



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

August 8, 2016

A regular meeting of the Board of Trustees of the Des Plaines Firefighters' Pension Fund was held on Monday, August 8, 2016 at 8:30 a.m., at City Hall located at 407 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 8:30 a.m.

ROLL CALL

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

ABSENT: Trustee Nicholas Chiaro

ALSO PRESENT: Thomas McShane, MSSB/Graystone Consulting; Andy Bischel SKBA Capital Management LLC; Stacie Woodill, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: The minutes of the May 3, 2016 regular meeting were reviewed by the Board. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the minutes as written. Motion carried by voice vote.

The minutes of the June 1, 2016 special meeting were reviewed by the Board. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to approve the minutes as written. Motion carried by voice vote.

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

ACCOUNTANT'S REPORT: Monthly Financial Report: The Board reviewed the Monthly Financial Report prepared by Lauterbach & Amen, LLP. As of June 30, 2016, the plan net assets held in trust for pension benefits is \$69,247,943.10 with a change in position of \$1,302,851.32 for the six months ended June 30, 2016. A motion was made by Trustee Vallee and seconded by Trustee Birger to accept the Monthly Financial Report. Motion carried by voice vote.

Status of Reciprocity & Disability Benefit – Russ Olish: This item was tabled for discussion at a future meeting.

Discussion and Possible Action for Benefit – Robert Schaffer: This item was tabled for discussion at a future meeting.

PRESENTATION AND APPROVAL OF BILLS: *Vendor Checks Report:* The Board reviewed the Vendor Checks Report contained in the L&A Monthly Financial Report, for total expenses in the amount of \$153,578.81, for the period 04/01/2016 – 06/30/2016. A motion was made by Trustee Birger and seconded by Trustee Vallee to approve the disbursements shown on the Vendor Checks Report as presented. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, and Rozovics

NAYS: None

ABSENT: Trustee Chiaro

Additional Bills, if any: There were no additional bills to approve at this time.

INVESTMENT REPORT: *SKBA Capital Management, LLC:* Andy Bischel from SKBA Capital Management, one of the fixed income managers for the fund, distributed and presented the Quarterly Client Statement. Mr. Bischel apprised the Board of the overall structure and performance of the fund since inception, their investment strategy and global outlook.

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 June 30, 2016. As of 06/30/16, the ending market value of the fund is \$69,286,925.02. The total return is 1.75% for the 2nd quarter; 5.84% for last 3 years, 6.10% for the last 5 years and 7.46% since inception. The portfolio allocation is 61.90% Equity; 36.46% Fixed Income; and 1.64% Cash & Cash Equivalent. All questions were answered by Mr. McShane.

COMMUNICATIONS OR REPORTS: *Affidavits of Continued Eligibility:* Lauterbach & Amen informed the Board that Affidavits of Continued Eligibility were mailed to all pensioners with the June Payroll. Members who do not submit a signed and notarized affidavit by August 31, 2016 will receive a second request. An update will be provided at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – James Brooks, Robert Chapman and Scott Humphries:* The Board acknowledged receipt of three Applications for Membership to the Pension Fund for James Brooks, Robert Chapman and Scott Humphries. The date of hire for the applicants is 07/05/2016 with Tier 2 status. A motion was made by Trustee Birger and seconded by Trustee Vallee to accept the new members into the Pension Fund. Motion carried by voice vote.

APPLICATIONS FOR RETIREMENT OR DISABILITY BENEFITS: *Status of Disability Application – Eric Chipman:* This item was tabled for discussion at a future meeting.

OLD BUSINESS: There was no Old Business to discuss at this time.

NEW BUSINESS: *Review and Approval of Actuarial Valuation and Tax Levy:* The Board discussed the Actuarial Valuation prepared by the Department of Insurance. The recommended Tax Levy amount by the Department of Insurance is \$4,613,788.00. A motion was made by Trustee Birger and seconded by Trustee Vallee to request a tax levy amount of \$4,613,788.00, based on the recommended amount stated in the Actuarial Valuation prepared by the Department of Insurance. Motion carried by voice vote.

TRUSTEE TRAINING UPDATE: The Board was presented with the Trustee Training Summary and discussed upcoming training opportunities. The Board was reminded to send any training certificates to L&A for recordkeeping.

ATTORNEY'S REPORT: *Hoffman Finalization of Settlement:* This item was tabled for discussion at a future meeting.

Annual Re-Evaluation of Moran: This item was tabled for discussion at a future meeting.

Annual Re-Evaluation of Carey: This item was tabled for discussion at a future meeting.

In Re Marriage of Schumann – Acceptance of QILDRO: This item was tabled for discussion at a future meeting.

Status of Remand - Michael King Remand Hearing Update: This item was tabled for discussion at a future meeting.

Pension Fund's Rules and Regulations: This item was tabled for discussion at a future meeting.

CLOSED SESSION, IF REQUIRED: There were no items to be discussed in Closed Session.

ADJOURNMENT: A motion was made by Trustee Birger and seconded by Trustee Vallee to adjourn the meeting at 10:20 a.m. Motion carried by voice vote.

The next regular meeting of the Des Plaines Firefighters' Pension Fund will be held on **Tuesday, November 1, 2016 at 8:30 am** in Room 101.

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

Minutes prepared by Stacie Woodill, Pension Services Administrator