



DES PLAINES FIREFIGHTERS' PENSION FUND

405 S. River Road ■ Des Plaines, Illinois 60016

William Rice
President

Jeff Vallee
Secretary

Paul Birger
Trustee

Nicholas Chiaro
Trustee

Jeffery Rozovics
Trustee

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES February 7, 2017

A regular meeting of the Board of Trustees of the Des Plaines Firefighters' Pension Fund was held on Tuesday, February 7, 2017 at 8:30 a.m., at City Hall located at 1420 Miner Street in Room 101, Des Plaines, IL, in Room 101, pursuant to notice, to conduct regular business.

CALL TO ORDER: President Rice called the meeting to order at 8:31 a.m.

ROLL CALL

PRESENT: President Bill Rice, Secretary Jeff Vallee, Trustees Paul Birger, Nicholas Chiaro and Jeffery Rozovics

ABSENT: None

ALSO PRESENT: Laura Goodloe, Puchalski Goodloe Marzullo, LLP; Thomas McShane, MSSB/Graystone Consulting; Stacie Woodill and Robina Amato, Lauterbach & Amen, LLP (L&A); Dorothy Wisniewski, City of Des Plaines; Wendell Whitted, Des Plaines Police Retiree

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *November 1, 2016 Regular Meeting Minutes:* The minutes of the November 1, 2016 regular meeting were reviewed by the Board. A motion was made by Trustee Birger and seconded by Trustee Rozovics to approve the November 1, 2016 minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes and will not release them at this time. A motion was made by Trustee Birger and seconded by Trustee Vallee to have the closed session meeting minutes remain closed. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report prepared by Lauterbach & Amen, LLP. As of December 31, 2016, the plan net assets held in trust for pension benefits is \$70,765,626.20 with a change in position of \$2,820,534.42 for the twelve month period ending December 31, 2016. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal were provided in the Monthly Financial Report for the Board to review. A motion was made by Trustee Vallee and seconded by Trustee Birger to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Additional Bills: The Board reviewed the Vendor Checks Report for the period 10/1/2016 through 12/31/2016, showing total disbursements in the amount of \$343,625.52. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the disbursements listed on the Vendor Checks Report as presented. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics
NAYS: None
ABSENT: None

INVESTMENT REPORT: *Quarterly Investment Report – Potential purchase and/or sale of securities, re-balancing of asset allocations and hiring/termination of investment managers:* Mr. McShane presented the Quarterly Performance Report for the period ended December 31, 2016. As of 12/31/16, the ending market value of the fund is \$70,812,742.84. The total return is -0.37% for the 4th quarter; 5.79% for last 3 years, 8.21% for the last 5 years and 5.62% since inception. The portfolio allocation is 65.15% Equity; 33.28% Fixed Income; and 1.56% Cash & Cash Equivalent. All questions were answered by Mr. McShane.

A motion was made by Trustee Vallee and seconded by Trustee Rozovics to transfer \$600,000 from Fixed Income SKBA into the Cash Management Account for anticipated cash flow purposes. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics
NAYS: None
ABSENT: None

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was submitted to the County by Lauterbach & Amen, LLP. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2017.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – David J. Leno:* The Board acknowledged receipt of an Application for Membership to the Pension Fund for David J. Leno. The date of hire for David J. Leno is 01/09/2017 with Tier 2 status. A motion was made by Trustee Vallee and seconded by Trustee Birger to accept David J. Leno into the Pension Fund effective 01/09/2017 as a Tier 2 participant. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Calculation – Eric B. Suevel:* The Board was presented with the regular retirement benefit calculation for Eric B. Suevel as follows: entry date of 08/18/1986; retirement date of 01/06/2017; effective date of pension 01/07/2017; 57 years of age; 30 years and 4 months of creditable service; applicable salary of \$99,782.00; applicable pension percentage of 75.00%; originally granted monthly pension of \$6,236.38; and amount of annual pension of \$74,836.56. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the regular retirement benefit calculation for Eric B. Suevel as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics
NAYS: None
ABSENT: None

Approval of Surviving Spouse Benefits – Jean Rossi: The Board noted that pensioner Roland Rossi passed away on December 10, 2016. The Board reviewed the surviving spouse benefit calculation for Jean Rossi with an effective date of December 11, 2016 for a monthly benefit of \$2,579.08 with no additional increases. A motion was made by Trustee Birger and seconded by Trustee Rozovics to approve the surviving spouse benefit of Jean Rossi as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics
NAYS: None
ABSENT: None

OLD BUSINESS: There was no old business to discuss at this time.

NEW BUSINESS: *Approval of Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2017 Cost of Living Adjustments (see attached) as calculated by L&A. A motion was made by Trustee Birger and seconded by Trustee Rozovics to approve the 2017 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics

NAYS: None

ABSENT: None

Mr. McShane recommended increasing the monthly transfer into the Pension Fund's checking account for benefit payments and payments of expenses from \$592,000.00 to \$640,000.00 due to the annual cost of living increases. A motion was made by Trustee Birger and seconded by Trustee Vallee to increase the monthly transfer to the checking account for benefit payments and payments of expenses from \$592,000.00 to \$640,000.00. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics

NAYS: None

ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Rice is expiring in April 2017. Trustee Rice wishes to remain on the Board if nominated. Trustee Vallee will conduct an election on behalf of the Pension Fund for the active member Trustee position.

TRUSTEE TRAINING UPDATE: The Board was presented with upcoming training opportunities. The Board was reminded to send all training certificates to L&A for recordkeeping. Trustees Rice and Vallee will complete their annual OMA and FOIA training.

ATTORNEY'S REPORT: *Status of Disability Application – Eric Chipman:* Ms. Goodloe informed the Board that two of Mr. Chipman's Independent Medical Examinations (IME) are scheduled for March. The third provider is being selected by ExamWorks and then an appointment will be scheduled. The Board directed Ms. Goodloe to review Mr. Chipman's file and extract non-critical information in order to reduce his file and accumulate only pertinent records. An update will be provided at the next regular meeting.

Discussion and Possible Action WC – James Brookman: Ms. Goodloe discussed with the Board that after further analysis, the Board does not have statutory grounds to recover the overpaid funds from Mr. Brookman. The Board directed Ms. Goodloe to send Mr. Brookman a letter informing him of this.

Status of Remand - Michael King Remand Update: Ms. Goodloe apprised the Board that one Independent Medical Examination (IME) physician report has been received and she is waiting for the other two reports. An update will be provided at the next regular meeting.

Pension Fund's Rules and Regulations: Ms. Goodloe submitted the revised Pension Fund's Rules and Regulations for Board review. A motion was made by Trustee Vallee and seconded by Trustee Birger to adopt the revised Pension Fund's Rules and Regulations as presented by Ms. Goodloe. Motion carried by voice vote.

Ms. Goodloe will email the revised Pension Fund's Rules and Regulations to the Board members.

CLOSED SESSION, IF NEEDED: There were no items to be discussed in closed session.

ADJOURNMENT: A motion was made by Trustee Vallee and seconded by Trustee Birger to adjourn the meeting at 9:39 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Des Plaines Firefighters' Pension Fund will be held on **Tuesday, May 2, 2017 at 8:30 a.m.** in Room 101.

Respectfully submitted, _____ Date approved: _____
William Rice, Pension Board President

Minutes prepared by Stacie Woodill, Pension Services Administrator

DES PLAINES FIREFIGHTERS' PENSION FUND

Annual Benefit Increases

January 1, 2017

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Albrecht, James E.	Service		\$ 7,160.20	214.81	7,375.01	88,500.12
Arthur, Richard G.	Service		5,760.91	127.08	5,887.99	70,655.88
Barrett, Thomas P.	Service		8,523.26	255.70	8,778.96	105,347.52
Bethscheider, Lawrence H.	Service		6,029.02	180.87	6,209.89	74,518.68
Birger, Paul T.	Service		8,655.47	259.66	8,915.13	106,981.56
Boho, James W.	Service		4,905.64	147.17	5,052.81	60,633.72
Brookman, James R.	Duty Disability - T		7,462.00	180.53	7,642.53	91,710.36
Brown, Edward C.	Service		4,369.00	131.07	4,500.07	54,000.84
Buckley, Michael W.	Occupational Disability		4,493.57	69.84	4,563.41	54,760.92
Burg, Elisabeth A.	Spouse		3,266.73	0.00	3,266.73	39,200.76
Carey, Michael J.	Duty Disability		4,364.75	0.00	4,364.75	52,377.00
Carroll, Colin	Service		5,954.91	178.65	6,133.56	73,602.72
Clark, David P.	Service		9,262.59	277.88	9,540.47	114,485.64
Claus, Gary C.	Service		3,700.69	111.02	3,811.71	45,740.52
Collins, Larry M.	Service		4,740.20	142.21	4,882.41	58,588.92
Coons, Carl M.	Service		6,202.66	186.08	6,388.74	76,664.88
Copeland, Michael W.	Service		7,338.03	220.14	7,558.17	90,698.04
Cordova-Korienek, Pauline K.	Spouse - NT		1,280.71	0.00	1,280.71	15,368.52
Corey, Donald H.	Service		2,940.15	45.00	2,985.15	35,821.80
Czarnecki, Peter R.	Duty Disability		3,225.09	50.92	3,276.01	39,312.12
Davis, Steven S.	Service		6,531.00	195.93	6,726.93	80,723.16
Denz, James C.	Duty Disability		4,456.07	77.72	4,533.79	54,405.48
Dieterich, Arthur C.	Service		3,449.21	103.48	3,552.69	42,632.28
Dionne, David A.	Service		7,461.53	223.85	7,685.38	92,224.56
Dumovich, Joseph M.	Service		6,481.02	194.43	6,675.45	80,105.40
Ehas, Steven J.	Service		7,128.00	0.00	7,128.00	85,536.00
Eilken, Ronald W. Jr.	Service		8,599.06	257.97	8,857.03	106,284.36
Farinella, Thomas C.	Service		10,793.08	323.79	11,116.87	133,402.44
Fleck, Jeffrey B.	Service		5,791.38	173.74	5,965.12	71,581.44
Foster, Stephen C.	Duty Disability		4,339.56	91.68	4,431.24	53,174.88
Freise, Willard E.	Service		1,949.55	29.84	1,979.39	23,752.68
Frish, Harold F.	Service		6,340.52	190.22	6,530.74	78,368.88
Gaborek, Kenneth C.	Service		6,208.55	186.26	6,394.81	76,737.72
Gardner, James F.	Occupational Disability		4,848.23	87.62	4,935.85	59,230.20
Gedroic, Charles L.	Service		5,550.57	166.52	5,717.09	68,605.08
Glombowski, Paul E.	Service		7,002.10	210.06	7,212.16	86,545.92
Graham, Frank M.	Service		5,468.62	0.00	5,468.62	65,623.44
Grochocinski, Carol R.	Spouse		3,470.56	0.00	3,470.56	41,646.72
Gualano, Mary J.	Spouse - NT		2,390.63	0.00	2,390.63	28,687.56
Guthrie-Wallace, Penelope	Spouse		2,184.15	0.00	2,184.15	26,209.80
Hanson, Mark A.	Service		4,961.35	198.77	5,160.12	61,921.44
Hanson, Mark A. - QILDRO	QILDRO		1,664.41	0.00	1,664.41	19,972.92
Hausler, Nancy J.	Spouse		2,685.41	0.00	2,685.41	32,224.92
Heavey, James J.	Service		8,057.47	241.72	8,299.19	99,590.28
Heavey, John W.	Service		10,239.86	307.20	10,547.06	126,564.72
Heavey, Thomas H.	Duty Disability		4,491.73	87.50	4,579.23	54,950.76
Hemple, Randy J.	Service		6,426.72	192.80	6,619.52	79,434.24
Hensch, Sarah L.	Spouse		6,136.80	0.00	6,136.80	73,641.60

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Annual Benefit Increases

January 1, 2017

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Hintz, Bruce J.	Service		5,416.58	162.50	5,579.08	66,948.96
Hoffmann, Cheryl L.	Spouse - NT		4,704.92	0.00	4,704.92	56,459.04
Jaeger, Randel R.	Service		10,380.07	311.40	10,691.47	128,297.64
Johnson, Robert A.	Service		6,134.94	0.00	6,134.94	73,619.28
Judson, Lafayne R.	Spouse		4,289.79	0.00	4,289.79	51,477.48
Kedroski, James A.	Duty Disability		4,504.66	0.00	4,504.66	54,055.92
Kedroski, Jenna - Dependent # 2	Duty Disability		24.62	0.74	25.36	304.32
Kelpinski, Thomas P.	Service		3,896.97	116.91	4,013.88	48,166.56
Kipley, Bruce G.	Service		6,949.48	208.48	7,157.96	85,895.52
Klausing, Michael J.	Duty Disability - T		5,223.52	626.82	5,850.34	70,204.08
Laffey, Dan C. Sr.	Service		4,521.08	135.63	4,656.71	55,880.52
Lay, Steven V.	Service		6,013.20	180.40	6,193.60	74,323.20
Lechner, Donald L.	Service		3,731.04	111.93	3,842.97	46,115.64
Lechner, George A.	Service		4,959.36	148.78	5,108.14	61,297.68
Leibach, Jacqueline	Spouse		2,355.68	0.00	2,355.68	28,268.16
Lemke, Barbara	Spouse		3,979.02	0.00	3,979.02	47,748.24
Lubrano, Dale G.	Service		5,803.98	174.12	5,978.10	71,737.20
Macri, David F.	Service		6,181.88	185.46	6,367.34	76,408.08
Mahoney, Patrick E.	Service		7,303.98	219.12	7,523.10	90,277.20
Merriman, Steven C.	Service		4,503.02	135.09	4,638.11	55,657.32
Meyer, G. Lance	Duty Disability		4,665.22	81.37	4,746.59	56,959.08
Moran, Christopher A.	Duty Disability		5,078.83	0.00	5,078.83	60,945.96
Moran, Paul R.	Service		6,426.72	192.80	6,619.52	79,434.24
Mueller, Charles J.	Service		7,585.23	227.56	7,812.79	93,753.48
Nielsen, Dennis L.	Duty Disability		2,556.62	37.97	2,594.59	31,135.08
Olish, Russ A.	Duty Disability		5,341.21	0.00	5,341.21	64,094.52
Ornberg, Richard C.	Service		4,328.50	129.86	4,458.36	53,500.32
O'Shaughnessy, Eleanor	Spouse		2,905.41	0.00	2,905.41	34,864.92
Owen, Marshall D.	Service		6,736.31	202.09	6,938.40	83,260.80
Peterman, Dorothy	Spouse - NT		2,117.00	0.00	2,117.00	25,404.00
Peterson, Gerald A.	Service		5,727.35	171.82	5,899.17	70,790.04
Peterson, Richard D.	Duty Disability		1,243.27	10.50	1,253.77	15,045.24
Pratt, Joanne E.	Spouse		8,219.35	0.00	8,219.35	98,632.20
Provenzano, Charles C.	Service		6,943.51	208.31	7,151.82	85,821.84
Reider, Arthur L.	Service		4,703.41	141.10	4,844.51	58,134.12
Rossi, Jean	Spouse		0.00	4,941.74	4,941.74	59,300.88
Rossi, Roland P. - Deceased	Service		4,941.74	(4,941.74)	0.00	0.00
Ruggero, Christina L.	Spouse		4,273.41	0.00	4,273.41	51,280.92
Schaffer, Robert J.	Duty Disability		1,764.55	23.74	1,788.29	21,459.48
Schiellie, Dennis W.	Service		5,942.88	178.29	6,121.17	73,454.04
Schiellie, Dennis W. - QILDRO	QILDRO		2,086.33	62.59	2,148.92	25,787.04
Schramel, John A.	Service		5,390.64	161.72	5,552.36	66,628.32
Schuck, Jeffrey M.	Service		8,038.57	241.16	8,279.73	99,356.76
Schultz, Donald G. Jr.	Duty Disability		4,850.70	89.28	4,939.98	59,279.76
Schuman, Donald P.	Service		8,403.27	252.10	8,655.37	103,864.44
Schuman, Gerald D.	Service		6,284.79	188.54	6,473.33	77,679.96
Small, Scott M.	Service		9,379.95	281.40	9,661.35	115,936.20
Stashak, Catherine L.	Service		3,294.08	98.82	3,392.90	40,714.80

DES PLAINES FIREFIGHTERS' PENSION FUND

Annual Benefit Increases

January 1, 2017

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Streu, James M.	Duty Disability		4,021.02	68.93	4,089.95	49,079.40
Thiry, Michael J.	Service		8,619.04	258.57	8,877.61	106,531.32
Thome, Charles J. Jr.	Service		6,464.37	193.93	6,658.30	79,899.60
Torkelson, Arnold J.	Duty Disability		4,301.44	79.17	4,380.61	52,567.32
Tripicchio, Michael A. Sr.	Service		7,764.88	232.95	7,997.83	95,973.96
Trost, Donald L.	Service		4,931.72	169.19	5,100.91	61,210.92
Trost, Donald L. - QILDRO	QILDRO		708.11	0.00	708.11	8,497.32
Trost, Randall W.	Service		7,647.70	0.00	7,647.70	91,772.40
Veverka, Marianne	Spouse - NT		6,615.50	0.00	6,615.50	79,386.00
Voelz, Nancy R.	Spouse - NT		5,060.84	0.00	5,060.84	60,730.08
Williams, Scott E.	Service		7,027.12	210.81	7,237.93	86,855.16
Wolf, Alden T.	Service		3,455.35	103.66	3,559.01	42,708.12
Wolf, David R.	Service		2,884.59	86.54	2,971.13	35,653.56
Wolfgram, Donald R.	Service		5,235.93	157.08	5,393.01	64,716.12
Zern, Arthur S.	Service		7,367.10	221.01	7,588.11	91,057.32
Zitzer, David A.	Service		5,871.69	0.00	5,871.69	70,460.28
Totals			592,825.76	13,799.97	606,625.73	7,279,508.76

DES PLAINES FIREFIGHTERS' PENSION FUND

Summary of Benefit Changes and Notes

January 1, 2017

Summary of Benefit Changes

<u>Pensioner</u>	<u>Reason</u>	<u>Date</u>	<u>Amount of Change</u>	<u>New Monthly Benefit</u>
Klausing, Michael J.	Initial Increase	1/1/2017	626.82	5,850.34
Rossi, Jean	Initial Benefit 1st Full Month	1/1/2017	4,941.74	4,941.74
Rossi, Roland P. - Deceased 12/10/16	Deceased 1st Full Month	1/1/2017	(4,941.74)	0.00
Kedroski, Jenna - Dependent # 2	Benefits Cease	6/1/2017	(25.36)	0.00
Zitzer, David A.	Initial Increase	9/1/2017	176.15	6,047.84
Trost, Randall W.	Initial Increase	11/1/2017	688.29	8,335.99
Ehas, Steven J.	Initial Increase	12/1/2017	213.84	7,341.84
Johnson, Robert A.	Initial Increase	12/1/2017	184.05	6,318.99
Graham, Frank M.	Initial Increase	9/1/2018	574.21	6,042.83
Kedroski, James A.	Initial Increase	1/1/2021	1,486.54	5,991.20
Olish, Russ A.	Initial Increase	1/1/2024	1,121.65	6,462.86
Carey, Michael J.	Initial Increase	1/1/2030	2,749.79	7,114.54
Moran, Christopher A.	Initial Increase	1/1/2040	3,656.76	8,735.59

Notes

1. None