

ROCHELLE POLICE PENSION FUND

416 N. 6<sup>TH</sup> ST.

ROCHELLE, IL 61068

**ORIGINAL**

Phone: (815) 561-2131

Jason Goodwin– President

Fax: (815) 562-4869

Joe Sester – Vice-President

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**Police Pension Board**

**Meeting Minutes**

**For November 5, 2013**

1. Call to Order/Roll Call – 3 p.m.

*Present for the meeting: President Jason Goodwin, Vice-President Joe Sester, Pensioner Roger Johanning, Secretary Lynette Fischer, Asst. Secretary Sue Messer, and Treasurer Chris Frye. Also present were Attorney Brian Labardi. UBS Consultant Michael O'Laughlin participated via phone.*

2. Public commentary – none.

3. Officer Reports

A. President

- 1) Actuary Report – Art Tepfer participated via phone. He reviewed his documents (attached), explaining that he used a 7.0% rate of return, and a 4.0% payroll growth factor. Additionally, Mr. Tepfer used the "Entry Age Normal" cost method (aka Level Payment method) in his recommendation. This calculation method is used by most actuaries, and is the only method that GASB allows. He also provided a "Statutory Minimum Contribution" suggestion using the "P.U.C." (Projected Unit Credit) method, to show a side-by-side comparison with the State DOI calculation.

*The DOI report used a 6.75% rate of return, which Michael from UBS said is one that many plans are going to. The DOI also used a 4.5% payroll growth factor. (He went on to say that moving to a 6.75% ROR in the future is consistent with our fund's "moderately aggressive" risk profile.*

- 2) Approval of recommended levy to City – CF presented the 2013 Levy Calculation (attached) and Municipal Compliance Report (attached) -- JG moved and seconded by RJ, **"I move that the Board approve the MCR as presented."** Motion passed by roll call 5-0 with no dissent.

*After discussion and the recommendation from Mr. Tepfer, RJ moved and seconded by LF, **"I move that the Board recommend a Minimum Contribution of \$236,189"** (after backing out the Personal*

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*Property Replacement Tax)." Motion passed by roll call 4-1 with JS voting nay.*

*B. Information request - A request was received and will be responded to accordingly.*

*4. Attorney Report - none.*

*5. Adjournment -- SM moved and seconded by JG, "**I move that the Board adjourn.**" Motion passed at 3:50 p.m. by voice vote without dissent.*

*[Signature]*  
Secretary

*03-04-14*  
Date

*[Signature]*  
President

*3-4-14*  
Date