

**MINUTES OF REGULAR MEETING OF THE BOARD OF TRUSTEES
WESTCHESTER POLICE PENSION FUND
OCTOBER 14, 2014**

A regular meeting of the Board of Trustees of the Westchester Police Pension Fund was held on **TUESDAY, OCTOBER 14, 2014, at 6:00pm** at 10300 West Roosevelt Road, Westchester, Illinois, pursuant to notice.

CALL TO ORDER: The meeting was called to order by Board President Busa at 6:10pm.

PRESENT: Trustees Wayne Busa, Phil Grollo, Bruce Lill, Joe Manna, Keith Suchy
ABSENT: None
ALSO PRESENT: Tom McShane, Graystone Consulting; Brian LaBardi, Reimer & Karlson, LLC; James Ritchie and Sara Williams, Lauterbach & Amen, LLP; Barb Brandt, Village Treasurer.

PUBLIC COMMENT: None

APPROVAL OF MEETING MINUTES: The minutes from the regular meeting of July 15, 2014 were reviewed. A motion was made by Trustee Suchy and seconded by Trustee Lill to approve the minutes as written. Motion carried unanimously by voice vote.

TREASURER'S REPORT: Barb Brandt presented financial reports stating the balance of the Harris Bank Money Market Account as of September 15, 2014 is \$826,758.68. The Now Account balance as of September 18, 2014 is \$24,306.32. All questions were answered by Barb Brandt. A motion was made by Trustee Suchy and seconded by Trustee Manna to accept the Treasurer's Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: Barb Brandt presented the Disbursement Log for checks presented from June 18, 2014 to September 18, 2014. Disbursements for the period ending 09/18/14 totaled \$69,304.70. A motion was made by Trustee Suchy and seconded by Trustee Lill to approve the disbursements for the period ending 09/18/14 in the amount of \$69,304.70. Motion carried by unanimous voice vote.

Fiduciary Liability Insurance: The Board reviewed the Fiduciary Liability Insurance Policy prepared by Mesirow Financial. The policy states \$2,000,000 aggregate limit of liability for all loss. A motion was made by Trustee Lill and seconded by Trustee Suchy to accept the Fiduciary Liability Insurance Policy prepared by Mesirow Financial for the policy period of 08/22/14 through 08/22/15 at a cost of \$6,209.00 for the year. Motion carried by roll call vote

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None

ABSENT: None

INVESTMENT REPORT: Mr. Tom McShane from Graystone Consulting presented the investment report for the period ending September 30, 2014. As of 09/30/14, the market value of the portfolio is \$24,599,217.75 with a quarterly performance of -1.54%. The portfolio composition is 63.73% in equities and 36.27% 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 Lill and seconded by Trustee Grollo to accept the investment report as presented. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None

ABSENT: None

James Ritchie with Lauterbach & Amen, LLP arrived to the meeting at 6:35pm.

The Board previously asked Reimer & Karlson to review the engagement agreement with Tom McShane and Graystone Consulting. Mr. LaBardi stated that an indemnification clause, as well as an item which waives the Board right to a trial by jury, are outlined in the agreement as written. The Board discussed the engagement agreement. A motion was made by Trustee Manna and seconded by Trustee Grollo to accept the engagement agreement with Tom McShane and Graystone Consulting. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None

ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continuing Eligibility:* Sara Williams presented the Board with an update on the current status of returned Affidavits of Continuing Eligibility. The Board directed Lauterbach & Amen to send second request notices to the pensioners who have not returned their affidavits to-date.

Illinois Department of Insurance Annual Statement: Jim Richie with L&A presented an update of the IDOI Annual Statement. The Annual Statement has been accepted by the DOI and Lauterbach & Amen will send the signed certification page to the Illinois Department of Insurance via certified mail.

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

RETIREMENT AND DISABILITY APPLICATIONS: *Keith Rollins – Retirement:* The Board reviewed the benefit calculation for Mr. Keith Rollins. Mr. Rollins retired with an effective date of pension of 10/11/2014, at the retirement age of 53 years old, and 30 years of creditable service. Mr. Rollin's pensionable salary at his time of retirement is \$84,636.90, and his monthly pension payment will be \$5,289.81. A motion was made by Trustee Manna and seconded by Trustee Lill to accept the benefit calculation presented for Mr. Keith Rollins, granting him a monthly pension payment of \$5,289.81.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None

ABSENT: None

Jeffery Mersch – Retirement: The Board reviewed the benefit calculation for Mr. Jeffery Mersch. Mr. Mersch retired with an effective date of pension of 08/01/14, at the retirement age of 53 years old, and 28 years of creditable service. Mr. Mersch's pensionable salary at his time of retirement was \$108,737.00, and his monthly pension payment will be \$6,342.99. A motion was made by Trustee Suchy and seconded by Trustee Manna to accept the benefit calculation for Mr. Jeffery Mersch, granting him a monthly pension payment of \$6,342.99.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None
ABSENT: None

OLD BUSINESS: *Discussion of Pensionable Shift Commander Pay:* The Board discussed pensionable Shift Commander Pay. A motion was made by Trustee Manna and seconded by Trustee Suchy to issue a check in the amount of \$50.87 to the Village of Westchester for funds withheld from Vincent Lamanna in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy
NAYS: None
ABSENT: None

A motion was made by Trustee Manna and seconded by Trustee Suchy to issue a check in the amount of \$1,277.92 to the Village of Westchester for funds withheld from Dominic Luciano in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy
NAYS: None
ABSENT: None

A motion was made by Trustee Suchy and seconded by Trustee Lill to issue a check in the amount of \$738.32 to the Village of Westchester for funds withheld from Giuseppe Manna in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote, Trustee Manna abstained.

AYES: Trustees Busa, Grollo, Lill, Suchy
NAYS: None
ABSENT: None
ABSTAIN: Trustee Manna

A motion was made by Trustee Manna and seconded by Trustee Grollo to issue a check in the amount of \$325.51 to the Village of Westchester for funds withheld from Jeffery Mersch in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy
NAYS: None
ABSENT: None

A motion was made by Trustee Manna and seconded by Trustee Suchy to issue a check in the amount of \$132.01 to the Village of Westchester for funds withheld from Jackie Rogers in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy
NAYS: None
ABSENT: None

A motion was made by Trustee Suchy and seconded by Trustee Lill to issue a check in the amount of \$479.13 to the Village of Westchester for funds withheld from Richard Stieber in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy
NAYS: None
ABSENT: None

A motion was made by Trustee Manna and seconded by Trustee Suchy to issue a check in the amount of \$1,277.92 to the Village of Westchester for funds withheld from Dominic Luciano in error pursuant to the DOI opinion regarding shift commander pay. Motion carried by roll call vote.

AYES: Trustees Busa, Grollo, Lill, Manna, Suchy

NAYS: None

ABSENT: None

Trustee Training Updates: Sara Williams reminded all Trustees to provide any copies of Trustee Training certificates to Lauterbach & Amen for record keeping. Upcoming Trustee Training opportunities were discussed.

Wayne Busa – 2013 Board Appointment: A motion was made by Trustee Suchy and seconded by Trustee Lill to confirm the reappointment of President Busa beginning in 2013. Motion carried unanimously by voice vote.

NEW BUSINESS: *Actuarial Valuation, Tax Levy Recommendation, and Municipal Compliance Report:* The Board tabled discussion and approval of the Actuarial Valuation, Tax Levy Recommendation, and Municipal Compliance Report until a special meeting scheduled for Tuesday, October 28, 2014 at 6:00pm.

Establish Meeting Dates – 2015: The Board discussed regular meeting dates for 2015. A motion was made by Trustee Manna and seconded by Trustee Suchy to set the regular meeting dates for 2015 as January 20, April 21, July 21, and October 20 at 6:00pm. Motion carried unanimously by voice vote.

ATTORNEY REPORT: The fourth quarter edition of *Legal and Legislative Updates* newsletter was distributed to all trustees by Mr. LaBardi with information regarding recent case decisions and legislation regarding reform of State Pension Funds. All questions were answered by Brian LaBardi of Reimer & Karlson, LLC.

Steven Blazek: The Board discussed possible hearing dates to discuss the disability of Steven Blazek. An update will be provided at the next regular meeting on Tuesday, January 20, 2015.

CLOSED SESSION: None

ADJOURNMENT: A motion was made by Trustee Lill and seconded by Trustee Manna to adjourn the meeting at 7:33pm. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for TUESDAY, JANUARY 20, 2015 at 6:00pm at 10300 West Roosevelt Road, Westchester, Illinois.

Joe Manna, Board Secretary

Date Approved by Board _____

Minutes prepared by Sara Williams, Pension Services Administrator, Lauterbach & Amen, LLP