



**Fire Pension Board - Special Meeting Agenda  
Fire Station 5  
2606 6 Points Rd., Bloomington, IL 61705  
Friday, February 13, 2026 - 2:00 PM**

**1. Call to Order**

**2. Roll Call**

**3. Public Comment**

Individuals wishing to provide emailed public comment must email comments to [publiccomment@cityblm.org](mailto:publiccomment@cityblm.org) at least 15 minutes before the start of the meeting. Individuals wishing to speak in-person may register at [cityblm.org/register](http://cityblm.org/register) at least 5 minutes before the start of the meeting.

**4. Approval of Minutes**

**A. Consideration and Action to Approve the Minutes of the October 24th 2025, Regular Fire Pension Board Meeting., as requested by the Fire Department.** (Recommended Motion: The proposed Minutes be approved.)

**5. Regular Agenda**

**A. Consideration and Action on the Treasurer's Report for the Prior Quarter as Presented, Including the Payments to Contracted Firms for Services, Bills, Payroll Report, and Financial Report., as requested by the Fire Department.** (Recommended Motion: The proposed treasures report be approved)

**B. Consideration and Action on Investment Recommendations Provided by Wall Capital and Raymond James., as requested by the Fire Department.** (Recommended Motion: Recommend the Advice of the Investment Advisor be Followed.)

**C. Consideration and Action on the Annual Audit., as requested by the Fire Department.** (Recommended Motion: The Annual Audit be accepted.)

**D. Discussion only — two members are currently applying for disability pension., as requested by the Fire Department.** (Recommended Motion: Discussion only)

**E. Consideration and Action of the dates for the upcoming election of an active duty pension board member., as requested by the Fire Department.** (Recommended Motion: The proposed election dates be approved.)

**6. New Business**

**7. Adjournment**

Individuals with disabilities planning to attend the meeting who require reasonable accommodations to observe and/or participate, or who have questions about the accessibility of the meeting, should contact the City's ADA Coordinator at 309-434-2468 or [mhurt@cityblm.org](mailto:mhurt@cityblm.org).

MINUTES OF THE REGULAR MEETING OF THE  
BLOOMINGTON FIRE PENSION BOARD  
October 24, 2025

Attendees: Carl Reeb, Tyler Zimmerman, Curt Oyer and Scott Rathbun, Fire Pension Board members.

Member absent: Ron Fowler.

Others present: Dave Wall, Wall Capital Group, and Vicky Campbell, Raymond James Senior Vice President Investments/Branch Manager. Mr. Wall participated remotely via video conference.

Others absent: Tracey Covert, Recording Secretary.

The Fire Pension Board met at Fire Station 5 located at 2606 Six Points Rd. Carl Reeb, Vice President, called the meeting to order at 2:00 p.m.

Mr. Reeb opened the meeting to Public Comment. No one came forward to address the Board.

MINUTES

Motion by Tyler Zimmerman, seconded by Scott Rathbun to approve the regular session minutes of July 25, 2025 as presented.

Motion carried, (viva voce).

TREASURER'S REPORT

Tyler Zimmerman presented his report. The monthly pension costs were as follows:

August 2025	\$670,736.87
September 2025	\$680,628.07
October 2025	\$678,243.73

Mr. Zimmerman presented the following expenditures: *Tyler Zimmerman - \$226.02 (reimbursement for expenses incurred at Copy Shop & Sams Club); Wall Capital - \$1,250 (quarterly payment – investment services); Raymond James - \$750 (quarterly payment – investment services); and Tracey Covert - \$112.50 (meeting minutes and John Chambers Resolution); Van Gundy Insurance - \$1,648 (renewal criminal insurance); Striegel Knobloch & Company, LLC, (SKC), - \$11,477.80 (accounting services) This invoice included quarterly services, audit work and completed financial reports. Total expenses: \$3,986.52. Items listed in italics had been presented to the Board at the July 25, 2025 meeting.*

A wire transfer to the FPIF (Firefighters' Pension Investment Fund) in the amount of \$6,797.932 was made on October 10, 2025. Curt Oyer questioned if this deposit consisted of property tax dollars and surrendered annuity(ies). Mr. Reeb responded affirmatively. An annuity reached its Surrender Date. Property tax receipts were the largest percentage.

Mr. Oyer and Scott Rathbun questioned the Van Gundy Insurance bill. Mr. Reeb believed the term was for two to three (2 – 3) years. This policy insured the Board against small theft. Mr. Oyer recalled the term being for three (3) years. Mr. Reeb added this policy did not address Pension Board member liability. It addressed stolen items.

Scott Rathbun presented his “snapshot” report. His report followed the same format. The Net Monthly Need (upper right-hand corner) was \$597,000. The projected annual expenditure was \$7,164,000. He noted the monthly recurring transfer from the FPIF for 2025 was \$590,000. The Board needed to submit the annual recurring transfer from the FPIF for 2026. These monthly transfers are done on a calendar year. The request should be submitted in December. He recommended the amount be increased from the current \$590,000 to \$597,000 - \$600,000. Mr. Reeb supported increasing the monthly transfer from the FPIF to \$600,000 effective January 1, 2026.

The Bank Balance (upper left-hand corner) was \$993,089 on October 23, 2025, \$25,000 in the operating account and \$968,089 in the money market account earning 2.51%. The current dollar amount held by Wall Capital was \$646,000. Total cash on hand was \$1,639,089. He noted the bank balance \$993,089 when compared to the monthly pension cost (\$680,000). The end-of-month balance was \$313,089. At the Board's July 25, 2025 meeting, it was determined to retain \$50,000 in the operating account. Wall Capital's balance was \$639,000. He recommended the Board transfer funds to the FPIF. He presented three (3) recommendations: 1.) to increase the monthly recurring withdrawal from the FPIF to \$600,000; 2.) to transfer \$263,000 to the FPIF; and 3.) the total dollars held by Wall Capital be set at \$600,000.

City Contributions (lower left-hand corner) listed six (6) Property Tax payments: June 9, June 23, July 14, September 8, 22, and October 13 2025. Total contributions to date: \$4,775,754. The majority of the property tax dollars have been received. He anticipated a final December deposit from the County to the City. In the recent past, the City has paid the remaining pension fund contribution during the month of December. The total remaining contribution was \$2,544,303. The City may make monthly contributions to the pension fund. He would communicate these contributions with Mr. Reeb and Mr. Zimmerman.

Mr. Oyer questioned the planned property tax levy for 2026. Mr. Rathbun anticipated the property tax levy would be held flat, (2025 amount). The City Council plans to set the 2026 estimated property tax levy at its November 24, 2025 meeting. Property taxes are collected one year in arrears, (the levy would be based upon 2025 EAV). The property tax level would be held flat for two (2) consecutive years. Property taxes represent eighteen percent (18%) of City revenues. It has been held static at a time when expenses are increasing. He noted the recent growth of EAV (Equalized Assessed Value). Due to this fact, property taxes have increase eight to nine percent (8 – 9%) during the last two (2) years. McLean County Supervisor of Assessments has applied a multiplier this year. The property tax levy is the perfect tax. The

taxing body sets the amount and receives same. If the tax body holds the tax rate, property owners pay more in property taxes. He added public schools in the County would receive sales tax dollars, (one percent/1%) via the County facilities tax. The public schools claimed if approved, property taxes would be lowered by up to one third. A property tax levy linked to an inflationary index would be his preference, (i.e. it would keep pace with inflation). The City Code states, “public pensions will be paid with property taxes and utility taxes.” These two (2) combined taxes do not cover pension liability costs. Last year’s shortfall was \$4 million. The City’s General Fund has made up the difference.

The actuarial reports were expected by next week. These would provide the numbers for 2026. Two (2) items were driving up pension costs: 1.) retirees were living longer and 2.) increased number of police and fire protection employees. Mr. Oyer questioned if there had been any statutory changes to the Tier 2 participants. Mr. Rathbun responded negatively. Any change would result in increased pension liability for municipalities.

Motion by Curt Oyer, seconded by Scott Rathbun to accept the Treasurer’s Report as presented.

Ayes: Carl Reeb, Tyler Zimmerman, Curt Oyer and Scott Rathbun.

Nays: none.

Motion carried.

#### LIST OF MEETINGS

Mr. Reeb recommended the Board continue to meet on the fourth Friday of the month at 2:00 p.m. The specific dates would be January 23, April 24, July 24 and October 23, 2025.

Pension Board meetings would be held at Fire Station #5, Maintenance/Training Annex, 2602 Six Points Rd.

Motion by Carl Reeb, seconded by Scott Rathbun to approve the 2026 Regular Schedule of Meetings: January 23<sup>rd</sup>, April 24<sup>th</sup>, July 24<sup>th</sup> and October 23<sup>rd</sup>, at 2:00 p.m., at Fire Station #5, Maintenance/Training Annex, 2602 Six Points Rd.

Motion carried, (viva voce).

#### FINANCIAL INVESTMENT REPORT

Dave Wall, Wall Capital Group’s President, addressed the Board via video conference. Two (2) Quarterly Performance Reports had been prepared, (June 30, 2025 and September 30, 2025). The report dated June 30<sup>st</sup> listed all Board assets. This report included the FPIF’s Statement of Results for June, July and August 2025 and Marquette Associates Illinois FPIF Quarterly Summary June 30, 2025. The report dated September 30<sup>th</sup> only listed cash and annuity holdings.

Mr. Wall directed the Board to the report dated September 30, 2025. He directed the Board to Portfolio Allocation, see page 1. The Beginning Value was \$58,889,931 and the Ending Value was \$65,264,281. The Return (GoF) for the Last 12 Months was 10.7%. The Return (GoF) Last 3 Years was 16.8%. The Portfolio Performance Summary listed Top Ten Performers and the Performance Summary, see pages 2 – 3. He noted Delaware Life Small Core with earnings of 5.3%. The Account Performance Summary listed the annuity contracts and their allocation percentage. The Account Allocation for Fixed Income was found pages 4 - 5. The Schwab account showed a Beginning Value of \$637,575 and an Ending Value of \$644,494. The Return (GoF) quarter to date was 1.1%, see page 4. These funds were held in 90-day US Treasury bonds. It has been a good market for the past three (3) years, Return (GoF) was 4.4%. The Portfolio Holdings listing was found on pages 14 – 15. The annuity contracts were listed by type. There were four (4) fixed annuity contracts with 2026 surrender dates, (April 22<sup>nd</sup>, August 18<sup>th</sup> – two contracts, and November 18<sup>th</sup>). He noted the surrender date was missing from the Jackson National #7366. Vicky Cambell, Raymond James Senior Vice President Investments/Branch Manager, added this contract was a variable annuity. The investment was reallocated to a bond fund. Mr. Wall directed the Board to Portfolio Holdings, see page 15, the two (2) US Treasury bills were listed. One had an expiration date of October 16, 2025. The other has an expiration date of January 31, 2026 at a value of \$326,000. There was \$300,000 which could be invested in a six (6) month US Treasury bill. (Today's rate was 3.76%). The Board needed to decide: 1.) purchase a six (6) month Treasury or 2.) transfer the funds to PNC. He added the Board would meet on January 23, 2026 which was prior to the maturity date. Direction could be given at that meeting.

Ms. Campbell directed the Board to the Portfolio Performance, (page 2). The Top Performers Quarter to Date Return was listed at 5.8%. She added there were four (4) AIG annuities with a surrender value of \$11,026,612. Their Quarter to Date Return was listed at 7.7%. Under the Account Performance Summary, Anico's Quarter to Date Return is listed at zero percent (0%), (i.e., nothing was earned this quarter). This is a fixed annuity.

Mr. Wall directed the Board to the Quarterly Performance Report dated June 20, 2025. Portfolio Allocation, see page 1, listed Equities at 73.9%. He expressed his opinion additional annuity contracts investments would move from equities to bonds by April 2026. The FPIF has seventy percent (70%) equities/stocks. He noted the Board made monthly transfers to the FPIF. The Beginning Value was \$108,694,743 and the Ending Value was \$118,635,676. The Return (GoF) for the Quarter to Date was eight percent (8%). The Return (GoF) Year to Date was 5.7%.

Mr. Wall addressed tariff concerns and the fifteen percent (15%) market correction since April 2, 2025. The S & P hit a high of eighteen percent (18%) in February. Today, the S & P's year to date was fifteen/sixteen percent (15 – 16%). The Board's fiscal year ended on April 30<sup>th</sup>. He cited Return (GoF) for the Last 3 Years and Last 5 Years, 12.7% and 12.3%, respectively. The Death Benefits received from annuities have had an impact.

The Portfolio Performance with the Top Performers listing was located on pages 2 – 3. The Schwab account and PNC account were found on pages 4 & 5, respectively. The Account Allocation for the FPIF was found on page 6. The Return (GoF) Year to Date was 8.5%, Last 3 Years was 11.8% and Last 5 Years was 11.6%. He added a benchmark for comparison purposes:

Russell 3000 and Barclays Agg. Bond, seventy percent (70%), and thirty percent (30%) respectively.

The annuities were found under Account Allocation, see pages 7 – 14. The FPIF Statements of Results were for June, July & August 2025. The FPIF Quarterly Summary from Marquette Associates is dated June 30, 2025. This report includes details regarding the managers, returns and benchmarks.

He requested Board direction regarding the Schwab account. Mr. Rathbun recommended \$322,000 be rolled over into a short-term US Treasury. Mr. Wall questioned whether the Board would be comfortable with a standing instruction in cases where the maturity date occurs prior to a Board meeting or to wait for Board instruction at its next meeting. The Schwab account is close to one (1) month's pension cost. These dollars were viewed as an emergency fund. There would not be a maturity prior to the Board's next meeting. Mr. Reeb expressed support for a roll over.

Ms. Campbell noted the annuities were heavily invested in equities. There were five (5) American General accounts, (#9892, 8240, 9903, 3214 & 9894), which could be surrendered. The Surrender and Death Benefit Values were identical, (\$2,469,269.14, \$1,614,898.49, \$2,469,269.14, \$2,043,432.22, and \$2,469,269.14 respectively as of September 30, 2025). It appeared four (4) of them were invested in S & P 500 and #8240 was invested in a mid-cap fund. Mr. Wall directed the Board to the June 30, 2025 Quarterly Performance Report. Equities were listed at 73.9%, (see the Portfolio Allocation on page 1).

Ms. Campbell cited the value of these five (5) annuities which were close to \$11 million in April 2024. There was growth in the past year as the S & P had seen good earnings. It was a good time to surrender them. The values should be higher. She recommended surrender as long as there was no loss between the two (2) values. These assets would be sent to the FPIF. Mr. Rathbun added the Board was obligated to surrender the annuities as soon as possible if there was no loss in value. Mr. Wall restated five (5) AIG annuities should be surrendered with the funds sent to the FPIF.

Ms. Campbell provided updated value information: #9892 - \$2,486,000; #8240 - \$1,621,000; #9903 - \$2,486,000; #3214 - \$2,057,000 and #9894 - \$2,486,000 for an estimated total: \$11,082,000.

Motion by Scott Rathbun, seconded by Tyler Zimmerman to surrender the following AIG annuities: #9892, 8240, 9903, 3214 & 9894 as the Death and Surrender Values were the same.

Ayes: Carl Reeb, Tyler Zimmerna, Curt Oyer and Scott Rathbun.

Nays: none.

Motion carried.

Ms. Campbell would provide the Board with the necessary surrender paperwork. Board officers would need to sign same. She would also need a corporate resolution of Board officers.

Ms. Campbell questioned whether the Board has received her second quarter bill. She requested the remittance be mailed to RJ AMS Consulting in Florida.

She addressed the IRS (Internal Revenue Service) letter. She believed it was related to the Delaware contracts. Mr. Reeb noted the issue was ongoing. Mr. Zimmerman added there appeared to be a lot of confusion. A response to the #945 form has been sent. He was unsure of any changes made to the account. Mr. Reeb stated the IRS claims the Pension Board owes \$30,000. Mr. Rathbun questioned if this was a payroll report. He questioned if this was related to the monthly pension payments.

Ms. Campbell believed this issue was from a death benefit claim on a Delaware annuity. Delaware sent a 1099R form to the IRS. No federal taxes were due as the dollars were paid to the Pension Fund. Pension benefits are taxable when distributed to retired firefighters. She had been reaching out to Delaware on a weekly basis. RMD (Required Minimum Distribution) letters have been received weekly dating back to 2018. Delaware incorrectly reported a distribution. These dollars were sent to the Pension Fund, a tax-free entity.

Mr. Oyer noted no FICA/Medicare withholding was required on pension payments. Mr. Rathbun added the individual pensioners/retirees were responsible for any federal income tax withholding. Mr. Oyer responded affirmatively. Individual pensioners were responsible for withholding federal income taxes owed.

Mr. Oyer questioned an item in the June 30, 2025 Quarterly Performance Report which involved the Alternative Assets as listed in the two (2) reports, (i.e., Wall Capital compared to Marquette Associates).

**ALTERNATIVE ASSETS\***

Private Credit	Private Equity	Real Estate	Total
.6%	.9%	2.6%	4%

*\*Figures from Wall Capital Group’s Quarterly Performance Report dated June 30, 2025, see Portfolio Holdings on page 16*

The Alternative Assets listed 7.9%, (see Account Allocation FPIF on page 6).

**TOTAL ALTERNATIVE COMPOSITE\***

Real Estate	Infrastructure	Private Equity	Private Credit	Total
5.1%	1.5%	.2%	1.1%	7.9%

*\*Figures from Marquette Associates Quarterly Summary dated June 20, 2025, see Portfolio Allocation, Total Alternatives Composite on page 4.*

The Cash Composite was listed at 1.9%. He questioned if these were considered equity holdings or fixed income investments. Mr. Wall had some concern. He cited the cash and infrastructure composites. Equities are not like bonds. Private equity offers a greater rate of return but also a higher risk.

Mr. Oyer questioned Real Estate. Mr. Wall believed this asset had been placed in equity but is listed as a separate class. Equities equaled seventy-four to seventy-six percent (74 – 76%) of the Portfolio Allocation. He offered to verify if private credit was considered equity. See the Marquette Associates FPIF Quarterly Summary June 30, 2025.

However, the Wall Capital Group's Quarterly Performance Report as of June 30, 2025 Portfolio Allocation, see page 1, lists Alternative Assets at four percent (4%).

Finally, Mr. Oyer stated at this time the FPIF held half of the Pension Board's total pension assets. Total value: \$118,635,676 and FPIF value: \$59,745,745. Mr. Wall offered to review his report and correct any errors. Mr. Oyer addressed the Marquette Associates report which provided a breakdown of the state fund. Rates and alternative assets were found on pages 15 – 19.

Ms. Campbell cited the Portfolio Allocation listed Alternative Assets at four percent (4%) and Real Estate at 2.6%. She questioned if this percentage reflected the state's percentage as part of the total holdings, (see Wall Capital Group's Quarterly Performance Report page 16). Mr. Oyer restated the Total Alternative Composite: Real Estate 5.1%; Infrastructure 1.5%, Private Equity .2%, and Private Credit 1.1%, (see Marquette Associates Quarterly Summary June 30, 2025, page 4).

Ms. Campbell questioned the Private Equity return as it was listed as 533.3%, (see Wall Capital Group's Quarterly Performance Summary Portfolio Performance, Top Performers, page 2). Mr. Wall stated he needed to review the report. Infrastructure should not be included in Alternative Assets. Ms. Campbell added Private Credit and Private Equity should also not be included. Mr. Oyer added Real Estate too. Ms. Campbell note Real Estate's value \$3,047,033, (see Wall Capital Group's Quarterly Performance Summary, Portfolio Holdings page 16). She was unsure if any of the Board's annuity holdings were invested in real estate too. Mr. Oyer questioned real estate equity being shown in Alternative Assets.

Mr. Wall and Ms. Campbell responded affirmatively. They would prepare alternative investment recommendations for the remaining variable annuities prior to the Board's January 23, 2026, meeting. Mr. Wall added the dollars scheduled to be sent to the FPIF would be of assistance. Mr. Oyer added the Alternative Assets included in these reports if added to equities result in a higher percentage: seventy-four to seventy-eight percent (74 – 78%). Mr. Wall responded affirmatively.

Mr. Oyer questioned if there were termination dates for the annuity holdings. He cited age of the annuitant as an example. Ms. Campbell would research this question, (i.e., aging out). The Death Benefit might plateau, (i.e., no more increase in the value). She cited Pacific Life #0934: Death Benefit \$3,344,088.04, Surrender Value \$2,622,587.05, the annuitant was 77 years old. She also cited VOYA #65-OX: Death Benefit \$3,632,316.37, Surrender Value \$2,349,793.63, the annuitant was 82 years old. Mr. Oyer cited VOYA #53-OX: Death Benefit \$6,128,753.06, Surrender Value \$4,888,780.85, the annuitant was 87 years old. Ms. Campbell acknowledged this was a valid question. She believed the Death Benefit continued to increase. Mr. Oyer questioned Board action if the Death Benefit value had a cap. Ms. Campbell noted the difference between the Death Benefit and Surrender Values on these three (3) annuities. She restated research would be done on the question of Death Benefit and aging out.

Mr. Reeb cited the footnotes listed on the Variable Annuities report, see page 2. There were six (6) listed. Four (4) of them listed an age. Ms. Campbell noted the footnotes were for different companies. Currently, there is a gap between Death and Surrender Values. She restated her intention to research this issue and report back to the Board. She added the five percent (5%) roll up appeared on three (3) of the footnotes. She questioned this year's mid versus large cap investments. Mr. Wall stated mid cap was 6.3%. Ms. Campbell believed this figure was lower than the S & P 500. Mr. Wall restated the June 30<sup>th</sup> Quarterly Performance Report needed some corrections. The Board would then be able to verify results.

#### ANNUAL AUDIT

Mr. Reeb informed the Board no one from Baker Tilly had been invited to the Board meeting. He recommended this item be laid over until the Board's January 23, 2006 meeting. Mr. Rathbun added the City and the Board would have the Municipal Compliance Report by that date.

Motion by Scott Rathbun, seconded by Tyler Zimmerman to layover the presentation of the Annual Report for FY 2025 until the Board's January 23, 2026 meeting.

Motion carried, (viva voce).

#### APPLICATIONS FOR PENSION

Mr. Reeb presented Mike Chaon, retiree. This was an application for a regular pension.

Rank:	Captain
Retirement Date:	August 20, 2025
<b>Hire Date:</b>	
Age:	58 years old
Years of Service:	30 years, 20 days
<b>Salary:</b>	\$
Starting Monthly Pension:	\$7,612.00
<b>Beginning Annual Benefit:</b>	\$

Motion by Scott Rathbun, seconded by Tyler Zimmerman to approve the application for regular pension for Mike Chaon effective August 20, 2025.

Ayes: Carl Reeb, Tyler Zimmerman, Curt Oyer and Scott Rathbun.

Nays: none.

Motion carried.

Mr. Reeb presented Jason Anglin, retiree. This was an application for a regular pension.

Rank:	Captain
Retirement Date:	September 3, 2025
Hire Date:	
Age:	55 years old
Years of Service:	22 years, 2days
Salary:	\$
Starting Monthly Pension:	\$5,533.59
Beginning Annual Benefit:	\$

Motion by Scott Rathbun, seconded by Tyler Zimmerman to approve the application for regular pension for Jason Anglin effective September 3, 2025.

Ayes: Carl Reeb, Tyler Zimmerman, Curt Oyer and Scott Rathbun.

Nays: none.

Motion carried.

## NEW BUSINESS

Mr. Reeb informed the Board that Ron Fowler, Tyler Zimmerman and he would attend the AFFI - IAFF's Pension Seminar to be held virtually on November 18, 2025. This seminar complied with the mandatory continuing education requirements. The seminar had been moved from October to November and from in person to virtual. Mr. Zimmerman would manage registration and the Pension Board would be invoiced.

Mr. Oyer questioned if the seminar provided the required eight (8) hours. Mr. Reeb responded affirmatively.

Mr. Reeb informed the Board that a Duty Disability Pension application had been filed. Don Craven, Board attorney, received the application for the former firefighter's attorney. The application was in the initial stages. Records collection has started. The Board will receive all the information gathered. The City has filed a Motion to Intervene. In the past, the Board allowed same as the City has standing.

Mr. Reeb added Angela Fyans-Jimenez, City Corporation Counsel, was familiar with Mr. Craven. All legal parties have been introduced to each other. There will be a variety of bills associated with this application, (i.e., legal, independent medical examination, etc.). The Board would be kept informed.

Mr. Oyer questioned the Board's role. Mr. Reeb stated Mr. Craven would manage the entire process.

The former firefighter had sixteen – seventeen (16 – 17) years of service. By statute, an individual can be ordered back to work as a firefighter up to age fifty (50). An annual independent medical examination is required if a duty disability pension is awarded. The Firefighters' collective bargaining agreement also addressed duty disability pensions. If an individual is awarded a duty disability, they have not retired. This type of pension can be converted to a regular pension. A duty disability pension is tax free and individuals tend to remain on it after age fifty (50). There is an impact upon a widow's pension. The amount is reduced and becomes taxable. Some choose to convert to a regular pension to increase the widow's pension. Generally, taxes are owed on regular pensions.

Mr. Rathbun addressed the surrender of the AIG annuities with a value in excess of \$11 million. He addressed FDIC (Federal Deposit Insurance Corporation) and collateralization. The FDIC covered pension funds per participant, (\$250,000 x each participant). There would be no exposure. Ms. Campbell noted the AIG checks would be mailed to the Pension Fund.

Mr. Zimmerman addressed the Board. He had begun to research transferring all check issuing responsibility to SKC, the Board's accounting firm. He noted the number of checks issued by him were limited in number. He believed record keeping would be cleaner. SKC would charge a fee for this service.

Mr. Reeb added this firm issued monthly pension checks. Mr. Rathbun's digital signature was placed on same.

Mr. Oyer stated expense checks would be added. Mr. Reeb responded affirmatively. It would be easier for Mr. Zimmerman. The process would be cleaner and quarterly reports would include these costs. Board members digital signatures would be used.

Mr. Zimmerman had brought this idea forward. Mr. Reeb questioned next steps. This would be a change of business practice. He questioned if the Board needed clarification regarding the particulars. Mr. Rathbun had accounts payable concerns. SKC needed appropriate accounting controls, (i.e., separation of duties: whoever controls the accounts payable, cannot have access to the digital signature card.) The Board would need assurances from SKC that they have necessary controls, (i.e., dual controls). SKC is a CPA (Certified Public Accounting) firm. They should have experience with dual controls. The Board needs to be comfortable with the proposed change.

Mr. Reeb informed the Board that the Pension Board's records have been relocated from Station #2 to Station #5. The invoice had not been received from the moving company. The fire

resistance cabinet weighs over 1,500 pounds. Mr. Fowler found a company willing to perform the work.

Motion by Scott Rathbun, seconded by Tyler Zimmerman to adjourn. Time: 3:32p.m.

Motion carried, (viva voce).

Respectfully submitted,

Tracey Covert  
Recording Secretary

Signed by:

\_\_\_\_\_  
Ron Fowler, President

\_\_\_\_\_  
Tyler Zimmerman, Secretary