



WESTCHESTER FIREFIGHTERS' PENSION FUND

10240 Roosevelt Road, Westchester, Illinois | 708-345-2873

Scot Stauber
President

Michael Doocy
Secretary

Bill Ernst
Trustee

Tom Sullivan
Trustee

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE WESTCHESTER FIREFIGHTERS' PENSION FUND Monday, August 24, 2015 – 4:00pm

A regular meeting of the Board of Trustees of the Westchester Firefighters' Pension Fund was held on Monday, August 24, 2015 at the Westchester Fire Department, 10240 Roosevelt Road, Westchester, Illinois for the purpose of conducting regular business, pursuant to notice.

CALL TO ORDER: Trustee Stauber called the meeting to order at 4:07pm.

ROLL CALL:

PRESENT: Trustees Scot Stauber, Michael Doocy, and Bill Ernst

ABSENT: Trustee Tom Sullivan

ALSO PRESENT: Tom McShane, Graystone Consulting; Barb Brandt, Village Treasurer; Jerry Marzullo, Puchalski, Marzullo, Goodloe (PGM); Jessica Fain and Sara Williams, Lauterbach & Amen (L&A); Chief Jim Adams, Westchester Fire Department.

PUBLIC COMMENT: None

APPROVAL OF MINUTES: The Board tabled the approval of the minutes from the regular meeting of May 18, 2015 until the next regular meeting.

Semi Annual Review of Closed Session Minutes: The Board determined that there are no closed session minutes to be reviewed at this time.

TREASURER'S REPORT: Barb Brandt presented financial reports stating the balance of the Harris Bank NOW Account as of August 15, 2015 is \$17,456.80. The Money Market Account balance as of August 15, 2015 is \$534,122.10. All questions were answered by Barb Brandt. A motion was made by Trustee Doocy and seconded by Trustee Ernst to accept the Treasurer's Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed additional invoices from Morgan Stanley in the amount of \$12,502 for third quarter consulting fees, and the IPPFA in the amount of \$1,625.00 for the MidAmerican Pension Conference in Lake Geneva, WI. A motion was made by Trustee Stauber and seconded by Trustee Doocy to approve the payment of additional invoices in the amount of \$14,127.00. Motion carried by roll call vote.

AYES: Trustees Doocy, Ernst, Stauber

NAYS: None

ABSENT: Trustee Sullivan

A motion was made by Trustee Stauber and seconded by Trustee Doocy to approve the registration fee for two newly elected/appointed Trustees to attend the required 32-hour Certified Trustee Training. Motion carried by roll call vote.

AYES: Trustees Doocy, Ernst, Stauber
NAYS: None
ABSENT: Trustee Sullivan

LEGAL UPDATES: *Puchalski, Goodloe, Marzullo LLC:* Jerry Marzullo discussed the results of the Department of Insurance Compliance Audit and the Board's response. Lauterbach & Amen will work with the Board to ensure proper collection of Active Member information required to be maintained by the Pension Fund.

Mr. Marzullo also discussed recent case law and legislation pertaining to Article 3 and 4 Pension Funds. Further cases and legislation will be watched closely and the Board will be updated. All questions were answered by Jerry Marzullo.

The Board discussed the Trustee training status of Trustee Tom Sullivan. A motion was made by Trustee Ernst and seconded by Trustee Doocy to remove Trustee Sullivan from the Board for lack of Trustee Training hours effective August, 24, 2015, pending the verification the completion of required Trustee Training. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* Lauterbach & Amen, LLP presented the Board with the Monthly Financial Report for the period ending June 30, 2015. As of 06/30/2015 the net position held in trust for pension benefits was \$20,795,285.61 with a change in position for the two months ended 06/30/2015 of (\$500,971.75). The Board reviewed the Cash Analysis, Revenue, and Expense Reports, as well as the Member Contribution Report and Payroll Journal. The Vendor Checks Report listed disbursements in the amount of \$41,695.86 for the period from 04/01/2015 through 06/30/2015. A motion was made by Trustee Doocy and seconded by Trustee Ernst to accept the accountant's report as presented. Motion carried by roll call vote.

AYES: Trustees Doocy, Ernst, Stauber
NAYS: None
ABSENT: Trustee Sullivan

INVESTMENT REPORTS: Mr. Tom McShane from Graystone Consulting presented the investment report for the period ending July 31, 2015. As of 07/31/2015, the market value of the portfolio is \$20,930.972.74 with a year to date performance of 3.02%. The portfolio composition is 66.22% in equities and 33.78% in fixed income. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance, and investment fees.

A motion was made by Trustee Ernst and seconded by Trustee Doocy to make a "good to cancel order" to buy \$200,000 of IVV at \$181 per share, \$200,000 of IVV at \$172 per share and \$200,000 of IVV at \$164 per share for a total of \$600,000 to be taken from the Fixed Income manager. Motion carried by roll call vote.

AYES: Trustees Doocy, Ernst, Stauber
NAYS: None
ABSENT: Trustee Sullivan

A motion was made by Trustee Stauber and seconded by Trustee Ernst to accept the investment report as presented by Graystone Consulting. Motion carried unanimously by voice vote.

Review Investment Policy: There are changes to the Investment Policy at this time.

COMMUNICATIONS AND REPORTS: *Active Member Files:* The Board directed Lauterbach & Amen to send individually addressed letters, including contact information updates, to the station for distribution to all Active Members.

IDOI Annual Statement: The Board was informed that L&A anticipates having the financial statements ready at the beginning of September to include in the Department of Insurance Annual Statement, and reminded that the DOI will no longer be granting filing extension for the Annual Statement. Lauterbach & Amen will be working closely with the Board to acquire the necessary information for a timely filing. A motion was made by Trustee Stauber and seconded by Trustee Doocy to authorize signature by the Board President, Secretary and Treasurer on the Annual Statement Certification page upon review and submission of the finalized Department of Insurance Annual Statement. Motion carried unanimously by voice vote.

Actuary Update: Jessica Fain of Lauterbach & Amen presented the Board with a draft copy of the Actuarial Valuation. Ms. Fain explained to the Board the information, the assumptions used and the difference in funding methods used to calculate the Actuarial Valuation. Based on data and assumptions, the current valuation is \$31,538,885 and the recommended contribution amount is \$943,029, which is a \$27,093 increase from the prior year contribution. The statutory minimum contribution requirement is \$712,178. Updates will be provided at the next regular meeting.

NEW HIRES/APPLICATIONS TO THE PENSION FUND: There are none at this time.

RETIREMENT AND DISABILITY APPLICATIONS: There are none at this time.

OLD BUSINESS: None.

NEW BUSINESS: *Board Officer Elections:* The Board discussed the Board Officer positions for election. A motion was made by Trustee Ernst and seconded by Trustee Stauber to maintain the slate of Trustee Scot Stauber as Board President and Trustee Michael Doocy as Board Secretary. Motion carried unanimously by voice vote.

Resignation of John Athans – Retired Member Trustee: The Board acknowledged that effective June 30, 2015 Trustee John Athans resigned from the Westchester Firefighters' Pension Fund and directed L&A to hold a special election to fill the remaining time of Mr. Athans' term. The special election term will be from September 2015 through April 2018. An update will be provided at the next regular meeting.

TRUSTEE TRAINING: *Individual Training Requirement:* The Board discussed the individual training requirements for new and existing Trustees as dictated by the Illinois State Statute, 40 ILCS 5/1-109.3.

Review Mandatory Training Completion Status: The Board discussed the current status of required Trustee Training. The Board will provide any copies of Trustee Training certificates to Lauterbach & Amen for record keeping and reviewed upcoming Trustee Training opportunities for continuing education.

CLOSED SESSION, IF REQUIRED: None

ADJOURNMENT: A motion was made by Trustee Stauber and seconded by Trustee Doocy to adjourn at 5:30pm. Motion carried unanimously by voice vote.

The next regular meeting will be held on Monday, November 16, 2015 at 4:00pm.


Scot Stauber, Board President

Minutes prepared by Sara Williams, Pension Services Administrator