



Urbana Police Pension Fund

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URBANA POLICE PENSION FUND

Board Minutes - Friday, November 9, 2018
City Building Conference Room-2nd Floor

Next Pension Meeting: Friday, January 25, 2019, 1 PM
City Building Conference Room – 2nd Floor

Present: Steve Royal, President (Term expires 5/31/20)
Doug Pipkins, Assistant Secretary (Term expires 5/31/20)
Shaennon Clark (Term expires 05/31/20)

Others

Present: Jim Dobrovolny, Board Attorney (Reimer, Dobrovolny & Karlson, LLC)
Patrick Donnelly, Greystone Consulting, a division of Morgan Stanley
Ron Eldridge
Carla Tucker

Absent: Dave Smysor, Secretary (Term expires 5/31/19)
Elizabeth Hannan, City Finance Director

S. Royal called the meeting to order at 1:00 PM.

Old Business:

Minutes (07/27/18): Motion by S. Royal to approve the Minutes; motion seconded by D. Pipkins; motion passed.

Investment Consultant RFP: S. Clark stated they met and E. Hannan will present a report to the Board; once it's approved, it can be disseminated to the vendors.

Pension Funding: The Board reviewed the Actuarial Report. Motion by S. Royal to accept the actuarial report and file.

Motion by D. Pipkins to approve to recommendation of the actuarial, requesting \$2,258,867 from the City. Motion seconded by S. Clark; motion passed 3-0.

(Voice vote: S. Royal (yes), D. Pipkins (yes), S. Clark (yes).

Eric Ruff: Pension Transfer: Eric Ruff is Urbana officer that started employment 5/01/17. Ruff previously worked as an officer at Rantoul from 12/29/09 to 7/30/17; he has requested to transfer a portion of this time to Urbana. Urbana received payment of \$120,990.06 from Rantoul in October 2018. The true cost of this time, as calculated by actuarial firm Lauterbach, is \$165,721.00. Ruff does not want to pay any more money and has decided to accept the prorated time, which is 73% or 5 yrs, 6 months, 14 days, making his new date of entry for pension purposes to be 1/18/2012.

Motion by S. Royal that E. Ruff is eligible to buy-back his time; motion seconded by D. Pipkins, motion passed.

(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

New Business:

Public Participation: None.

Annual Disability Pensioners: D. Smysor will update the Board at the next meeting.

Shaennon Clark-Mayoral Re-Appointment: S. Clark was reappointed by Mayor Marlin; her required training has been completed.

Troy Phillips: Motion by S. Royal, seconded by D. Pipkins; motion passed to approve the payment of \$33,654.27 to SERS for transfer of time for Troy Phillips. Troy Phillips was officer with Urbana from 3/90 to 3/2000 and withdrew his contributions. He previously reinstated 24 months 3/90 to 3/92 and transferred this time to SERS. He is considering reinstating 36 months from 3/92 to 3/95 and transferring this time to SERS. He will be required to pay to Urbana his contributions for this time of \$8,541.76 plus interest at 6% compounded annually from date of withdrawal computed to 11/30/18, which is \$16,570.75, for total payment of \$25,112.51. Urbana will then be required to pay to SERS \$33,654.27 (\$8,541.76 x 2 plus \$16,570.75 interest).

(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

Financial Report: R. Eldridge provided the Financial Report for July-September 2018; he reviewed the changes with the Board. Motion by S. Royal to receive and file this financial report; motion passed 3-0.

Investment Presentation: P. Donnelly reviewed the economy and Fund's performance.

S. Royal made a motion directing P. Donnelly to pull \$150,000 Vanguard Growth & Value ETF (money market holding account) transferred to ClearBridge (money market account) for future investment. The date/time this will be @ the discretion of the ClearBridge manager. Motion second by D. Pipkins, motion passed.
(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

In order to meet expenses, motion by S. Royal to transfer \$150,000 from Permanent Portfolio and \$150,000 from Pimco All Asset, All Authority, for a total of \$300,000. This will be transferred at the end of 2018. Motion seconded by D. Pipkins, motion passed.
(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

Motion by S. Royal to move \$150,000 of Harding Loevner Fund to the Oak Mark Fund; motion seconded, motion passed.
(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

Motions by S. Royal to have Sell Orders (rebalancing tool for the Fund) are below. Motion by S. Royal to put in an opportunistic sell order for the VanGuard Growth Exchange traded fund, symbol VUG, to:

1. Sell 935 shares of VUG at \$155/share
2. Sell 1,210 shares of VUG at \$160/share
3. Sell 1,450 shares of VUG at \$165/share.

Those sales; if & when they occur, will go to the VanGuard money market account.

Seconded by. D. Pipkins; motion carried.
(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

Motion by S. Royal to put in an opportunistic sell order for the VanGuard Value Exchange Traded Fund, symbol (VTV)

1. Sell 845 shares of VTV @ \$112/share
2. Sell 825 shares of VTV @ \$119/share
3. Sell 1,212 shares of VTV @ \$124/share

Those sales; if & when they occur, will go to the VanGuard money market account.
(Voice vote: D. Pipkins (yes), S. Royal (yes), S. Clark (yes)).

There being no further business before the Board, the meeting adjourned at 2:30 PM.

Respectfully submitted,
Karen Snyder
Recording Secretary

Approved this 25th day of January, 2019

David Snyder
Secretary