



WESTCHESTER FIREFIGHTERS' PENSION FUND

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

Scot Stauber Michael Doocy John Athans Bill Ernst Tom Sullivan
President Secretary Trustee Trustee Trustee

MINUTES OF THE REGULAR MEETING Monday, January 26, 2015 – 4:00pm

A regular meeting of the Board of Trustees of the Westchester Firefighters' Pension Fund was held on Monday, January 26, 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 4:06pm.

ROLL CALL:

PRESENT: Trustees Scot Stauber, Michael Doocy, Bill Ernst, and Tom Sullivan
ABSENT: Trustee Athans
ALSO PRESENT: Tom McShane, Graystone Consulting; Barb Brandt, Village Treasurer; Jerry Marzullo, Puchalski, Marzullo, Goodloe (PGM); James Ritchie and Sara Williams, Lauterbach & Amen (L&A); Chief John Adams, Westchester Fire Department.

PUBLIC COMMENT: None

APPROVAL OF MINUTES: The Board reviewed the regular meeting minutes from November 24, 2014. A motion was made by Trustee Ernst and seconded by Trustee Doocy to approve the regular meeting minutes from November 24, 2014 as presented. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Minutes: The Board discussed the closed session meeting minutes. At this time there are no minutes to be made public.

TREASURER'S REPORT: Barb Brandt presented financial reports stating the balance of the Account as of January 18, 2015 Harris Bank NOW Account is \$13,751.39. The Money Market Account balance as of January 15, 2015 is \$182,531.86. All questions were answered by Barb Brandt. A motion was made by Trustee Doocy and seconded by Trustee Sullivan to accept the Treasurer's Report as presented. Motion carried by roll call vote.

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

Presentation and Approval of Bills: Barb Brandt presented the Disbursement Log for checks presented from November 14, 2014 to January 26, 2015. Disbursements for the period ending December 15, 2014 totaled \$37,311.53.

LEGAL UPDATES: *Puchalski, Goodloe, Marzullo LLC:* Jerry Marzullo informed the Board that PGM will be increasing their rates from \$500 quarterly to \$600 quarterly, and from \$150 hourly to \$165 hourly. A motion was made by Trustee Ernst and seconded by Trustee Sullivan to accept the increased rates of PGM. Motion carried by roll call vote.

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

Mr. Marzullo discussed the procedure for accepting the Decision and Order for Mr. Dennis Keefe's disability pension. The Board reviewed the Decision and Order drafted by Board Counsel. A motion was made by Trustee Stauber and seconded by Trustee Ernst to approve the Decision and Order granting a Line of Duty Disability for Firefighter Dennis Keefe. Motion carried by roll call vote.

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

After review by legal counsel, the Board signed an updated investment contract with Tom McShane of Graystone Consulting. A motion was made by Trustee Doocy and seconded by Trustee Sullivan to accept the new contract with Graystone Consulting, for a five year term. Motion carried by roll call vote.

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

Mr. Marzullo 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.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* James Ritchie of Lauterbach & Amen, LLP presented the Board with the Monthly Financial Report for the period ending November 30, 2014. As of 11/30/2014 the net position held in trust for pension benefits was \$20,976,013.51 with a change in position for the seven months ended 11/30/2014 of \$548,937.56. 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 \$63,131.29 for the period from 09/01/2014 through 11/30/2014. All questions were answered by Mr. Ritchie.

INVESTMENT REPORTS: Mr. Tom McShane from Graystone Consulting presented the investment report for the period ending December 31, 2014. As of 12/31/14, the market value of the portfolio is \$20,510,259.06 with a 2014 annual performance of 5.54%. The portfolio composition is 64.77% in equities and 35.23% in fixed income. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance, and investment fees. All questions were answered by Mr. McShane. Mr. McShane discussed his recommendation for rebalancing the portfolio to yield maximum profits. A motion was made by

Trustee Doocy and seconded by Trustee Ernst to transfer \$500,000 from the S&P 500 Index into the Vanguard International Equity Fund. Motion carried by roll call vote.

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

A motion was made by Trustee Stauber and seconded by Trustee Ernst to transfer \$200,000 from McDonnell Investment fixed income account and wire transfer to Harris NOW Account for the payment of pension benefits. Motion carried by roll call vote.

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

Review Investment Policy: There are no suggestions for changes to the Investment Policy at this time.

COMMUNICATIONS AND REPORTS: *Active Member Files:* The Board reviewed a sample of the Active Member File Update letter that will be sent to all active Members and discussed the procedure for collecting information to update pension files. The Board directed Lauterbach & Amen to send file update letters to Active Members at their home addresses. An update 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: *Dennis Keefee – Disability Hearing and Updates:* The Board received and accepted the Decision and Order granting Firefighter Dennis Keefee a line of duty disability. The Board will sign and send copies to all involved parties.

OLD BUSINESS: *Review of Fiduciary Liability Insurance:* There is no action to be taken.

Annual Compliance Report: There is no action to be taken.

NEW BUSINESS: *Approve 2015 Cost of Living Adjustments for Pensioners:* The Board reviewed the Annual Benefit Increases effective January 1, 2015 for pensioners. A motion was made by Trustee Doocy and seconded by Trustee Stauber to approve the 2015 Cost of Living Adjustments for pensioners as presented. Motion carried by roll call vote.

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

Review of Trustee Term Expirations and Election Procedures: The Board noted that the Trustee terms for Trustee Athans (Retired) and Trustee Ernst (Appointed) will expire in April 2015. Ms. Williams explained election procedures, and an update of election results will be presented at the next regular meeting.

Trustee Stauber informed the Board that he was contacted regarding the County Ethics information.

TRUSTEE TRAINING: Sara Williams reminded all Trustees to provide any copies of Trustee Training certificates to Lauterbach & Amen for record keeping and presented the Board with 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 5:27pm. Motion carried unanimously by voice vote.

The next regular meeting will be held on Monday, May 18, 2015 at 4:00pm.


Scot Stauber, Board President

Minutes approved by the Board of Trustees on 5/18/15.

Minutes prepared by Sara Williams, Pension Services Administrator