

**URBANA FIRE DEPARTMENT PENSION BOARD OF TRUSTEES
MEETING MINUTES
Friday October 28, 2005**

The Fire Pension Board of Trustees of the City of Urbana, Illinois met at 9:30 a.m., Friday, October 28, 2005, in the second floor conference room of the Urbana City Building.

MEMBERS PRESENT: Andrew Rickords, Secretary/Clerk/Firefighter
Ron Short, Retired Board Member/President
Ron Eldridge, City Comptroller
Bill Morfey, Firefighter
Randy Smith, Firefighter

MEMBERS ABSENT Rex Mundt, Fire Chief

OTHERS PRESENT: James Dobrovolny, Attorney

OTHERS ABSENT: Phyllis Clark, City Clerk

President Short called the meeting to order at 9:30 a.m.

INVESTMENT BUSINESS

Mr. Aaron Sutton of First Busey Trust & Investment Co. was present. He distributed the quarterly report and reviewed the Pension's Investment activity thru the quarter ending September 30, 2005. The ending value for the portfolio for that quarter is \$10,732,729.00.

Representatives from First Busey Trust & Investment Co. will be present again next quarter to update the Board on their investment.

APPROVAL OF MINUTES

President Short moved to approve the minutes of the October 28, 2005, Fire Department Pension Board meeting. The motion was seconded by Sec/Clerk Rickords, carried by a voice vote and approved.

TREASURER'S REPORT

Comptroller Eldridge presented the annual audit report. The net worth for 2004/2005 is \$23,835,644.00. One disability pension and one retirement pension was granted in the fiscal year. One firefighter was admitted into the pension fund. Sec/Clerk Rickords moved to approve the audit report. The motion was seconded by FF Smith, carried by voice vote and passed.

Motion by Comptroller Eldridge to approve and reflect the following actions in the minutes:

At the meeting in July 2002, upon recommendation by the fund's investment advisors from Busey, the Board voted to invest \$356,000 in small capital mutual funds, thereby approving the following change in the fund's investment policy:

- Increasing the goal for small cap from 10% to 15% and increasing maximum from 12% to 17%.
- Decreasing the goal for midcap from 15% to 10% and decreasing maximum from 17% to 12%.

At the last meeting in July 2005, upon recommendation from the investment advisors from Busey, the Board voted to invest an additional \$572,000.00 and to increase the investment in the Rainier Equity Midcap fund, thereby changing the percentage again. The current allocation and changes made by the Board's decision in July 20 05 to the investment policies are as follows:

	Goal	Minimum	Maximum
Small Cap	5%	5%	20%
Active Equity	40%	25%	40%
International	10%	5%	15%
Mid Cap	10%	5%	15%
Equity Index	35%	30%	40%

The motion was seconded by Sec/Clerk Rickords, carried by a voice vote and approved.

APPROVAL OF CLERK'S BILLS - Sec/Clerk Rickords will present a report at next quarter's meeting.

NEW BUSINESS

A. Correction of name of Firefighter to be voted into pension fund – Carey Shannon was on the agenda to be voted into the pension fund. She was not hired. Matt Frazier is the new hire and his acceptance into the pension fund will be voted on at the January 27th meeting.

B. Reinstatement of Matt Ennes into Pension Fund - Not on agenda. Matt Ennes has been rehired. He would like to buy back his pension time in the amount of \$905.00.

C. Change in Fire Pension Board Composition - Not on agenda. Attorney Dobrovlny presented the new statute and an advisory bulletin present the way board changes can be conducted. Election to be for staggered initially for one, two and three year terms for the firefighters, and two and three year terms for the members appointed by the Mayor. The current board has the authority to decide the lengths of the terms.

OLD BUSINESS

A. Requirements for medical testing – No movement. Carryover until next meeting

NEXT QUARTER'S MEETING

The next quarterly meeting of the Fire Pension Board is set for Friday January 27, 2006, at 9:30 a.m. (Subject to change.)

ADJOURNMENT

There being no further business before the Board, President Short declared the meeting adjourned at 11:15 a.m.

Prepared by,

Submitted by,

Kay Meharry

Andrew K. Rickords,
Secretary/Clerk