

MINUTES OF ROCKTON POLICE PENSION BOARD

Regular Meeting

Wednesday – October 26th, 2016

CALL TO ORDER:

President Bruce Lans called the Police Pension Board regular meeting to order at 4:15 P.M.

ROLL CALL:

Present were: Bruce Lans, Jim Graber, Rob Wiest, and Dean Camacho. A quorum was present. Village Treasurer Jaye Quimby, Pension Board Attorney Evan Haim (Reimer & 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 Dean Camacho and seconded by Rob Wiest to approve the minutes from the meeting on July 27th, 2016. Voice vote: unanimous ayes – motion carried.

A copy of minutes for the Rockton Police Pension Board regular meeting for July 27th, 2016 has been added to the meeting minutes file.

INVESTMENT ADVISOR REPORT:

Dave Harrington of Sawyer Falduto Asset Management provided the Investment Performance Report for the 3rd quarter of 2016 in the following summation:

	Quarter 3	Year-to-Date		
Cash Flow Summary				
Beginning Market Value	\$4,426,382	\$4,108,531		
Ending Market Value	\$4,540,231	\$4,540,231		
Investment Return	\$81,520	\$235,184		
Performance	Actual	Benchmark	Actual	Benchmark
Equity	4.92%	5.15%	6.54%	8.02%
Fixed Income	0.26%	-0.26%	5.12%	4.95%

Cash Equivalents	0.00%	0.10%	0.00%	0.25%
Total Account Return (net of fees)	1.76%	1.64%	5.38%	5.93%
Asset Allocation	Actual	Range		
Equity	34.7%	25 – 35%		
Fixed Income	65.1%	65 – 75%		
Cash Equivalents	0.2%	0 – 10%		

A motion was made by Mr. Wiest, seconded by Mr. Graber to accept the investment advisors report as presented. Voice vote: unanimous ayes – motion carried.

The Quarterly Investment Performance Report from Sawyer Falduto has been added to the meeting minutes file.

ACTUARIAL REPORT:

Todd Schroeder of Lauterbach & Amen present the actuarial valuation as of June 1, 2016. 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 \$264,653 and this year's recommendation is \$317,885. Todd later added that the statutory minimum contribution is \$219,913. Todd stated that the higher recommendation was an attempt to become fully funded in 14 years, assumption changes, demographic changes, larger salary increases with the employees, and asset performance. 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. Lans, seconded by Mr. Wiest to accept the actuarial report as of June 1st 2016 as presented by Latuerbach & Amen. Roll Call Vote: AYES: 4– Bruce Lans, Rob Wiest, Jim Graber, Dean Camacho 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– Dean Camacho, Rob 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 \$317,885 based off the recommendation of the actuarial report by Lauterbach & Amen, LLP. Roll Call Vote: AYES: 4– Dean Camacho, Rob Wiest, Jim Graber, Bruce Lans NAYS: 0 ABSTAIN: 0

A motion was made by Mr. Graber, seconded by Mr. Wiest that the Rockton Police Pension board request the actuary complete a draft actuarial report based off the

projected investment return rate at 6%. Roll Call Vote: AYES: 4– Dean Camacho, Rob Wiest, Jim Graber, Bruce Lans NAYS: 0 ABSTAIN: 0

Attorney Haim 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.

TREASURER'S REPORT:

Mrs. Quimby reviewed the prepared balance sheet

Balance Sheets: Reported current assets as of 08/31/2016 were \$4,512,508.58
Reported current assets as of 09/30/2016 were \$4,622,835.78

A motion was made by Mr. Lans, seconded by Mr. Camacho to approve the Treasurer's report. Voice vote: unanimous ayes – motion carried.

The forms have been added to the meeting minutes file.

APPROVE BILLS FOR PAYMENT:

Mr. Lans reviewed the bills for payment:

Attorney Quarterly Retainer – 09/24/16 (\$750.00)
IPPFA Membership Dues (\$795.00)
Bruce Lans – IPPFA Conference Expenses –(\$159.84)
Jim Graber – IPPFA Conference Expenses –(\$102.12)
Dean Camacho – IPPFA Conference Expenses –(\$505.84)
Robert Wiest – IPPFA Conference Expenses –(\$166.50)
Mesirow Financial- Liability Insurance- 10/24/16 (\$1,881.05)

A motion was made by Mr. Lans, seconded by Officer Wiest to pay the bill as noted. Upon roll call, the vote was: AYES: 4– Dean Camacho, Rob Wiest, Mr. Lans, Mr. Graber NAYS: 0

REQUEST FOR BENEFITS:

Mrs. Quimby advised she had all of the proper documentation to have Officer Ryan Jordan's pension contributions refunded and rolled into an IRA.

A motion was made by Mr. Lans, seconded by Officer Wiest to have Mrs. Quimby transfer the \$19,764.81 as requested. Upon roll call, the vote was: AYES: 4– Dean Camacho, Rob Wiest, Mr. Lans, Mr. Graber NAYS: 0

OLD BUSINESS:

N/A

NEW BUSINESS:

Reimer & Karlson Legal Update

Mr. Haim reviewed the 10/201634 newsletter from his firm with board members.

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

Review and Approval of Annual Statement to DOI 05/31/2016

Mrs. Quimby provided the DOI report. Mr. Lans pointed out several corrections. A motion was made by Mr. Wiest to accept the from after corrections, seconded by Mr. Graber. AYES: 4— Dean Camaco, Rob Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

Insurance Renewal –Ullico Casualty Group

After a review of the policy, a motion was made by Mr. Graber, seconded by Mr. Camacho to accept the fiduciary liability insurance policy and pay the bill in the amount of \$1881.05. Upon roll call, the vote was: AYES: 4— Dean Camacho, Rob Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

Review and/or Modify Boards Investment Policy

The board spoke about authorizing the investment advisor to change the equity allocation from 35% to 40% as they see appropriate. A motion was made by Mr. Wiest and seconded by Mr. Graber to modify the boards investment policy to change the asset allocation target from 35% to 40% with a range from 35% to 45%. Upon roll call, the vote was: AYES: 4— Dean Camacho, Rob Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

Adoption of Municipal Compliance Report

The board agreed to adopt the municipal compliance report as provided by Todd Schroeder . A motion was made by Mr. Lans to approve the MCR as presented and to be forwarded to Mr. Haim after receiving signatures from the President and Secretary, seconded by Mr. Wiest.

Police Pension Enrollment

Mr. Wiest made a motion to accept Michael Johnson into the Rockton Police Pension fund with a date of 09/24/2016 as a tier II employee. The motion was seconded by Mr. Camacho. Upon roll call, the vote was: AYES: 4— Dean Camacho, Rob Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

Mr. Wiest made a motion to accept Nicole Papworth into the Rockton Police Pension fund with a date of 09/24/2016 as a tier II employee. The motion was seconded by Mr. Camacho. Upon roll call, the vote was: AYES: 4— Dean Camacho, Rob Wiest, Mr. Graber, Mr. Lans, NAYS: 0 ABSTAIN: 0

The Police Pension fund enrollment forms have been added to the personnel files for the police pension fund.

Schedule Quarterly Meetings for 2017

A motion was made by Mr. Lans, seconded Mr. Graber to approve the following meeting dates for 2017: 01/25, 04/26, 07/26, 10/25. Voice vote: unanimous ayes

– motion carried.

EXECUTIVE SESSION:

An executive session was not needed.

NEXT QUARTERLY MEETING:

The next regular Police Pension Board meeting will be held on Wednesday, January 25th, 2017 at 4:00 pm, in the village board room of village hall.

ADJOURNMENT:

There being no further business, it was moved by Mr. Lans and seconded by Mr. Graber to adjourn. Voice vote: unanimous ayes – motion carried. The meeting adjourned at 5:35 pm.

Respectfully submitted,

Officer Robert Wiest
Secretary

Approved: 01/25/2017 () yes () No