

**URBANA FIRE DEPARTMENT PENSION BOARD OF TRUSTEES
MEETING MINUTES January 23, 2015**

The Fire Pension board of Trustees of the City of Urbana, Illinois met at 9:30 am, Friday, January 23, 2015, in the second floor Executive Conference Room of the Urbana City Building.

MEMBERS PRESENT: Gerald Sappenfield, President - end of term 4/26/16
Mark Ashby, Firefighter/Secretary - end of term 4/26/15
Elizabeth Hannan, Finance Director

MEMBERS NOT PRESENT: Andrew Rickords, Firefighter - end of term 4/26/17
Mike Dilley, City Appointment - end of term 5/31/17

OTHERS PRESENT: James Dobrovolny, Attorney
Carla Tucker, Fund Accountant

OTHERS NOT PRESENT: Ronald Eldridge, Consultant

CALL TO ORDER

President Sappenfield called the meeting to order at 9:35am.

INVESTMENT BUSINESS

Mr. Aaron Sutton and Mr. Scott McAdam of First Busey Trust & Investment Co. were present. They distributed the quarterly report and reviewed the Pension's Investment activity through the quarter ending December 31, 2014. The ending value for the portfolio as of that date was \$25,247,401.

Mr. Sutton and Mr. McAdam recommended a fund change. Mr. McAdam stated that the Dreyfus small cap fund has underperformed in the past few years and recommended dropping the Dreyfus fund and investing in the LSV Small Cap Value Fund, which is a newly launched mutual fund. Mr. Dobrovolny stated that although the fund has been in existence for a long period of time, the mutual fund has been in existence for less than 5 years. The pension fund would be unable to invest in it, because according to statute, a mutual fund must have been in existence for a minimum of five years. Mr. Sutton stated that 5% of the portfolio is invested in the Dreyfus Fund, and suggested that the Dreyfus fund be liquidated and the money be invested in the existing index fund. Ms. Hannan made the motion to liquidate the investment in the Dreyfus Small Cap Fund and invest it in the Vanguard Small Cap Fund. FF/Sec Ashby seconded the motion and it was carried by roll call vote as follows:

Sappenfield: aye
Ashby: aye
Hannan: aye

A motion to receive and file the Busey Investment report was made by FF/Sec Ashby, seconded by Ms. Hannan and carried by voice vote.

The fee Busey charges the Urbana Fire Pension Fund is .0005 per each dollar invested.

APPROVAL OF MINUTES

Approval of the minutes was tabled until the next meeting because of a missing date for the election of FF Rickords to the board. Ms. Hannan made a motion to table approval of the minutes until the next meeting. The motion was seconded by FF/Sec. Ashby and carried by voice vote.

QUARTERLY FINANCIAL REPORT

In the absence of Mr. Eldridge, there was no financial report presented.

PUBLIC COMMENT

Public comment was asked for and there was none

OLD BUSINESS

- A. Kingren and Maross** – Tabled until the next meeting due to lack of any further information. FF/Sec Ashby and FF Rickords will meet with the physician to discuss what information is missing from the medical report.

NEW BUSINESS

- A. Rules of procedure for public comment, Open Meetings Act and electronic attendance** – these items will be discussed at next meeting when more members are present.
- B. Rusty Chism disability pension** – He passed away on January 24, 2015 but had applied for disability pension. The application is on file and can be processed. His widow will receive 54% of his monthly salary with an additional amount for each minor child. If it is determined that the cancer was a result of exposure to a substance in the line of duty, impaired his ability to perform his duty as a firefighter and was a direct result of his service as a firefighter, it could become an occupational disease disability which would entitle his widow to 65% of his monthly salary. FF/Sec Ashby stated that Mr. Eldridge already calculated the pension. Mr. Dobrovolny suggested entering an interim order to pay Pease Chism 54% of Rusty Chism's final salary along with compensation for the minor child. In the meantime a special meeting can be scheduled to discuss his duty disability.

A motion was made by FF/Sec Ashby that Prease Chism be paid 54% of Rusty Chism's final pension, as well as compensation for the minor child, in the interim according to statute 4-114.2, until the pension board can hold a special meeting on his duty disability. The motion was seconded by Ms. Hannan and carried by roll call vote as follows:

Sappenfield: aye

Ashby: aye

Hannan: aye

Mr. Dobrovolny informed the board that as of January 1, 2015 there was an amendment made to the pension code that has several stipulations concerning companies offering consulting services or investment services to a pension board. It requires the contractor to disclose details about the company prior to the pension fund awarding a contract. The Department of Insurance will interpret the guidelines for the new amendment.

The next quarterly meeting of the Fire Pension Board is set for Friday, April 24, 2015, at 9:30 am.

ADJOURNMENT – the meeting was adjourned at 11:10.

Prepared by,

Kay Meharry

Submitted by,


Mark Ashby