

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
DES PLAINES FIREFIGHTERS' PENSION FUND
November 3, 2015**

A regular meeting of the Board of Trustees of the Des Plaines Firefighters' Pension Fund was held on Tuesday, November 3, 2015 at 8:30 am, at City Hall located at 407 Miner Street in Room 407, Des Plaines, IL, pursuant to notice, to conduct regular business.

CALL TO ORDER: Secretary Jeff Vallee called the meeting to order at 8:33 am.

In the absence of President Rice, a motion was made by Trustee Birger and seconded by Trustee Chiaro to nominate Secretary Vallee as President Pro Tem. Motion carried by unanimous voice vote.

ROLL CALL

PRESENT: Secretary Jeff Vallee, Trustee Paul Birger and Trustee Nicholas Chiaro

ABSENT: President Bill Rice and Trustee Susan Pekoe

ALSO PRESENT: Board Attorney Camille Cribaro-Mello and Edric Bautista of Sanchez Daniels & Hoffman LLP; Treasurer Dorothy Wisniewski (*arrived at 8:42 am*)
Thomas McShane of MSSB/Graystone Consulting (*arrived at 8:35 am*); Lisa Barnaby and Derek Flessner of Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *August 4, 2015 Regular Meeting:* The Board reviewed the minutes of the August 4, 2015 regular meeting. A motion was made by Trustee Chiaro and seconded by Trustee Birger to approve the August 4, 2015 regular meeting minutes as written. Motion carried by unanimous voice vote.

September 10, 2015 Special Meeting: The Board reviewed the minutes of the September 10, 2015 Special Meeting. A motion was made by Trustee Birger and seconded by Trustee Chiaro to approve the September 10, 2015 special meeting minutes as written. Motion carried by unanimous voice vote.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the month ended 09/30/2015, prepared by L&A. As of 09/30/2015, the net position held in trust for pension benefits is \$67,472,202.15. No motion was taken.

Municipal Compliance Report (MCR): The Board noted that the recommended levy in the amount of \$4,466,645, based on the Department of Insurance (DOI) Report, was adopted at the August 4, 2015 regular meeting. The Board reviewed the MCR prepared by L&A reflecting the \$4,466,645 recommended tax levy amount. L&A will forward an electronic (PDF) copy of the MCR to President Rice and Secretary Vallee.

Dorothy Wisniewski arrived at 8:42 am.

PRESENTATION AND APPROVAL OF BILLS: *Warrant List #4 (July, August and September, 2015):* The Board reviewed Warrant List #4 dated 10/29/2015, for expenses paid for the period 07/01/2015 – 09/30/2015 in the amount of \$48,139.87. A motion was made by Trustee Birger and seconded by Trustee Chiaro to approve the 2015 Warrant List #4 as presented. Motion carried by roll call vote.

AYES: Trustees Vallee, Birger and Chiaro

NAYS: None

ABSENT: Trustees Rice and Pekoe

Additional bills, if any: There were no additional bills.

INVESTMENT REPORT: *Quarterly Performance Report:* Mr. McShane distributed the Quarterly Performance Report for the period ended 09/30/2015. As of 09/30/2015, the ending market value of the fund is \$67,481,381. The total return is -5.59% for the 3rd quarter of 2015; -4.02% year-to date; 5.51% for last 3 years and 6.34% for the last 5 years. The portfolio allocation is 2.55% Cash & Cash Equivalent; 36.57% Fixed Income; and 60.88% Equity. Mr. McShane made several recommendations and discussed them with the Board.

A motion was made by Trustee Chiaro and seconded by Trustee Birger to transfer 50% of the Lazard portfolio and deposit into the Van Guard Emerging Market Index Fund. Motion carried by roll call vote.

AYES: Trustees Vallee, Birger and Chiaro

NAYS: None

ABSENT: Trustees Rice and Pekoe

A motion was made by Trustee Birger and seconded by Trustee Chiaro to transfer \$500,000 from the McDonald fixed income fund to the cash account to cover expenses. Motion carried by roll call vote.

AYES: Trustees Vallee, Birger and Chiaro

NAYS: None

ABSENT: Trustees Rice and Pekoe

COMMUNICATIONS OR REPORTS: *Trustee Training:* The Board discussed the Trustee Training Summary and training opportunities were provided to and reviewed by the Board.

Annual Active Member Records/File Maintenance Letters: L&A informed the Board that the annual active member records update letters were distributed in August and that documents are being recorded as they are received.

Annual Affidavits of Continued Eligibility: L&A informed the Board that that the Affidavit of Pensioner Carol Grochocinski's has not yet been received. President Vallee will follow up with Ms. Grochocinski to obtain her completed/notarized Affidavit. A follow-up will be discussed at the next regular meeting.

APPLICATIONS FOR RETIREMENT AND DISABILITY BENEFITS: *Lieutenant David F. Macri:* The Board was presented with the Retirement Benefit Calculation of Lieutenant David F. Macri as calculated by L&A. Effective date of pension is 11/06/2015; 26 years and 1 month of creditable service; applicable salary of \$110,449.00; applicable percentage of salary 65.21%; for an original monthly benefit in the amount of \$6,001.83. A motion was made by Trustee Birger and seconded by Trustee Chiaro to approve the Retirement Benefit Calculation of Lieutenant David F. Macri as presented. Motion carried by roll call vote.

AYES: Trustees Vallee, Birger and Chiaro

NAYS: None

ABSENT: Trustees Rice and Pekoe

OLD BUSINESS: There is no Old Business at this time.

NEW BUSINESS: Secretary Vallee informed the Board that Trustee Pekoe submitted her resignation via text message as of 11/3/2015. The Board discussed possible candidates for the appointed position to replace Trustee Pekoe. Attorney Cribaro-Mello recommended that the Board obtain a written resignation from Trustee Pekoe and to provide it to the Mayor with the training requirements for the new appointed Trustee.

Establish 2016 Regular Board Meeting Dates: The Board discussed scheduling of the 2016 regular board meeting dates. A motion was made by Trustee Birger and seconded by Trustee Chiaro to schedule the 2016 regular meetings as follows:

Tuesday, February 2, 2016, Room 101
Tuesday, May 3, 2016, Room 101
Tuesday, August 2, 2016, Room 101
Tuesday, November 1, 2016, Room 407
All meetings will be held at 8:30 am,
located at 407 Miner Street, Des Plaines, IL

Motion carried by unanimous voice vote.

ATTORNEY'S REPORT: Attorney Cribaro-Mello discussed the following matters with the Board:

Discussion and update on Olish and Moran pending disability applications: The Board discussed available dates for the Olish and Moran hearings, to be confirmed with attorney Ann O'Connell (representing both Olish and Moran).

Discussion and possible action on Michael King remand hearing: Discussed in closed session.

Discussion and possible action on Wayne Hoffmann matters: Ms. Cribaro-Mello informed the Board that a Petition to Intervene has been filed and is on a briefing schedule.

Update regarding new court decisions and pending legislation: Ms. Cribaro-Mello discussed new court decisions and pending legislation with the Board.

Dorothy Wisnewski, Tom McShane and Derek Flessner left the meeting at 9:52 am.

CLOSED SESSION: A motion was made by Trustee Birger and seconded by Trustee Chiaro to enter into closed session, pursuant to 5 ILCS 120 / 2 (c)(11) of the Open meetings Act, to discuss pending litigation, at 9:58 am. Motion carried by roll call vote.

AYES: Trustees Vallee, Birger and Chiaro

NAYS: None

ABSENT: Trustees Rice and Pekoe

A motion was made by Trustee Birger and seconded by Trustee Chiaro to reconvene into Open Session at 10:23 am. Motion carried by unanimous voice vote.

ADJOURNMENT: A motion was made by Trustee Birger and seconded by Trustee Chiaro to adjourn the meeting at 10:24 am. Motion carried by unanimous voice vote.

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

The next regular meeting of the Des Plaines Firefighters' Pension Fund will be held on Tuesday, February 2, 2016 at 8:30 am, in Room 101.

Minutes prepared by Lisa Barnaby, Pension Services Administrator