconded by Sgt. Camacho. Upon roll call, the vote was: AYES: 4–Officer Wiest, Mr. Graber, Mr. Lans, Sgt. Camacho NAYS: 0 ABSTAIN: 0

h) Board's Administrative Rules and Regulations:

The board members agreed no change or modification to the rules and regulations were needed at this time.

i) Schedule Quarterly Meeting for 2016:

The board members scheduled the following dates for Rockton Police Pension Fund in the year of 2016:

-01/27/2016

-04/27/2016

-07/27/2016

-10/26/2016

A motion was made by Jim Graber to adopt the meeting dates for 2016 and seconded by Bruce Lans. Upon roll call, the vote was: AYES: 4– Sgt. Dippel, Officer Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

j) VEBA/HAS Review:

The board spoke about these programs and found that neither were applicable to the Rockton Police Pension Fund.

k) Reimer & Karlson Legal Update

Mr. Haim reviewed the 10/2015 newsletter from his firm with board members.

The Legal and Legislative Update has been added to the meeting minutes file.

EXECUTIVE SESSION:

An executive session was not needed.

NEXT QUARTERLY MEETING:

The next regular Police Pension Board meeting will be held on Wednesday, January 27th 2016 at 4:00 pm, in the village board room of village hall.

ADJOURNMENT:

There being no further business, it was moved by Mr. Graber and seconded by Sgt. Camacho to adjourn. Voice vote: unanimous ayes – motion carried. The meeting adjourned at 5:45 pm.

Respectfully submitted,

Officer Robert Wiest
Secretary

Approved: 01/27/2016 () yes () No