

**City of Olney**  
**Police Pension Board Meeting**  
**July 11, 2019**

**AGENDA #1 CALL TO ORDER:** Rick Runyon called to order the City of Olney Police Pension Board meeting for July 11, 2019, at 8:30 a.m.

**AGENDA #2 ROLL CALL:** The following were present: Sergeant Josh Schlick, Gregg Brooks, Rick Runyon, and Mike Uhl. Sergeant Nuttall was absent. City Treasurer Jane Guinn, and City Clerk Kelsie Sterchi were also present.

**AGENDA #3 APPROVE MINUTES FROM POLICE PENSION BOARD MEETING ON MARCH 7, 2019:** The Board was provided with the minutes from March 7, 2019. Mr. Brooks moved to approve the minutes from March 7, 2019, seconded by Mr. Uhl. A majority affirmative voice vote was received.

**AGENDA #4 TREASURER'S REPORT:**

4-A "Discussion: Preliminary Income and Expense May 1, 2018 – April 30, 2019" The Board was provided with a copy of an income and expense statement (preliminary) from May 1, 2018, through April 30, 2019.

Mrs. Guinn told the Board that the statement was preliminary because any audit adjustments had not yet been completed. For the 2018/2019 year, the Police Pension Fund appeared to be favorable by \$238,603.35 which was \$70,198.35 better than what had originally been budgeted.

Mr. Runyon wondered why the year ended so favorable. Mrs. Guinn replied that the investments had done very well.

4-B "Discussion: Income and Expense May 1, 2019 – June 30, 2019" The Board was provided with a copy of an income and expense statement from May 1, 2019, through June 30, 2019.

Mrs. Guinn pointed out that other than pension payments, there had not been much activity. She expected to need three months worth of pension payments before the next significant income was received. She expected to receive the first installment of the tax levy around August. An amount of \$100,000.00 was needed for safety. Mrs. Guinn told the Board there was nothing to invest at this time.

4-C "Discussion: Investment Schedule and Maturities" The Board was provided with an investment schedule as of July 2, 2019.

The only CD left to come due for the year would be in December in the amount of \$174,650.00

Mr. Brooks moved to approve the Treasurer's Report, seconded by Sergeant Schlick. A majority affirmative voice vote was received.

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**AGENDA #5 EDWARD JONES PRESENTATION:** LaNae Mitchell, Edward Jones, was present to speak on this item.

Mrs. Mitchell reported that short term rates were running steady, and were higher than long term. Projections were that interest rates may be getting cut. Interest rates were raised too high in the United States last year which caused instability in the markets in December. Because of this, 2018 ended at (3.22%). Since that time, the accounts had bounced back. Year-to-date, the accounts showed a return of 9.55%.

Mrs. Mitchell continued that if interest rates were kept lower, that would help with equities. After the last meeting, some money was repositioned into emerging bonds, and that had worked out well. That fund was up year-to-date by 10.84%.

Mr. Runyon wondered if any additional repositioning was needed at this point. Mrs. Mitchell did not believe so.

Mrs. Mitchell was again expecting large capital gains in December of this year.

Mrs. Mitchell then wondered if the Board wanted Phil Haning, American Funds, to come again in the Fall. He would be in the area around October. Mr. Runyon felt that if Mr. Haning's schedule permitted, that would be just fine. Otherwise, the first part of 2020 may be more appropriate.

Mrs. Mitchell exited the meeting at 8:39 a.m.

**AGENDA #6 DISCUSSION/AUTHORIZE ANY NEW INVESTMENTS:** No new investments were needed at this time.

**AGENDA #7 AUTHORIZE REIMBURSEMENT/PAYMENT OF INVOICES:** Mrs. Guinn told the Board that an invoice had been received and paid by the City of Olney in the amount of \$986.38 for the annual compliance fee. She was seeking authorization to reimburse the City of Olney for that expense.

Sergeant Schlick moved to reimburse the City of Olney in the amount of \$986.38 for the annual compliance fee, seconded by Mr. Brooks. A majority affirmative voice vote was received.

**AGENDA #8 DISCUSSION/AUTHORIZATION: WITHDRAWAL OF PENSION FUND CONTRIBUTIONS – JOHNATHAN PFLAUM:** Sergeant Schlick move to authorize withdrawal of Police Pension Fund contributions for Johnathan Pflaum, seconded by Mr. Brooks. A majority affirmative voice vote was received.

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**AGENDA #9 REVIEW/APPROVE APPLICATION FOR MEMBERSHIP IN THE POLICE PENSION FUND – CODY SMITH:** The City had recently hired Cody Smith as a patrol officer for the Police Department. As such, Mrs. Guinn was in receipt of an application from new hire Cody Smith for membership in the Police Pension Fund.

Mr. Brooks moved to approve Cody Smith's application for membership in the Police Pension Fund, seconded by Sergeant Schlick. A majority affirmative voice vote was received.

**AGENDA #10 AUTHORIZE ART TEPFER'S CONSULTING FIRM TO PERFORM 2019 ACTUARIAL VALUATIONS:** Mrs. Guinn told the Board that Art Tepfer would be keeping his fee at \$2,000.00 if the Board wished to utilize his services again this year.

Because the past few evaluations done by Mr. Tepfer had been close to the numbers provided by the State, Mr. Runyon wondered how long the Board would want to keep utilizing Mr. Tepfer if that trend continued.

The Board members indicated feelings of unease with continuing to trust the State's numbers. In addition, Mr. Uhl pointed out that Mr. Tepfer provided other recommendations in his report. Mr. Brooks stated that he also saw value in Mr. Tepfer's reports.

Mr. Brooks moved to authorize Art Tepfer's consulting firm to perform 2019 actuarial valuations, seconded by Mr. Uhl. A majority affirmative voice vote was received.

**AGENDA #11 ELECTION OF OFFICERS:** Mr. Brooks moved to keep Sergeant Nuttall as President, Mr. Runyon as Vice President, Mr. Brooks as Secretary, Mr. Uhl as Assistant Secretary, and Sergeant Schlick as Trustee, seconded by Sergeant Schlick. A majority affirmative voice vote was received. Per State statutes, City Treasurer Guinn must also serve as the Treasurer of the Police Pension Board.

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

**AGENDA #13 SCHEDULING OF NEXT MEETING:** The next meeting of the Police Pension Board was scheduled for October 24, 2019, at 8:30 a.m.

**AGENDA #14 ADJOURN:** Mr. Brooks moved to adjourn, seconded by Mr. Runyon. A majority affirmative voice vote was received. The meeting of the Police Pension Board adjourned at 8:48 a.m.

Gregg Brooks  
Secretary