

# Geneseo Police Pension Board Meeting Minutes

1<sup>st</sup> Quarter, January 27, 2015 10:00 a.m.

1. **Call the Meeting to Order:** The meeting was called to Order by Board Chairman Thomas E. Daily at 10:03 a.m.
2. **Introduction:** Newly appointed member Jerica Minton was introduced.
3. **Roll Call:** Board members Thomas Daily, Eric Henderson, Sean Johnson, Jerica Minton, and Thomas Piotrowski were all recorded as present. Also present at the meeting was Financial Advisor Doug Curran from Edward Jones, Karen Braudau, City Accountant and Tim Long, City Administrator.
4. **Minutes:** Motion by Piotrowski, second by Johnson to approve the 4<sup>th</sup> Quarter minutes as presented. Voice vote - motion carried unanimously.
5. **Public Comments:** There were no recorded Public Comments.
6. **Financial Report:** Doug Curran Financial Advisor from Edward Jones reported that the overall value of the Geneseo Police Pension Fund was \$5,158,856.00 as of January 2015. Curran reported to the Board that this was a net increase of approximately \$79,625.00 since the 4<sup>th</sup> Quarter meeting in 2014 when the overall value was \$5,079,231.00. Curran reported that the overall fund value was up approximately \$253,982.00 from the same time in January 2014. Curran reported that the total of monies held outside of Edward Jones to comprise Central Bank Money Market Account valued at \$122,450.00, and US backed Saving Bonds totaling \$199,444.00 for a total of \$321,894.00 of monies outside of Edward Jones. Curran broke down the monies held at Edward Jones to include a Money Market Account valued at \$245,734.00, \$2,314,363.00 in Equities, \$1,445,025.00 in Fixed Incomes, \$160,736 in Illinois General Obligation Bonds and \$671,115.00 in CD's for a total value of monies held at Edward Jones being \$4,837,001.00. Based on the financial report on the value of the monies comprising the overall fund Curran made the following recommendation to the Board. Curran recommended moving \$100,000.00

from Equities into a CD 2017 or 2019 or GNMA. The Board discussed the different options and the low rate of return when investing short term. Motion by Piotrowski, second by Johnson to invest in the Goldman Sachs CD at 2.2% maturing on February 4, 2021. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski. Motion by Daily, second by Piotrowski to accept the financial report as presented by Doug Curran. Voice vote - motion carried unanimously.

- 7. Discussion, consideration and potential action of all bills currently held and paid by the Police Pension Board:** The bills were noted and presented to board members by the board secretary. Motion by Piotrowski, second by Henderson to approve the bills. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.
- 8. Discussion, consideration and potential action regarding the 2014 Audit Report and #9 Discussion, consideration and potential action regarding the 2014 Annual Financial Report:** The 2014 Audit and Annual Financial Report was discussed. The opinion provided by Lauterbach & Amen was favorable with the highest rating. Total assets are \$4,996,714.00. Net income was \$505,703.00. Notes to the financial statement came be reviewed on pages 5 – 14 of the report. Net Pension obligation is \$3,173,077.00. Noted was a \$40,000.00 deficiency from the City. In addition to the Audit Report the Board received a management letter stating: In accordance with the current actuarial valuation report the City's net pension liability is \$3,173,077. This represents 61 percent of the plan fiduciary net position as a percentage of the total pension liability. Additional trend information regarding the net pension obligation can be found on pages 12 and 16 of the annual financial report.
- 10. Discussion, consideration and potential action regarding the 2014 Municipal Compliance Report:** Motion by Piotrowski, second by Daily to accept the 2014 Municipal Compliance Report as presented. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.
- 11. Discussion, consideration and potential action regarding the 2014 Actuarial Report as prepared by Tim Sharpe:** Motion by Piotrowski,

second by Daily to accept the 2014 Actuarial Report as presented. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.

**12. Discussion, consideration and potential action regarding annual training:**

Annual training is upcoming on March 25, 2015 at Jumer's in Rock Island. Board Members Piotrowski, Henderson and Johnson will attend incurring approximately \$150.00 per attendee. Motion by Piotrowski, second by Johnson to approve the training expenses. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.

**13. Discussion, consideration and potential action regarding Lauterbach &**

**Amen, LLP Management Services:** While discussing the Audit Report, it was mentioned that Lauterbach & Amen provide comprehensive services for managing Police Pension funds – including an accounting team to manage all aspects for payroll and payment of bills; hotline for retirees; administrative assistant services for meetings; audit reports and statements. Motion by Piotrowski, second by Minton to table the discussion until the detailed proposal is available to review (at the April meeting). Voice vote - motion carried unanimously.

**14. Discussion, consideration and potential action regarding the retention of**

**Legal services for 2015:** Motion by Piotrowski, second by Henderson to approve the retention of Richard Reemer as legal counsel for the Pension Board. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.

**15. Discussion, consideration and potential action regarding the retention of**

**Actuary services for 2015:** Motion by Piotrowski, second by Daily to approve the retention of Tim Sharpe as the actuary for the Pension Board. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.

**16. Discussion, consideration and potential action regarding the contents of**

**the safety deposit box and #17 Discussion, consideration and potential action regarding the safety deposit box rental.** Motion by Daily, second by Henderson to renew the safety deposit box and retain the contents. Roll Call vote - Ayes – Minton, Henderson, Johnson, Daily, and Piotrowski.

**18. Old Business:** No business was discussed.

**19.New Business:** Noted that Rothschild Accounting is not able to split payroll deposits between two different financial institutes. Retirees are asked to make their own arrangements for automatic transfers between accounts. The Board acknowledge the efforts of Ruth Clearman for reorganizing files found in several locations.

**20.Adjournment:** Motion by Piotrowski, second by Johnson to adjourn the meeting at 11:25 a.m. Voice vote - motion carried unanimously.

Respectfully Submitted,

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Ruth A. Clearman, Recorder

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Thomas E. Daily / Date  
President

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Sean A. Johnson / Date  
Secretary