MINUTES
CHAMPAIGN POLICE PENSION FUND BOARD
REGULAR MEETING
Febuary 16, 1999

Approved at 5/18/99 Meeting.

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February 16, 1999
The meeting was called to order by President Neumann at 1 :17 p.m. in the Champaign Police Department Training Room.

Members present:

W. Neumann
R. Schnuer
D. Hoffmeister
J. Johnston

Others Present:

Pat Krolak, Marquette
Paul V. Adamczyk, Watson, Wyatt
Michael Feriozzi, Sikich Gardner & Co. LLP
Mary Mullen (taking minutes)

Members Absent:

D. Atkins

I. Mike Feriozzi, Sikich Gardner & Co. LLP, reviewed the audit report of the Annual Financial Report for the year ended 6/30/98. The report shows Pension Fund assets of $30,752,046. R. Schnuer moved to accept the audit report. B. Neumann seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

R. Schnuer moved to retain Sikich Gardner & Co. LLP for the 1999 audit. B. Neumann requested that the motion be tabled. Don Hoffmeister seconded the motion. Board Members voted as follows:
Neumann No
Johnston No
Schnuer Yes
Hoffmeister Yes

The motion did not pass.

A meeting will be scheduled to discuss the auditor and R. Schnuer will get back to Sikich within 30 days.

II. Paul Adamczyk reviewed the asset allocation report.
A. Paul indicated that some assumptions are out of date -the state says they are aware of this problem and will take care of it -but they haven't.
B. D. Hoffmeister moved to direct the actuary to do an asset allocation study with a 7.25% interest rate and show the receipts for property tax for 1997 payable in August 1999. B. Neumann seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

III. Pat Krolak reviewed Marquette's Fourth Quarter Report. He indicated the market bounced back nicely in the fourth quarter. Neumann discussed the problems with First of America, n/k/a National City. It was decided to monitor the situation and see if things improve once National City has time to prove themselves.

IV. Bill Neumann moved that the 11/17/98 minutes be approved with the change of the word "with" to the word .'without" on the second line of IV(B)." D. Hoffmeister seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

V. R. Schnuer moved to revise the Investment Policy from 35% to 45% total equity investment and that Marquette be directed to prepare a new asset allocation that reflects that. J. Johnston seconded the motion. Board Members voted as follows:
Neumann Yes

Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

VI. J. Johnston moved that the vouchers be accepted. D. Hoffmeister seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

VII. B. Neumann moved that two new officers, Jennifer Jones and Nikolas Taylor be accepted into the pension fund. J. Johnston seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

VIII. B. Neumann moved to approve an automatic 3% increase to the pensions of the following:
A. Charelston
M. Clark
W. Bates
D. Dawkins
R.B. Jones
E. Johansen
J.O. Jones
J. Voss
D. Blankenship
W. Wilkinson
J. Hall
R. Van Etta
P. O'Neal
W. Kobel
D. Brady
D. Evans
J. Ehrsam
J. Jamison
W. Neumann
E. McHenry
T. McGuire

M. Cook
M. Wileaver
G. Moreland
L. Coffey
D. Frye
J. Ferdinandsen
L. Blake
R. Bryant
G. Schweighart
D. Hanna
L. Kearns
R. Soucie
J. Schweighart Sr.
M. Smith

IX. D. Hoffmeister seconded the motion. Board Members voted as follows:
Neumann Yes
Johnston Yes
Schnuer Yes
Hoffmeister Yes

The motion was unanimously approved.

X. B. Neumann moved and R. Schnuer seconded a motion to adjourn the meeting.

The meeting was adjourned at 4:00 p.m.