

Bradley Police Pension Fund Board

147 South Michigan Avenue
Bradley, Illinois 60915
815/933-3315

Bradley Police Pension Fund Meeting November 3rd, 2016 @ 13:00 Bradley Village Hall

Meeting was called to Order by President Trudeau at 13:05 hours with a Roll Call. President Trudeau, Vice President Hackley & Trustee Gruber were present along with Tom Sawyer & John Falduto from Sawyer & Falduto and Village Treasurer Mark Pries.
Absent: Secretary Dersien & Asst Secretary Martino

All Trustees present stated they had been able to review the Minutes from the two previous meetings of the July 27th Regular Meeting and the September 8th Special Meeting. Hackley made the Motion to Accept the Minutes as Printed, Seconded by Trudeau. All were in favor, Motion Passed.

No Public Comment Made

Board Comments & Conference Training Updates were solicited and Hackley suggested closer monitoring of the State Pension movements since Concerns over the State Consolidating the Article 3 Pension Plans has become a major issue and likely to move forward.

The GASB Report from Tepfer was discussed with the concern of Pension Liability percentages decreasing from 62% in 2015 to 57% in 2016. Treasurer Pries addressed this concern as a calculation timing issue between the Village, State of Illinois Audits and Tepfer. In brief, when Tepfer calculates the Pension Liability its based off current numbers and doesn't account the lag between the tax levees and actual funding. Pries added that Tepfer has acknowledged this discrepancy verbally but not in writing.

We discussed changing Actual vendors that would clarify the numbers. Tepfer currently calculates the actuarial report for \$1500 / year while Lauterbach & Amen could complete the same reports for \$4750 / year. It was decided to discuss this further at the January Meeting.

Pension Bills and Accounts Payable

-IPPPFA Fee - \$795.00; -VISA Bill - \$288.42; -Lauterbach & Amen - \$350.00 - Kline Portability; -Reimer, Dobrovlny & Karlson, LLC - \$993.75 - FOIA Fees (along with discussion of the FOIA) were presented to the Board. Trudeau made to Motion to pay the bills presented, Motion seconded by Gruber. Roll Call Vote: Trudeau - Yes, Gruber - Yes, Hackley - Yes; Motion passed.

Pension Members

- President Trudeau advised that we've received David Kline's Pension Portability and his Adjusted "Date of Hire" for Pension Purposes, not employment purposes. Those dates are - Actual: 11/23/2015 adjusted to 09/05/2009.

- President Trudeau also advised that there needed to be an Adjustment to Steve Coy's Pension Benefit due to an arbitration award of 2% that was granted prior to his retirement.

Treasurer Pries addressed the board that Steve Coy's pension had been overpaid by an early increase back in May by \$229.95 which wasn't due until January. When subtracted from the amount owed in Pension back pay due to the 2%, Steve Coy is owed \$1460.94. His new Monthly Pension benefit will be \$8,050.13 to begin this November 2016. President Trudeau also advised that Steve Coy had inquired about his Holidays on his pension award again. Treasurer Pries stated that he had not heard back from the IL DOI on the matter. Trudeau advised that the Board would only reconsider the matter if presented with new documentation.

Motion was made by Trudeau to issue Steve Coy the backpay amount of \$1460.94 as advised, Motion seconded by Hackley. Roll Call Vote: Trudeau - Yes, Hackley - Yes, Gruber - Yes. Motion Passed.

Motion was made by Hackley to approve the 2% increase based on the arbitration order and would reflect in the November amount as presented. Motion seconded by Trudeau. Roll Call Vote: Hackley - Yes, Trudeau - Yes, Gruber - Yes. Motion passed.

- Passing of Steve Hamann and Pension Status was addressed by President Trudeau. Hamann was remarried after his retirement and his previous spouse waived any claim on his Pension. Having no other dependents, Steve Hamann's Pension ceased with October's benefit.

- Applications to Join Pension Fund made by Kenneth Gresham and Elizabeth Ortiz. President Trudeau advised that both Applicants have submitted required vital documents for their pension files and needed to be approved. Motion was made by Hackley to accept Ken Gresham's Pension Application to the Fund, Motion seconded by Trudeau. All were in Favor, Motion Passed. Motion was then made by Trudeau to accept Liz Ortiz's Pension Application to the Fund, Motion seconded by Gruber. All were in Favor, Motion Passed

- President Trudeau presented the Board with the Application to Withdrawal Pension Contributions made by William Boettger whose contributions made between 10/22/2012 to 06/24/2014 totaled \$7,241.84. Trudeau made the Motion to accept the Application and refund Boettger's contributions. Motion seconded by Hackley. Roll Call Vote; Trudeau - Yes, Hackley - Yes, Gruber - Yes. Motion Passed.

Sawyer & Falduto Reports

- Tom Sawyer & John Falduto presented the Bradley Police Pension Fund Investment Performance Report as of September 30, 2016. (Report Attached).

- The Portfolio allocation has been set as; Cash 0%-5%; Fixed Income (45%) 40%-50%, Equities (55%) 50%-60%. Total Assets of the Pension fund as of 09/30/2016 were listed as \$14,776,043, with \$13,706,697 being with the Schwab accounts. The report listed all holdings, Buying & Selling and that the process of "house cleaning" was still in process through Bond reviews, selling off lower rated Bonds within the portfolio. Trustee Gruber inquired about Emerging Markets which total a mere 0.9% or \$121,648.70.

- Motion made by Hackley to accept the Investment Manages Report as presented, Seconded by Gruber. Roll Call Vote: Hackley - Yes, Gruber - Yes, Trudeau - Yes. Motion Passed.

- Motion made by Hackley to Accept & Approve the Investment Policy as Presented, Motion Seconded by Gruber. Roll Call Vote: Hackley - Yes, Gruber - Yes, Trudeau - Yes. Motion Passed.

Board Members Present, along with Treasurer Pries signed off on the Investment Policy for Sawyer & Falduto.

New Business

- V.P. Hackley inquired about obtaining a second credit card for use by the Pension Board. Trudeau address concerns of having more cards but acknowledged that having a Board Card would be preferred rather than the Pension Visa Card in Trudeau's name. Treasurer Pries stated that the Pension Board could obtain a "Police Pension Board" American Express card not issued to an individual as is the Visa card. It was agreed to discuss this further at the January Meeting with the entire board or trustees.

Motion was made by Hackley to adjourn the Meeting at 14:15 hours, Motion was seconded by Trudeau. All were in Favor, Motion Passed.

Adjournment