

MINUTES

07-26-2018 Regular Meeting

Central Fire Station Conference Room

9:01AM Meeting called to order by President Blair Senneff. Members in attendance were: Bill Senneff, Blair Senneff, Buss, Tessendorf, Marsh. Absent: None.

Allison Barrett of Lauterbach & Amen, LLP and City Finance Director Randy Bukas were also in attendance.

Chris Caparelli of Marquette Associates attended the meeting. Chris brought executive summary reports explaining how the markets affected the portfolio for the last quarter. The reports discussed our portfolio and the following topics: Economic environment, GDP, unemployment, fed. fund rate, fixed income market, U.S. equity market, International equity market, and manager performance. Chris also recommended to keep William Blair International, and Franklin International on Alert due to performance. Portfolio return: Qtr. 1.2%, YTD 0.8%, 1 YR. 7.1%, 2 YR. 8.8%, 3 YR. 5.8%, 4 YR. 4.8%, 5YR. 6.8%. Marquette did not recommend rebalancing at this time.

1 Year Historical Performance as of 06-30-18:

Mesirow	-0.3%	Benchmark	-0.6%
Vanguard Total Stock Fund	14.8%	Benchmark	14.7%
Vanguard MIDCAP Growth Index	15.1%	Benchmark	15.2%
Seagull Bryant & Hamill	16.2%	Benchmark	13.1%
Vanguard FTSE	— %	Benchmark	7.6%
William Blair International Growth	11.3%	Benchmark	7.3%
Franklin International Fund	6.1%	Benchmark	10.6%
PIMCO	4.2%	Benchmark	1.5%
Principal US Property	8.1%	Benchmark	7.5%

Minutes of the 04-24-2018 Regular Meeting were read. Motion by Buss to approve the minutes as read. Seconded by Bill Senneff. Motion passed 5-0.

The Treasurer's Report was presented, showing assets of \$34,890,158.73 as of 06-30-18. Market value gain for April 2018 was \$71,729.49 Market value gain for May 2018 was \$420,712.32. Market value loss for June 2018 was \$57,755.80. Motion by Marsh to approve the Treasurer's Report. Seconded by Tessendorf. Motion passed 5-0.

Bills presented:

4-25-18,#28240-28247,-EFT-April 2018 Benefit Payroll	\$229,285.98
4-25-18,EFT-Jeremy Marsh/Payroll Clerk	\$250.00
4-25-18,#28248-City of Freeport-2016 Tax Levy overpayment	\$1,129.90
4-25-18,#28249-Mesirow-Fiduciary Liability Insurance 3/15/2018-3/15/2019 INV#811094	\$3,645.00
5-29-18,#28250-28257-EFT-May 2018 Benefit Payroll	\$241,326.42
5-29-18,EFT-Jeremy Marsh/Payroll Clerk	\$250.00

5-29-18,#28258-IPPAC Spring 2018 Conference INV#176	\$350.00
5-29-18,EFT-Jeremy Marsh-Envelopes, Paper, Printer Ink	\$84.27
5-29-18,EFT-Jeremy Marsh-IPPAC Spring Conference Hotel/Meals/Mileage	\$388.85
6-27-18,#28259-28266-EFT-June 2018 Benefit Payroll	\$245,835.19
6-27-18,EFT-Jeremy Marsh/Payroll Clerk	\$250.00
6-27-18,EFT-Marquette Associates 06/01/18-08/31/18 INV#1806323	\$6,750.00
6-27-18,#28267 Illinois State Treasure DOI State Compliance Fee INV#G30933	\$6,767.02
6-27-18,EFT-Linda Buss Contracted Clerical of 2018 DOI Report	<u>\$1,100.00</u>
Total	\$737,412.63

Motion by Blair Senneff to pay the bills as listed. Seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Applications for membership - Tanner Atchison, Michael McCracken, Kyle Stadie, Michael Compton.

Motion by Buss to accept applications. Seconded by Tessendorf. Motion passed 5-0.

Application for benefits - Retiree Application for Robert Bush to receive \$5,272.80 monthly effective 05/06/2018. Motion to accept by Blair Senneff. Motion seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Application for benefits - Retiree Application for Brian Bruce to receive \$5,587.79 monthly effective 05/06/2018. Motion to accept by Blair Senneff. Motion seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Application for benefits - Retiree Application for Robin Gorsline to receive \$5,697.90 monthly effective 05/16/2018. Motion to accept by Blair Senneff. Motion seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Application for benefits - Retiree Application for Scott Reeser to receive \$5,023.20 monthly effective 07/13/2018. Motion to accept by Blair Senneff. Motion seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Motion by Blair Senneff to ratify investment actions taken by our managers since the last regular meeting. Seconded by Marsh. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Motion by Blair Senneff to nominate Jeremy Marsh as Board Secretary. Seconded by Tessendorf.

Motion by Tessendorf to nominate Blair Senneff as Board President. Seconded by Marsh.

Motion By Buss to nominate Bill Senneff as Board Vice President. Seconded by Tessendorf.

Motion by Bill Senneff to close nominations. Seconded by Tessendorf. Motion passed 5-0.

Motion by Tessendorf to accept unanimous vote. Seconded by Marsh. Motion passed 5-0.

Motion by Marsh to accept Marquette's proposal for Investment Consultant at negotiated rate. Motion seconded by Buss. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

No Executive Session Minutes to release or approve. No action needed.

Motion by Marsh to Approve and place on file Annual Report to City Council. Seconded by Tessendorf. Motion passed 5-0.

Motion by Buss to send and reimburse all board members for IPPFA Conference in October or IPFA Seminar in November as needed. Seconded by Blair Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Everyone is currently in compliance with training requirements.

Motion by Tessendorf to give Randy Bukas access as system administrator on DOI account. Seconded by Blair Senneff. Motion passed 5-0.

Motion by Buss to give Randy Bukas access as plan administrator on US Bank account and any other money manager accounts as required. Seconded by Blair Senneff. Motion passed 5-0.

Motion by Buss to accept a 3 year contract with Lauterbach @ Amen for accounting services. Motion seconded by Blair Senneff. Motion passed 4-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-abstain.

Discuss Board Attorney Richard Reimer Legal & Legislative Update.

No new business.

No Public Comments.

Motion to adjourn at 11:08 AM by Buss. Seconded by Bill Senneff. Motion passed 5-0.

Jeremy Marsh, Secretary