

# MINUTES

## MOLINE POLICE PENSION BOARD

Thursday, April 23, 2014

### BOARD MEMBERS

PRESENT: Scott Williams, President  
Kevin Schoonmaker, Vice President  
Kathleen Carr, Treasurer  
Craig Sommers, Secretary  
Brian Johnson, Assistant Secretary

GUESTS Don and Ross Stanford, Investment Consulting Group

#### 1. Meeting Called to Order

President Williams called the meeting to order at 12:05 p.m.

#### 2. Roll Call of Members

The clerk completed the roll call.

#### 3. Approval of Minutes

Secretary Sommers made a motion to approve the minutes of the January 22, 2014 regular meeting and February 4 and March 13, 2014 special joint Police and Fire Pension Board meetings; Assistant Secretary Johnson seconded; motion unanimously carried.

#### 4. Reports/Expenses

##### A. Fund Investment Report:

Mr. Stanforth detailed the performance of the investments for the quarter. The balance as of March 31, 2014 was \$32,041,626. The board reviewed and discussed manager searches for large blend, large cap value and small/mid cap. Also discussed was further diversification of the fund among other managers. No action taken – tabled for further review and discussion.

Treasurer Carr made a motion to approve the financial transactions completed between January 1 and March 31, 2014; Assistant Secretary Johnson seconded; motion unanimously carried.

##### B. Investment Policy Amendment:

Assistant Secretary Johnson made a motion to approve an amendment to the existing investment policy to establish a minimum and maximum percentage of investment in each asset class to allow more flexibility in retention and sales; Treasurer Carr seconded; motion unanimously carried.

##### C. Expenses:

The following expenses were presented, along with those detailed on the Treasurer's Reports:

1. Investment Consulting \$6,648.64
2. City of Moline \$150

Treasurer Carr made a motion to approve the listed expenses, along with the quarterly fee statements yet to be received from Dana Investments, First Midwest Bank and Advisory Research; Vice President Schoonmaker seconded; motion unanimously carried.

D. Treasurer's Reports:

Assistant Secretary Johnson made a motion to approve the reports and expenses for January, February and March, 2014; Vice President Schoonmaker seconded; motion unanimously carried. Copies of the reports will be attached to these minutes.

**5. Old Business**

Pending disability application of Charlene Langenderfer – all exams have been completed and the matter is set for hearing on May 27, 2014. Pending disability application of Stephen Kautz – all medical reports have been gathered by the board's attorney and exams will be scheduled.

**6. Correspondence – none**

**7. New Business**

The application for retirement benefit submitted by John P. Sawyer was considered. He was appointed to the Moline Police Department on January 31, 1994 and will retired April 4, 2014 with 20 years of service. His salary at the time of the retirement was \$73,285.68, resulting in a 50% annual pension of \$36,642.84 and a monthly pension of \$3,053.57. Assistant Secretary Johnson made a motion to approve the retirement pension of John Sawyer; Secretary Sommers seconded; motion unanimously carried.

The application for membership of Ryan Brownell was considered. Officer Brownell was appointed to the Moline Police Department on March 3, 2014. Vice President Schoonmaker made a motion to accept Robert Brownell into the fund effective March 3, 2014; Treasurer Carr seconded; motion unanimously carried.

The application for membership of James Feehan was considered. Officer Feehan was appointed to the Moline Police Department on March 25, 2014. Vice President Schoonmaker made a motion to accept James Feehan into the fund effective March 25, 2014; Treasurer Carr seconded; motion unanimously carried.

The application for membership of Kamelia Pulay was considered. Officer Pulay was appointed to the Moline Police Department on March 31, 2014. Vice President Schoonmaker made a motion to accept Kamelia Pulay into the fund effective March 31, 2014; Treasurer Carr seconded; motion unanimously carried.

The application for membership of Joseph Kluever was considered. Officer Kluever was appointed to the Moline Police Department on March 31, 2014. Vice President Schoonmaker made a motion to accept Joseph Kluever into the fund effective March 31, 2014; Treasurer Carr seconded; motion unanimously carried.

The application for membership of Daniel Beaudry was considered. Officer Beaudry was appointed to the Moline Police Department on March 31, 2014. Vice President Schoonmaker made a motion to accept Daniel Beaudry into the fund effective March 31, 2014; Treasurer Carr seconded; motion unanimously carried.

The application for membership of Sharmaine Harris-Howell was considered. Officer Harris-Howell was appointed to the Moline Police Department on March 31, 2014. Vice President

Monday, April 23, 2014

Schoonmaker made a motion to accept Sharmaine Harris-Howell into the fund effective March 31, 2014; Treasurer Carr seconded; motion unanimously carried.

An application for withdrawal from participation in the Moline Police Pension Fund was submitted by Adam Hass. Mr. Hass was hired by the Moline Police Department on October 19, 2009 and left employment on April 4, 2014. During his service, he contributed a total of \$20,452.22 into the pension fund. Vice President Schoonmaker made a motion to approve the refund of Officer Hass' pension contributions; Treasurer Carr seconded; motion unanimously carried.

An application for withdrawal from participation in the Moline Police Pension Fund was submitted by Wyatt Heyvaert. Mr. Heyvaert was hired by the Moline Police Department on May 17, 2004 and left employment on July 2, 2010. During his service, he contributed a total of \$26,182.93 into the pension fund. Secretary Sommers made a motion to approve the refund of Officer Heyvaert's pension contributions; Vice President Schoonmaker seconded; motion unanimously carried.

**B. Initial Pension Increase**

Mark Hanna will have been retired one year on June 5, 2014 and, as he had already attained age 55 prior to retirement, he is entitled to receive an initial pension increase of \$134.72 per month effective July 1, 2014. His current monthly pension is \$4,490.54 and the new monthly pension will be \$4,625.26. Secretary Sommers made a motion to approve the initial pension increase for Mark Hanna; Treasurer Carr seconded; motion unanimously carried.

**C. Military Service Transfer Request**

Officer Michelle Mangelsdorf has requested to transfer two years military service credit into the pension fund. Her original hire date was April 15, 1999. Her calculated cost of transfer as of May 1, 2014 is \$27,269.79. Treasurer Carr made a motion to approve the transfer and adjust her date of membership to April 15, 1997, contingent upon Officer Mangelsdorf remitting a lump sum payment of \$27,269.79 to the Moline Police Pension Fund; Vice President Schoonmaker seconded; motion unanimously carried.

**D. Other.** A FOIA request was received for the budget and expenditure reports for the pension fund for the years 2012 and 2013. The requested documents were provided to the City's FOIA coordinator for response.

**8. 2014 Active and Beneficiary Trustee Elections**

49 of the 79 ballots distributed for Beneficiary Trustee were returned. One candidate, one position:

Craig Sommers            49 votes

49 of the 78 ballots distributed for active trustees were returned; four ballots had only one candidate checked. Two candidates, two positions:

Scott Williams            49 votes  
Brian Johnson            45 votes

Craig Sommers, Scott Williams, and Brian Johnson were elected to serve two-year terms commencing May 1, 2014 (A copy of the notice of election results will be attached to these minutes).

**9. Public Comment – None.**

Monday, April 23, 2014

**10. Adjournment**

Having no further business to discuss, Treasurer Carr made a motion to adjourn; Secretary Sommers seconded; meeting adjourned at 1:46 p.m.

Respectfully submitted,



*Craig Sommers*

Craig Sommers  
Secretary

/jcw

Attachments: Treasurers Reports for January, February, and March 2014  
Notice of Active and Beneficiary Trustee Election Results

**MOLINE POLICE PENSION BOARD**  
**1640 6th Avenue**  
**Moline, Illinois 61265**

**TREASURER'S REPORT**

Beginning balance December 31, 2013 56,313.95

**Deposits:**

Transfer from Trust 302,000.00  
Transfer from Trust 52,400.00  
Interest 1.27

354,401.27

**Disbursements:**

Pension Checks (#9727 - #9807) (301,591.48)  
Payroll Direct Deposits Deducted in December 253,462.77  
Direct Deposits February (260,027.42)  
  
Check #2794 First Midwest Bank (3,699.85)  
Check #2795 Investment Consulting Group (6,700.45)  
Check #2796 City of Moline (postage) (46.00)  
Check #2797 Reimer & Karlson LLC (attorney's fees/costs) (159.26)  
Check #2798 Willis of Illinois, Inc. (fiduciary insurance) (8,377.00)  
Check #2799 Dana Investment Advisors (7,482.27)

Ending balance January 31, 2014

\$76,094.26

**Direct Trust Deposits:**

Payroll-PPE 12/28/13 20,209.51  
Payroll-PPE 01/11/14 20,119.17

Bank Deposit Error 50.00  
(Owed to Fire Pension Fund)

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40,378.68

jcw

**MOLINE POLICE PENSION BOARD**  
**1640 6th Avenue**  
**Moline, Illinois 61265**

**TREASURER'S REPORT**

Beginning balance January 31, 2014 76,094.26

**Deposits:**

|                     |            |            |
|---------------------|------------|------------|
| Transfer from Trust | 309,400.00 |            |
| Bank Transfer Error | 5,295.00   |            |
| Bank Correction     | (5,295.00) |            |
| Interest            | 1.02       |            |
|                     |            | 309,401.02 |

**Disbursements:**

|   |              |
|---|--------------|
| Pension Checks (#9808 - #9888)              | (316,676.26) |
| Payroll Direct Deposits Deducted in January | 260,027.42   |
| Direct Deposits March                       | (260,123.28) |

Ending balance February 28, 2014 \$68,723.16

**Direct Trust Deposits:**

|                         |           |
|-------------------------|-----------|
| Payroll-PPE 01/25/14    | 20,546.83 |
| Payroll-PPE 02/08/14    | 20,549.10 |
| Bank Error Correction   | (50.00)   |
| Reverse Bank Transfer   |           |
| Error to Checking Acct. | 5,295.00  |
|                         | <hr/>     |
|                         | 46,340.93 |

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**MOLINE POLICE PENSION BOARD**  
**1640 6th Avenue**  
**Moline, Illinois 61265**

**TREASURER'S REPORT**

Beginning balance February 28, 2014 68,723.16

**Deposits:**

Transfer from Trust 314,695.00  
Bank Transfer Error 10,500.00  
Interest 1.40

325,196.40

**Disbursements:**

Pension Checks (#9889 - #9970) (309,373.96)  
Payroll Direct Deposits Deducted in February 260,123.28  
Direct Deposits April (264,522.62)  
  
Check #2800 Advisory Research Investment (13,178.63)  
Check #2801 Reimer & Karlson (attorney fees/costs) (1,782.15)  
Check #2802 INSPE Associates, Ltd. (Physician #1 & 2 exams/reports) (6,231.00)  
Check #2803 Charlene Langenderfer (mileage/meals exams) (556.36)  
Check #2804 Reimer & Karlson (attorney fees/costs) (1,391.72)  
Check #2805 INSPE Associates, Ltd. (Physician #3 exam/report) (1,920.00)

Ending balance March 31, 2014 \$55,086.40

**Direct Trust Deposits:**

Payroll-PPE 02/22/14 20,556.44  
Payroll-PPE 03/08/14 20,328.81

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40,885.25

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**MOLINE POLICE PENSION  
TREASURER'S REPORT  
AS OF February 28, 2014**

|                            | Debit                   | Credit                  |
|----------------------------|-------------------------|-------------------------|
| <b>ASSETS:</b>             |                         |                         |
| Cash - Checking            | \$334,141               |                         |
| Cash - Trust Account       | \$1,666,341             |                         |
| Interest Receivable        | \$0                     |                         |
| Investments - Agencies     | \$0                     |                         |
| Investments - Equities     | \$24,860,550            |                         |
| Other Investments          | \$5,423,239             |                         |
| <br><b>REVENUES:</b>       |                         |                         |
| Employer Contributions     |                         | \$101,806               |
| Interest Earnings          |                         | \$83,334                |
| Employee Contributions     |                         | \$142,778               |
| Transfer Contributions     |                         | \$0                     |
| Other                      |                         | \$0                     |
| <br><b>EXPENSES:</b>       |                         |                         |
| Payments to Widows         | \$69,243                | 645589                  |
| Payments to Disabled       | \$7,253                 |                         |
| Payments to Retirees       | \$517,309               |                         |
| Payments Non Duty Disabled | \$14,330                |                         |
| Separation Benefits        | \$7,670                 |                         |
| Personnel                  | \$1,995                 |                         |
| Payroll Services           | \$469                   |                         |
| Legal Expenses             | \$1,016                 |                         |
| Investment Fees            | \$26,260                |                         |
| State Filing Fee           |                         |                         |
| Medical                    |                         |                         |
| Seminars                   |                         |                         |
| Actuary Services           |                         |                         |
| Audit Services             |                         |                         |
| Insurance Bond             |                         |                         |
| Postage                    | \$46                    |                         |
| Supplies                   |                         |                         |
| Memberships                |                         |                         |
| Mileage                    |                         |                         |
| <br><b>NET ASSETS</b>      |                         | <br><b>\$32,601,942</b> |
|                            | <br><b>\$32,929,860</b> | <br><b>\$32,929,860</b> |



**BOARD OF TRUSTEES OF THE POLICE PENSION FUND  
OF THE CITY OF MOLINE, ILLINOIS**

**NOTICE**

**ACTIVE AND BENEFICIARY TRUSTEE ELECTION RESULTS**

Pursuant to Article Three of the Illinois Pension Code, elections were held for Active and Beneficiary Participant Trustee positions. The results of both elections are as follows:

**ACTIVE PARTICIPANT TRUSTEES**

Two Trustee positions open for election; two candidates. Two votes per ballot. 78 ballots were distributed, for a total of 156 votes. 49 ballots were returned; 4 ballots had only one candidate selected.

A total of 94 votes were cast as follows:

|                |          |
|----------------|----------|
| SCOTT WILLIAMS | 49 votes |
| BRIAN JOHNSON  | 45 votes |

**BENEFICIARY PARTICIPANT TRUSTEE**

One Trustee position open for election; one candidate. 79 ballots were mailed, for a total of 79 votes. 49 ballots were returned.

A total of 49 votes were cast as follows:

|               |          |
|---------------|----------|
| CRAIG SOMMERS | 49 votes |
|---------------|----------|

**Scott Williams, Brian Johnson and Craig Sommers will begin their two-year terms as Trustees of the Moline Police Pension Board effective May 1, 2014.**

Dated this 23<sup>rd</sup> day of April, 2014.