



Urbana Police Pension Fund

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URBANA POLICE PENSION FUND MINUTES

Friday, July 29, 2011

**** Next Board Meeting: Friday, October 21, 2011, @ 10:00 AM ****
**** City Building - Police Conference Room ****

Present: Steve Royal, President (Term expired 5/8/12)
Dave Smysor, Secretary (Term expires 5/14/13)
Doug Pipkins, Assistant Secretary (Term expires 5/8/12)
Ron Eldridge, Treasurer (Term Expires 5/1/13-Mayoral Appointee)

Others

Present: Patrick Donnelly, Smith Barney
Jim Dobrovolny, Attorney for the Board

The meeting was called to order at 1:10 PM.

Minutes Amended from 042911 Meeting: Motion by R. Eldridge to amend the 042911 minutes to the following: Motion for investment allocation of \$500,000 to:

\$250,000 to Pimco Fund (Commodity Fund)
\$250,000 to Permanent Portfolio Fund

Motion to amend seconded by S. Royal; motion carried.

New Officers:

Richard L. Coleman	DOE 070711	DOB 062376
Byron R. Ebbert	DOE 070711	DOB 051084

D. Smysor reviewed the medical clearance from Carle; both applicants were given full clearance, nothing questionable was noted. R. Eldridge stated he thinks the Fire Department does a better physical than the Police Fund. D. Smysor stated he's not aware we do a different test; we do the City's physical.

Motion by S. Royal to accept the officers into the Fund. Motion seconded by D. Smysor; motion approved unanimously.

R. Coleman is formerly from CCSO (IMRF) and Winnebago County (Article 3 Fund). R. Eldridge will follow-up w/ J. Dobrovolny and get the information to R. Coleman, regarding his pension.

B. Ebbert is new to law enforcement; he will fall under the new pension law, which changed January 2011.

Pension File Cabinet: D. Smysor stated the pension file cabinet is in the basement with no lock. Since the area will be accessible by the janitorial staff, D. Smysor had Tri Color install locks in the cabinet, while they were working in the building. Pension file keys were made. He's unsure if the PD will pay the cost or if the Fund will be billed separately for the lock installation, but the cost will be minimal and now the cabinet is secure.

Donald Weber: The Board was saddened by the passing of D. Weber (072011). His widow, Barbara will continue to receive his pension. D. Smysor has met with her and the necessary documents have been completed; she will forward his death certificate for the file.

D. Smysor asked B. Weber if it was okay to notify the pensioners to advise them of his passing; she said that was fine, so he e mailed some pensioners, but didn't have time to call all of them.

Pensioner Contact Information: With the passing of D. Weber, some retired pensioners felt they would like to be more informed about the happenings with the retirees.

The Chief approached D. Smysor, requesting a list of the pensioners and their addresses so the PD can get out letters/information. D. Smysor initially agreed, but has had second thoughts and wondered if the Board thought it would be appropriate to share this information.

S. Royal stated he sent an attachment to pensioners with their checks, asking them to fill out the form and return it to the fund. Participation was good. He said the pensioners always enjoy communicating with each other; he doesn't have a problem sharing the information, as the Fund is the keeper of the records. J. Dobrovolny stated they are two separate entities and privacy concerns.

D. Smysor will contact the pensioners to see if phone and e-mail sharing with the PD Administration would be ok. He will work on communicating w/ them to pass information along, should they want to share their information voluntarily. He'll keep the Board apprised, as he gets a list for contacting people, as mail is not the most efficient means to contact.

Election of Active Pensioners: D. Smysor was the only one interested in running for the Pension Board. J. Dobrovolny stated ballots were sent out; there were some write-in candidates but they did not want to be a Board member. Discussion on only one person interested in the Board slot and how it should be handled. Motion by S. Royal, in the event only one person is interested in serving on the Board, active duty or retiree, then that person shall be seated. No voting will be conducted; the Board will declare the trustee by acclamation. Motion passed unanimously.

Motion by S. Royal, to declare D. Smysor as the active member for the Pension Fund Board; motion passed unanimously. His term expires the 2nd Tuesday of May, 2013.

The next election will be for S. Royal and D. Pipkins terms (May 2012).

Municipal League: J. Dobrovolny stated the Center of Government Forecast & Accounting study pension funds for the House & Senate. He stated there's a strong push by the League for consolidation directed towards the funding levels: one State-run Fund or an IMRF run-Fund. There are Funds that have not been funded properly, which is a problem. J. Dobrovolny will keep the Board advised.

Police Pension Summary Analysis: R. Eldridge distributed fiscal year-end information on the Fund's performance, revenues, and expenses. He will present a full report by the next meeting. He stated the Fund has had 2 good years of performance.

Investment Policy Statement: J. Dobrovolny handed out the draft to new Board members and reviewed the draft of the policy statement. Discussion about adding commodities to t 7(c); J. Dobrovolny suggested allowing strategic allocation. R. Eldridge would like to sit down and go through it carefully and does not want to limit the Fund. P. Donnelly will e-mail him a copy of the policy statement. J. Dobrovolny stated the Board should defer action on the Policy.

Motion by S. Royal that the Board has reviewed P. Donnelly's Investment Policy draft and changes will be forthcoming. D. Smysor seconded; motion carried.

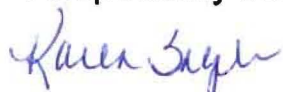
Presentation by P. Donnelly: Discussion focused on backgrounds of 2 managers reviewed and recommended by P. Donnelly. He gave a background on the companies, to include their investment philosophy style, returns, fund managers, fees, etc. Lengthy discussion ensued.

Motion by R. Eldridge to open the McDonell Fund. P. Donnelly is directed to start to process the transfer of \$6 million from Madison to McDonell. Madison will pick certain bonds to transfer to McDonnell and at McDonnell's discretion, they will convert them to bonds and securities they want. Motion seconded by S. Royal.

(Voice vote: D. Smysor (yes), R. Eldridge (yes), D. Pipkins (yes). Motion carried.

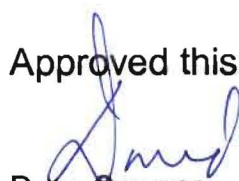
There being no further business before the Board, the meeting adjourned was adjourned by S. Royal at 12:00; motion to adjourn seconded, motion passed.

Respectfully submitted,



Karen Snyder
Recording Secretary.

Approved this 21st day of October, 2011



Dave Smysor
Secretary

