

CITY OF OLNEY
FIRE PENSION BOARD
OCTOBER 2, 2017

AGENDA #1 “CALL TO ORDER” The City of Olney Fire Pension Board met in the Fire Station at 8:00 a.m. on October 2, 2017, with Chief Mike Hill presiding.

AGENDA #2 “ROLL CALL” The following members were present at roll call: City Treasurer Sanders, Firefighter Taylor Akers, Retired Firefighter Clarence Smith and Fire Chief Mike Hill. Dave Lobacz was absent. Assistant City Treasurer Jane Guinn, Firefighter Michael Pipher, and City Clerk Kelsie Sterchi were also present.

AGENDA #3 “APPROVE MINUTES FROM FIRE PENSION BOARD MEETING ON JULY 18, 2017” Firefighter Akers moved to approve the Fire Pension Board minutes from July 18, 2017, seconded by Mr. Sanders. A majority affirmative voice vote was received.

AGENDA #4 “DISCUSSION: NEW BOARD MEMBERS ELECTED/APPOINTED” The Fire Department had held an election for Fire Pension Board members on September 15, 2017, since Chief Hill’s term had expired. At that time, the firefighters elected Firefighter Michael Pipher to the Board, replacing Chief Hill, in a three to one vote. It was noted that the election typically takes place in April, but because the Department was not fully staffed at that time, the election was delayed and Chief Hill continued in his position until an election could take place.

Mr. Smith moved to accept Firefighter Pipher to the Fire Pension Board, seconded by Firefighter Akers. A majority affirmative voice vote was received. Firefighter Pipher continued the meeting as a voting member of the Board.

AGENDA #5 “ELECTION OF OFFICES” Because Firefighter Pipher was elected to the Board, a new election would need to take place naming a new President for the Fire Pension Board. Chief Hill had been serving as President.

Firefighter Akers moved to nominate Firefighter Pipher as President, seconded by Mr. Smith. There were no other nominations.

Mr. Sanders moved to close nominations, seconded by Firefighter Akers. A majority affirmative voice vote was received.

Firefighter Akers moved to accept the nomination of Firefighter Pipher as President of the Fire Pension Board, seconded by Mr. Sanders. A majority affirmative voice vote was received.

AGENDA #6 “TREASURER’S REPORT”

6-A “Discussion: Income and Expense May 1, 2017 - September 30, 2017” The Board was provided with a copy of an income and expense statement from May 1, 2017, through

September 30, 2017. Mr. Sanders reported that the first installment of the real estate taxes had been received and that the second payment should be received in the near future. In his opinion, the Board did not have enough available funds to invest at this time.

6-B "Discussion: Investment Schedule and Maturities" The Board was provided with an investment schedule as of September 30, 2017. Mr. Sanders said that the amount invested in the Fund was at a total of \$2,157,250.30. He pointed out that 12.63% was invested in the Morgan Stanley variable equities. This amount was over the statutory 10% only due to investment returns, so the Board was in good standing for the time being. Mr. Sanders recommended that the Board realign those investments back down to 10% at the next Fire Pension meeting.

Mr. Smith moved to approve the Treasurer's Report, seconded by Firefighter Akers. A majority affirmative voice vote was received.

AGENDA #7 "AUTHORIZE ANY NEW INVESTMENTS" The Board did not wish to make any new investments at this time.

AGENDA #8 "DISCUSSION/POSSIBLE ACTION ON BANK ACCOUNTS"

8-A "Open New Account" Mr. Sanders reminded the Board that a money market account had existed at Citizens National Bank for several years where excess funds are kept. If the account held at least \$100,000.00, .35% of interest had been earned. The bank had recently changed its policy to where if at least \$100,000.00 was in the account, the interest rate was now set to earn .2%. If at least \$250,000.00 was in the account, an interest rate of .3% would be assigned.

Mr. Sanders had requested that the bank continue to honor the .35% interest rate for the Fire Pension's money market account, but that could not be accommodated.

Mr. Sanders had also requested that Citizens National Bank require that the City Treasurer and Fire Pension President both be signatories on the account. Because this could cause a problem if one or the other was unavailable, Mr. Sanders also requested that the bank accept a facsimile signature. A facsimile signature would be a stamp providing both signatures. While the bank indicated that they would accept facsimile signatures, they were unable to mandate that two signatures be required for the account. In Mr. Sanders' opinion, that decision was unacceptable.

Mr. Sanders then inquired with First National Bank on whether or not they could mandate two signatories and accept facsimile signatures. The bank indicated that would not be a problem. Additionally, First National Bank would offer 1% interest on the Fire Pension's money market account. Because of those facts, Mr. Sanders recommended that the Board close the money market account at Citizens National Bank and open a new money market account at First National Bank. He also recommended that the Board authorize the City Treasurer and Board

President as mandatory signatories, and recommended that the Board authorize facsimile signatures. The Board agreed that would be the right thing to do.

Firefighter Akers moved to close the money market account at Citizens National Bank and open a new account at First National Bank, seconded by Mr. Smith. A majority affirmative voice vote was received.

8-B “Authorize Bank Account Signatories” Mr. Smith moved to authorize the City Treasurer and Board President as signatories and to authorize facsimile signatures, seconded by Firefighter Akers. A majority affirmative voice vote was received.

Mr. Sanders exited the meeting at 8:16 a.m.

AGENDA #9 “AUTHORIZE PAYMENT OF INVOICES” Mrs. Guinn reminded the Board that they had levied for the expenses related to the audit and preparation of annual reports. The City had since received invoices from the Kemper CPA Group in the amount of \$800.00 for the audit and \$1,800.00 for the preparation of the annual reports. The City of Olney had paid the invoices, and would need reimbursement from the Fire Pension Fund.

Firefighter Pipher moved to authorize reimbursement to the City of Olney in the amount of \$800.00 for the audit and \$1,800.00 for the preparation of the annual reports, seconded by Firefighter Akers. A majority affirmative voice vote was received.

AGENDA #10 “AUTHORIZE ENGAGEMENT OF ACTUARIAL FIRM” For the past few years, the Fire Pension Board had utilized Art Tepfer as a third party actuary, and the Illinois Department of Insurance’s actuarial reports, to help the Board determine what to levy. Mrs. Guinn recommended using Art Tepfer again, in addition to the information received from the State. The Board had levied an amount of \$2,200.00 to utilize Mr. Tepfer.

Firefighter Akers moved to utilize Art Tepfer and the Illinois Department of Insurance’s actuarial services, seconded by Mr. Smith. A majority affirmative voice vote was received.

AGENDA #11 “REVIEW & APPROVE THE 2016/2017 FIRE PENSION ANNUAL REPORT” The annual report for the Fire Pension Board had been completed and was ready to file. Mrs. Guinn told the Board that the report included information on the Board members and their positions on the Board, financial statements, pension payees/receivers, etc. Mrs. Guinn offered that Board members could review the report, if they wished. Mrs. Guinn was seeking the Board’s approval to have the President and Treasurer sign the reports so they could be filed.

Mr. Smith moved to approve the Fire Pension Annual Report and allow the Fire Pension Board President and Treasurer to sign the Fire Pension Board Annual Report, seconded by Firefighter Akers. A majority affirmative voice vote was received.

Mrs. Guinn then mentioned that an advertisement had been received from the Illinois Professional Firefighters Association offering a training near Chicago at a rate of \$175.00 per

attendee, plus the cost of travel and accommodations. In the past, the Board had opted to book Robert Beal to provide necessary training in Olney. Mr. Beal's rate was at \$80.00 per person. The Board then expressed their interest in Mrs. Guinn and Mr. Sanders booking Mr. Beal for their annual training.

AGENDA #12 "PUBLIC COMMENTS/PRESENTATIONS" No one from the public was present.

AGENDA #13 "SCHEDULING OF NEXT MEETING" Since the Board met on this date, they decided that the October 17, 2017 meeting was not necessary. The next meeting of the Fire Pension Board was then scheduled for November 28, 2017, at 9:00 a.m. at the Fire Station.

AGENDA #14 "ADJOURN" Firefighter Akers moved to adjourn, seconded by Firefighter Pipher. A majority affirmative voice vote was received.

The Fire Pension meeting adjourned at 8:24 a.m.

Clarence Smith
Secretary