



**WEST CHICAGO FIRE PROTECTION DISTRICT**

*Pension Board*

200 Fremont Street, West Chicago, Illinois 60185 (630) 231-2123 Fax (630) 231-2122

Minutes of the Regular Meeting  
of the West Chicago Fire Protection Districts'  
Pension Fund Board held on January 18, 2016  
at 200 Fremont St, West Chicago, IL

The meeting was called to order at 9:04 a.m. by President Andy Maxwell.

**Roll call** showed Trustee Bob Hodge, Trustee Dave Janaes, Trustee Andy Maxwell and Trustee Rick Michael present. Also present were Financial Advisor John Cahill from Edward Jones, Accountant Ed McCormick from Mulcahy, Pauritsch, Salvador & Co., Ltd (MPS) and the Pension Fund's Administrative Assistant, Joy Edminson. Trustee Pat Murphy was not in attendance.

**Minutes of the Regular Meeting** held on October 19, 2015 were reviewed. Trustee Hodge made a motion to accept minutes as written; the motion was seconded by Trustee Janaes; motion passed 4 Ayes 0 nays.

**OLD BUSINESS:**

**Accounting Report:** Ed McCormick from accounting firm of Mulcahy, Pauritsch, Salvador & Co., Ltd. (MPS) presented Statements of Net Position and Statements of Change in Net Position for October 31, 2015, November 30, 2015 and December 31, 2015. Total Assets as of December 31, 2015 were \$28,920,450, the total Change in Net Position for December 31, 2015 was (negative) -\$612,452 and the total Change in Net Position for the seven (7) months ended December 31, 2015 was (negative) -\$1,140,761. No questions at this time on reports. Attorney Cary Collins joined the meeting at 9:07 a.m.

**Investment Report:** John Cahill from Edward Jones Company shared page 702 of the 2015 IDOI Biennial Report for 2013-2014 which reported the Financial, Statistical and Actuarial Data showing the WCFPD Pension Fund's 10 Year Profile which shows WCFPD Pension Fund as number 1. Cahill also shared an Adjusted Closing Price Graph of ISHARES TR TIPS BD ETF for the WCFPD Fund. As presented, the Investment Account Summary Report as of December 31, 2015 shows the Ending Market Value at \$28,852,335.62.

Cahill presented the Laddering Maturity Bar Chart as of January 17, 2016, the Diversification Bar Chart as of January 17, 2016 showing Portfolio Total at \$27,394,234.85 with \$1,937,153.95 in Cash and Life Insurance, and the Assets Analysis. Cahill told the Board that China and plummeting oil prices are the cause of the down swing. Hard copies included with minutes.

John Cahill and the Board had a discussion on whether to hold on to or sell the Invesco Energy Fund, the New World Fund and/or the Templeton China World Fund.

Motion was made by Trustee Janaes to sell Templeton China World Fund Stocks; the motion was seconded by Trustee Hodge: Roll call vote showed:

Trustee Janaes - Aye	Trustee Hodge - Aye
Trustee Maxwell - Aye	Trustee Michael - Aye

Motion Passed 4 – 0

**Ratification of phone transactions and trades:** Four (4) purchased and zero (0) sold.

11/06/15 (Purchased) Fed Natl Mtg Assn Medium DTD (Mat 05/03/27)	\$ 150,000
11/06/15 (Purchased) Fed Farm CR Bks Cons DTD (Mat 03/30/29)	\$ 150,000
11/23/15 (Purchased) BMO Harris Bk Natl Assn CD (Mat 11/25/16)	\$ 200,000
01/14/16 (Purchased) Fed Farm CR Bks Cons DTD (Mat 07/24/34)	\$ 200,000

Motion made by Trustee Janaes to ratify the four (4) phone purchases, the motion was seconded by Trustee Michael: Roll call vote showed:

Trustee Janaes – Aye	Trustee Michael - Aye
Trustee Hodge - Aye	Trustee Maxwell - Aye

Motion Passed 4 – 0

**IDOI Report (FYE 5/31/15):** The Illinois Department of Insurance rejected the first submission of the IDOI Annual Report due to discrepancies found. Ed McCormick reports that the Electronic IDOI Report has been resubmitted and was accepted on January 15, 2016. The new signature Form will be signed, notarized and sent to IDOI ASAP.

**Annual Actuarial Report (FYE 5/31/15):** Tim Sharpe prepared the Annual Actuarial Report which was handed out to the Board for review.

**Annual Financial Report (FYE 5/31/15):** The Annual Audit FYE May 31, 2015 was completed by Knutte & Associates, Inc. Board reviewed the report and questioned the Letter attached regarding the Plan Member Contribution Rates not being accurate. Ed McCormick will speak to Knutte & Associates on this issue.

Motion was made by Trustee Janaes to accept the Annual Audit FYE May 31, 2015 completed by Knutte & Associates, Inc., the motion was seconded by Trustee Hodge: Roll call vote showed:

Trustee Janaes - Aye  
Trustee Michael - Aye

Trustee Hodge - Aye  
Trustee Maxwell - Aye

Motion Passed 4 - 0

Trustee Janaes left the meeting at 9:58 a.m.

## **New Business:**

**Approval of Application for Membership – Christopher Fennell:** The Board was presented with an “Application for Membership” in the WCFPD Pension Fund by District new hire, Chris Fennell, who was hired November 16, 2015. Chris Fennell has taken the physical including lung and heart functions and has passed, all Pension paperwork has been received and is in his Pension file. Chris Fennell is a Tier I Member coming from Brookfield Fire Department.

Motion was made by Trustee Michael to accept the Application for Membership for firefighter/paramedic Chris Fennell to begin November 16, 2015; the motion was seconded by Trustee Hodge: Roll call vote showed:

Trustee Michael - Aye

Trustee Hodge - Aye

Trustee Maxwell - Aye

Motion Passed 3 - 0

**Reciprocity for Christopher Fennell from Brookfield Fire Department:** Attorney Cary Collins will send a letter to Fennell regarding the Reciprocity from Brookfield Fire.

**Acceptance of Surviving Spouse Pension Benefit for Susan Zipprich:** Board was presented a Request for Survivors Pension Benefits Application from Sue Zipprich, surviving spouse of Joseph Zipprich who passed away on December 15, 2015.

Trustee Hodge made a motion to accept the application for Surviving Spouse Benefits for Susan Zipprich to begin with the January 2016 pension payout, seconded by Trustee Michael. Roll call vote showed:

Trustee Hodge - Aye

Trustee Michael - Aye

Trustee Maxwell - Aye

Motion Passed 3 - 0

Trustee Janaes rejoined meeting at 10:03 am.

**Review of Rules & Regulations:** Attorney Cary Collins office made revisions to the Rules and Regulations regarding the following:

Section 2:07 to reflect that the WCFPD's Treasurer of the Trustees serves as treasurer of the Pension Fund.

Section 12:04 will reflect new code of three (3) years repayment for any errors made by the Pension Fund in the calculation and payment of benefits resulting in the overpaying of pension benefits.

Trustee Hodge made a motion to accept the revised Rules & Regulations as presented, seconded by Trustee Michael. Roll call vote showed:

Trustee Hodge - Aye

Trustee Michael - Aye

Trustee Janaes - Aye

Trustee Maxwell - Aye

Motion Passed 4 - 0

**Review of Investment Policy:** Cary Collins will meet with John Cahill and will have the revised Investment Policy ready for approval at April's meeting.

**Annual Money-Weighted Rate of Return Reports:** Accountant Ed McCormick will work with John Cahill going forward and will also speak to Actuary Tim Sharpe regarding the Money Weighted Rate of Return and GASB67 & GASB68.

**Funding Policy Statement:** Cary Collins stated that a Funding Policy Statement should come from the District. Collins will contact the District's Attorney, Joe Miller, to address this policy.

**GASB 67 & GASB 68:** Actuary Tim Sharpe included GASB 67 & GASB 68 in his Actuarial Valuation.

**IDOI 2015 Biennial Report:** Copies of pertinent information to the WCFPD Pension Fund from the IDOI 2015 Biennial Report for years 2013-2014 were handed out and reviewed. There was discussion on the Recommendations of the Division for Legislative and Administrative Correction on page 20 of the Report regarding consolidating police and fire pension funds. Board is not in agreement with the Report to consolidate.

**MPS Invoice Discrepancies:** A report showing discrepancies in the invoices from MPS was given to Accountant McCormick, he will look into this.

**GASB 67 & GASB 68:** Actuary Tim Sharpe included GASB 67 & GASB 68 in his Actuarial Valuation.

**Annual Auditor Review:** Trustee Maxwell shared issues incurred with new Annual Auditors, Knutte & Associates. Maxwell suggests putting out a bid again for a new firm.

**Liability Insurance Renewal for Board:** The current contract comes up for renewal in April, it will be added to the April Agenda to approve renewal.

**Upcoming Elections:** There will be an active member seat election in April. A notice of the Election and request for nominations will be posted at all stations 60 days prior to the election.

**2015 Trainings:** A report showing all Trustee Trainings for 2015 was given. Trustees will turn in any other training certificates so the Admin. Assistant can update the report. Trustees can refer to Cary Collins for upcoming and ongoing trainings.

**Administrative Assistant Salary Increase:** Waiting on the District's increase.

## Letters & Bills:

Hard copy of Report on Pension Fund Bills Paid Out included with minutes. Report shows checks written in-house with a balance in checking account of \$17,438.87 as of 01/17/2016.

Motion to ratify the payment of eight (8) bills paid by the Pension Fund Checking Account for \$1,210.00 was made by Trustee Janaes and seconded by Trustee Michael. Roll Call showed:

Trustee Janaes - Aye	Trustee Michael - Aye
Trustee Maxwell - Aye	Trustee Hodge - Aye

Motion Passed 4 – 0

### Outstanding Bills:

West Chicago Fire Protection District	Fennell Physical/Stress Tests	\$ 759.36
Timothy Sharpe	Annual Actuarial Report	\$2,700.00
Collins & Radja	Retainer for 2016	<u>\$3,200.00</u>
	Total Outstanding	\$6,659.36

A motion was made by Trustee Hodge and seconded by Trustee Michael to pay outstanding bills in the amount of \$6,659.36. Roll call showed:

Trustee Hodge - Aye	Trustee Michael - Aye
Trustee Janaes - Aye	Trustee Maxwell - Aye

Motion Passed 4 – 0

## Attorney Report:

Nothing at this time.

**Open to Public Comments:**

No comments at this time.

**Miscellaneous:**

None at this time.

**Possible Closed Executive Session:**

There was no need to go into closed session.

**Possible Action on Closed Session:**

No Action at this time. Nothing to release at this time.

**Next regular meeting:**

The next meeting will be held on Monday, April 18, 2016 at 9:00 a.m. at Station #6, 200 Fremont Street, West Chicago, IL.

Trustee Hodge made a motion to adjourn, seconded by Trustee Janaes.

Meeting Adjourned at 10:50 a.m.

Respectfully submitted;



Rick Michael  
Pension Fund Secretary