

Ottawa Police Pension Board Meeting Minutes

Special meeting February 23rd, 2017 Meeting minutes

Meeting held in the Ottawa Police Department Conference Room

Members present:

Brendan Donahue - President

Randy Baxter – Vice President

Dale Baxter - Treasurer

Jeff Bangert – Secretary

Jamie Kummer – Asst. Secretary

Called to order at 1:10 P.M.

No one wished address the board

Old Business:

The special meeting was convened to place a conference call with Vanguard representatives **Tim McNally**, **Eric Wunder**, and **Mike Chance** (area Point of Contact) regarding existing board member questions pertaining to costs and procedures for transferring fixed income pension investment funds from Edward Jones to Vanguard (should the board make the decision to switch). The conference call began at 1:37 P.M. and finished at approx. 2:10 P.M.

Vanguard representatives advised that if Vanguard was chosen by the board that investment reviews would be conducted in person or by conference call on bi-annual or quarterly basis at the pension board's discretion and preference.

Mike Chance advised that his advice for the bond portion of pension fund would be to liquidate the existing bonds with Edward Jones and place them into a bond fund with Vanguard at no cost from Vanguard. **Dale Baxter** advised that he discussed transferring the bond component of the pension fund with **Bob Paglis** (Edward Jones) and was told that, on that day, the cost to liquidate the fixed income portfolio was approx. \$13,000. **Randy Baxter** later advised that equities portfolio savings by moving to Vanguard from Edward Jones was approx. \$7,000 / month according to his research.

Jamie Kummer requested an explanation of the bond portfolio Vanguard suggested. **Tim McNally** advised that they would suggest a spread focus adding corporate bonds (at lower durations) and an international bond component within a bond fund.

New Business:

No formal action was taken regarding the potential transfer from Edward Jones to Vanguard. Tabled until the next meeting.

Brenden Donahue advised that **Al Hites'** pension had been adjusted pursuant to a collective bargaining agreement reached between the City of Ottawa and the Police Union and pursuant to Title 50 Chapter 1 Subchapter aaa Part 4402 Section 4402.50 (Retroactive Pay Increases) as provided by the Illinois Dept. of Insurance.

Officer Jason Quinn retired on 2/10/2017 with an annual pension allowance of \$42,762.72. At this time, there is no QUILDRO in place. A motion was made by **Dale Baxter**, seconded by **Jamie Kummer** to confirm the disbursement. By acclimation, the motion carried unanimously.

Motion to adjourn was made by **Randy Baxter**, seconded by **Jeff Bangert**. By acclimation, the motion carried unanimously. The meeting was adjourned at 2:46 P.M.

The next regular meeting of the Ottawa Police Pension Board is scheduled for April 25, 2017 at 1:00 P.M. at the Ottawa Central Police and Fire Department.

Respectfully Submitted

Jeff Bangert

Police Pension Board Secretary