



ADMINISTRATION & FINANCE COMMITTEE
Meeting Minutes

February 15, 2018
IRMA Office
9:30 a.m.

PRESENT: Eric Helm, Chair
Jason Bielawski
Barry Krumstok
Elizabeth Holleb
Bettina O'Connell

Lynn McCammon, Vice Chair
Brad Bettenhausen
Larry Noller
Colleen Nigg

ALSO

PRESENT: Margo Ely
Donna Sluis
Brian Goding

Rita Boserup
Telly Panousis

ABSENT: Tom Kuehne

I. CALL TO ORDER

Chair Helm called the meeting to order at 9:30 a.m., roll was taken and a quorum declared. Since there were some new people on the committee, Helm asked everyone to introduce themselves.

II. APPROVAL OF MINUTES: November 14, 2017

A motion was made by Krumstok and seconded by McCammon to approve the Administration and Finance Committee Minutes of November 14, 2017. A voice vote was called and the motion carried.

III. WELCOME TO THE 2018 ADMINISTRATION & FINANCE COMMITTEE

Helm commented one item of business that has not been done in previous years and is part of the bylaws, is electing a Vice-Chair for this committee. McCammon has agreed to be the Vice-Chair. A motion was made by Krumstok and seconded by Noller to approve Lynn McCammon as the Vice-Chair of the committee. The motion passed.

Helm went through the remainder of the items to the committee. Boserup gave an explanation to the committee on the modifications to the Budget Policy. A motion was made by McCammon and seconded by Holleb to approve the modifications. The motion carried.

IV. BUDGET AMENDMENT

Helm mentioned this is the budget amendment that would change the budget per the new budget policy. Boserup commented that our bylaws prohibit us from spending more than what is budgeted for expenses. It doesn't change our spending or categories, it's basically we have to adjust the revenue and loss fund to include Arlington Heights, so it's a wash. Krumstok commented if this happens again do we need to bring it back to the committee, since it is a wash and everyone was notified? Boserup commented as long as it doesn't change our spending. Ely commented if it's a balanced budget we should be able to do it administratively. Krumstok commented everyone knew there was a going to be a potential hit with Arlington Heights. If the policy doesn't allow it maybe it can be tweaked. This will happen with Mount Prospect since they are not in the 2018

Budget and will have to bring another amendment to include Mount Prospect. Ely commented looking at the budget policy we can change that to say “a budget amendment is not required when the overall budget will remain in balance.” After much discussion, there are no revisions to the budget amendment. A motion was made by Krumstok and seconded by Bielawski to approve the budget amendment. The motion carried.

V. FINANCIAL REPORTS

- A. IRMA Financial Statements as of December 31, 2017
- B. IRMA Investment Portfolio as of December 31, 2017
- C. IRMA Payables for the period October 1 - December 31, 2017

Helm asked if anyone had any questions or comments on the financial reports. A motion was made by Holleb and seconded by McCammon to approve the Financial Reports. The motion carried.

VI. 4TH QUARTER INVESTMENT PERFORMANCE REPORT

Goding gave an overview of the 4th Quarter Investment Performance Report to the committee.

Goding handed out the corrected Asset Allocation spreadsheet to the committee and went over the recommended changes. After much discussion, a motion was made by Krumstok and seconded by Noller to approve the allocation of \$12,000,000. The motion carried.

VII. ESTABLISH A CAPITALIZATION POLICY

Boserup commented the threshold is \$500 and could not find a policy that establishes IRMA's capitalization threshold. It's always been in our financial statement footnotes. The policy is attached and we also wanted to increase the threshold from \$500 to \$5,000. A motion was made by Holleb and seconded by Bettenhausen to approve the Capitalization Policy. The motion carried.

VIII. ADMINISTRATION & FINANCE COMMITTEE OBJECTIVES

Helm gave an overview of the 2017 Goals and Objectives Accomplishments and went over the 2018 Goals and Objectives to the committee. Boserup handed out a copy of IMRF's Popular Annual Financial Report (PAFR) as an example of a PAFR. Creating a PAFR is one of the goals for this year. One addition to the 2018 Goals and Objectives is to Establish a Rate Stabilization Policy. A motion was made by Bielawski and seconded by Noller to approve the 2018 Goals and Objectives as amended. The motion carried.

IX. AMENDMENT TO THE IRMA FLEX 125 PLAN

There was no discussion on the Flex 125 Plan. A motion was made by Krumstok and seconded by McCammon to approve the Amendment to the IRMA Flex 125 Plan. The motion carried.

X. RECOMMENDATION FROM THE AD HOC COMMITTEE: EXPOSURE BASE

Ely commented it was a great exercise and was comfortable with the outcome. A motion was made by Bielawski and seconded by Krumstok to concur with the Ad Hoc Committee's recommendation to maintain the status quo. The motion carried.

XI. GRANT PROGRAM GUIDELINES

Swahlstedt gave a background on the grant guidelines. The TEC and MRC approved the grant guidelines as recommended. After much discussion, a motion was made by Krumstok and seconded by McCammon to approve the grant program guidelines as outlined in the memo. The motion carried.

XII. ADDITIONS TO AGENDA

None

XIII. CONFIRMATION OF NEXT MEETING

Helm announced that the next meeting of the Administration & Finance Committee would be held on Wednesday, May 23, 2018 at 9:30 a.m. at the IRMA office.

XIV. ADJOURNMENT

A motion was made by Holleb and seconded by Bielawski to adjourn the meeting. A voice vote was called and the motion carried.

Submitted by:

Approved by:

Rita Boserup
Director of Financial Services & Administration

Eric Helm
Chair, Administration & Finance Committee