

**MINUTES OF A REGULAR MEETING OF
THE RANTOUL POLICE PENSION FUND BOARD OF TRUSTEES
OCTOBER 22, 2019**

A regular meeting of the Rantoul Police Pension Fund Board of Trustees was held on Tuesday, October 22, 2019 at 2:00 p.m. at the Village Hall located at 333 S. Tanner, Rantoul, Illinois 61866, pursuant to notice.

CALL TO ORDER: Trustee Bross called the meeting to order at 2:01 p.m.

ROLL CALL:

PRESENT: Trustees Marcus Beach (*arrived at 2:04 p.m.*), Matthew Bross, Gwen McMorris, Michael Tittle and Mike Daugherty

ABSENT: None

ALSO PRESENT: Attorney James Dobrovolny, Reimer & Dobrovolny PC (*arrived at 2:19 p.m.*); Stephen McLeod, Wall Capital Group; Treasurer Pat Chamberlin, Village of Rantoul; Ashley Wraight, Maria Molek, Allison Barrett and Stephanie Bay; Lauterbach & Amen, LLP (L&A); Pensioner Henry Gamel, Rantoul Police Department

PUBLIC COMMENT: There was no public comment.

Pensioner Henry Gamel informed the Board that he received his correspondence from L&A regarding the overpayment of his pension benefit. Mr. Gamel has reviewed the options and sated that he will make a decision on how he will issue repayment.

APPROVAL OF MEETING MINUTES: *July 30, 2019 Regular Meeting:* The Board reviewed the July 30, 2019 regular meeting minutes. A motion was made by Trustee Tittle and seconded by Trustee Daugherty to approve the July 30, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the four-month period ending August 31, 2019 prepared by L&A. As of August 31, 2019, the net position held in trust for pension benefits is \$31,318,567.28 for a change in position of \$45,732.22. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Bross and seconded by Trustee McMorris to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty

NAYS: None

ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period June 1, 2019 through August 31, 2019 for total disbursements of \$91,001.59.

Additional Bills, if any: The Board reviewed the following bills for approval:

- INSPE Associates invoice #62933 in the amount of \$2,040 for independent medical examinations
- INSPE Associates invoice #62924 in the amount of \$923.64 for independent medical examinations
- INSPE Associates invoice #62802 in the amount of \$1,950 for independent medical examinations

- IPPFA invoice #2557 in the amount of \$795 for 2020 membership dues
- L&A invoice #37142 in the amount of \$1,675 for professional services rendered for the month of May 2019
- L&A invoice #37833 in the amount of \$1,675 for professional services rendered for the month of June 2019
- L&A invoice #38654 in the amount of \$1,675 for professional services rendered for the month of July 2019
- Wall Capital Group invoice in the amount of \$4,974.83 for third quarter investment services

A motion was made by Trustee Bross and seconded by Trustee McMorris to approve the disbursements shown on the Vendor Check Report in the amount of \$91,001.59 and the additional bills as presented. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

INVESTMENT REPORT – WALL CAPITAL GROUP: *Performance Summary:* Mr. McLeod presented the Performance Summary for the period ending September 30, 2019. As of September 30, 2019, the ending market value net of fees is \$31,275,837 for a time weighted net return of 1.66%. The current asset allocation is as follows: 1.46% Cash and Equivalents; 33.67% US Fixed Income; 53.48% US Equity; 4.79% International Equity and 6.59% Real Estate Equity. Mr. McLeod reviewed the Fixed Annuities, Government Fixed Income, Domestic Equity, International and Real Estate portfolios with the Board. A motion was made by Trustee Bross and seconded by Trustee Tittle accept the Performance Summary as presented. Motion carried unanimously by voice vote.

Attorney Dobrovolny arrived at 2:19 p.m.

The Board noted that the management fee for the SKBA Value Plus Fund is \$11,137 and the Fixed Income Fund total is \$3,595.

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are needed at this time.

COMMUNICATIONS AND REPORTS: There were no communications or reports to discuss.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Memberships – Peter Nicolini and Nicholas Pampinella:* The Board reviewed the Applications for Membership submitted by Peter Nicolini and Nicholas Pampinella. A motion was made by Trustee Tittle and seconded by Trustee Bross to accept Peter Nicolini effective September 30, 2019 and Nicholas Pampinella effective August 31, 2019 into the Rantoul Police Pension Fund Pension Fund as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Application for Retirement – Sean Arie:* The Board noted that Sean Arie submitted his retirement application to L&A for calculation. A motion was made by Trustee Bross and seconded by Trustee Daugherty to approve Sean Arie’s retirement upon receipt of the calculation. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

Discussion/Possible Action – Benefit Discrepancies: The Board reviewed the updated benefit discrepancy calculation provided by L&A. A motion was made by Trustee Bross and seconded by Trustee McMorris to approve payment to underpaid pensioner Dwight Crane in the amount of \$875.69. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

The Board noted that all remaining beneficiary calculations reviewed by L&A are deemed acceptable and payments will continue as originally calculated. A motion was made by Trustee Tittle and seconded by Trustee Daugherty to continue benefit payments as discussed. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

The Board also discussed the overpaid pensioners that have not responded to the correspondence from L&A and determined they will allow more time for response. Further discussion will be held at the next regular meeting.

Pensioner Henry Gamel informed the Board that he will remit repayment in full by February 2020.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$330,999 which is a \$53,147 increase from the prior year contribution. The statutory minimum contribution requirement is \$111,866. A motion was made by Trustee Bross and seconded by Trustee McMorris to accept the Actuarial Valuation as prepared. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

The Board discussed requesting a tax levy in the amount of \$330,999. A motion was made by Trustee Tittle and seconded by Trustee Bross to request a tax levy in the amount of \$330,999 from the Village of Rantoul Board of Trustees, based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board will determine a date to conduct a special meeting to adopt the MCR.

IDOI Annual Statement: The Board was reminded that the IDOI Annual Statement will be filed with the Illinois Department of Insurance prior to the October 31, 2019 deadline. No further action is necessary.

Establish 2020 Board Meeting Dates: The Board discussed establishing the 2020 Board meeting dates as January 28, 2020; April 28, 2020; July 28, 2020; and October 27, 2020 at 2:00 p.m. in the Village Hall located at 333 S. Tanner, Rantoul, Illinois 61866. A motion was made by Trustee McMorris and seconded by Trustee Bross to establish the 2020 Board meeting dates as stated. Motion carried unanimously by voice vote.

TRUSTEE TRAINING UPDATES: *Approval of Trustee Training Registration Fees and Reimbursable Expenses:* The Board discussed reimbursement to the Rantoul Police Pension Fund credit card. A motion was made by Trustee Bross and seconded by Trustee Daugherty to approve the Trustee training reimbursements in the amount of \$1,361.77 to the Rantoul Police Pension Fund credit card. Motion carried by roll call vote

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any training certificates to L&A for recordkeeping. A motion was made by Trustee Bross and seconded by Trustee Tittle to accept and file Trustee McMorris's training certificates. Motion carried unanimously by voice vote.

INVESTMENT REPORT – WALL CAPITAL GROUP (CONTINUED): The Board discussed transferring \$300,000 from the Garcia Hamilton Fixed Income account to the BMO Harris account. A motion was made by Trustee Tittle and seconded by Trustee Daugherty to transfer \$300,000 from the Garcia Hamilton Fixed Income account and to reallocate the proceeds to the BMO Harris Bank account for the purpose or remitting benefit payments through January 2020. Motion carried by roll call vote.

AYES: Trustees Beach, Bross, McMorris, Tittle and Daugherty
NAYS: None
ABSENT: None

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney Dobrovolny discussed recent court cases and decisions, as well as general pension matters with the Board.

Independent Medical Examination – John Hart: The Board noted that John Hart turns 50 in December of 2020 and will not need to attend an Independent Medical Examination. No further action is needed.

Review/Approve – Updated Rules and Regulations: This item was tabled. Updates will be provided as they become available.

The Board noted that a hearing regarding Gregory Willard's non duty disability application will be scheduled on a date yet to be determined.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Tittle and seconded by Trustee McMorris to adjourn the meeting at 3:44 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for January 28, 2020 at 2:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Ashley Wraight, Pension Services Administrator, Lauterbach & Amen, LLP