



**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 October 16, 2017  
at 200 Fremont St, West Chicago, IL

The meeting was called to order at 9:00 a.m. by President Andy Maxwell.

**Roll call** showed Trustee Charles Bratcher, Trustee Bob Hodge, Trustee Andy Maxwell, Trustee Pat Murphy and Trustee Justin Ukleja present. Also present was Accountant Ed McCormick from MPS/CPA, Attorney Steve Calcaterra from Collins & Radja, John Mitchell and David Vaught from Mitchell, Vaught & Taylor, Administrative Assistant Joy Edminson and Larry DeBord from DeBord Asset Consulting, LLC.

**Minutes of the Regular Meeting** held on July 17, 2017 were reviewed. Trustee Murphy made a motion to accept minutes as written; the motion was seconded by Trustee Ukleja; Motion passed 5 Ayes 0 Nays.

**Minutes of the Special Meeting** held on July 31, 2017 were reviewed. Trustee Ukleja made a motion to accept minutes as written; the motion was seconded by Trustee Bratcher; Motion passed 5 Ayes 0 Nays.

## **OLD BUSINESS:**

**Accounting Report:** Ed McCormick from accounting firm of Mulcahy, Pauritsch, Salvador & Co., Ltd. (MPS) presented the Financial Activity Summary for the four (4) months ending September 30, 2017 FYE May 31, 2018. Total Income for June 1, 2017 through September 30, 2017 was \$1,594,321.40; Total Expenses for June 1, 2017 through September 30, 2017 were \$543,510.65 and the Total Net Income June 1, 2017 through September 30, 2017 was \$1,050,810.75 and Net Assets as of September 30, 2017 were \$32,708,092.15. Hard Copy included. No questions on report.

**Investment Report:** John Mitchell from Mitchell, Vaught & Taylor, Inc. (MVT) presented the Investment Report. Hard copy included. Mitchell's report included the following:

1. Quarterly Report (3<sup>rd</sup> Quarter 2017, as of September 30, 2017):
  - Asset Allocation – Total Pension Fund \$32,352,126
  - Executive Summary - Portfolio Strengths, Weaknesses and Strategies
  - Current Holdings Summary
  - Passive Only Holdings Summary

Attorney Cary Collins joined the meeting at 9:17 a.m.

- Fixed Income Summary
- Buys, Sells, Deposits, Withdrawals (From July 1, 2017 – Sept 30, 2017)
- Portfolio Statement as of September 30, 2017 – Fixed Income, Mutual Funds, Bonds

2. Fixed Income Trades: Handout showing how trade is made

There were questions and discussion on the costs for the transfer of funds from Edward Jones to Charles Schwab and the past costs from Edward Jones for investments.

3. Dividend Stocks:

- MVT – Why Dividends
- MVT Dividend Portfolio – Portfolio Aggregation

Motion to ratify the Purchases and Sales of Investments for July 1, 2017 to September 30, 2017 as presented by Mitchell, Vaught & Taylor, Inc. was made by Trustee Bratcher and seconded by Trustee Murphy. Roll Call showed:

Trustee Bratcher - Aye	Trustee Murphy - Aye	Trustee Maxwell - Aye
Trustee Hodge - Aye	Trustee Ukleja - Aye	

Motion Passed 5 – 0

**Investment Committee Report:** Committee Chair, Trustee Ukleja, reported that he met with Bill Youcius from MVT to discuss the Pension Funds Philosophy and plans. It was reported that all funds have been transferred from Edward Jones Trust Company. President Maxwell thanked Larry DeBord for his help with the transfers.

Copies of the September Statements from Charles Schwab and MVT were included in the Board's packets for review.

**IDOI Annual Report FYE May 31, 2017:** Accountant Ed McCormick is waiting on the Final Actuarial Report to submit the IDOI Report.

**Annual Actuarial Report:** The Board was presented a Draft copy of the Annual Actuarial Report compiled by Tim Sharpe Actuary. Hard copy included. Sharpe's Draft included the following highlights:

- Investment return 9.98%
- Annual payroll increase: 1.9%, average increase 3.8%
- New members - 2, Terminations – 0, Retirements – 2, Incidents of Disability – 0
- Percent funded increased from 84.6% to 86.1%
- Tax Levy decreased from \$1,000,727 to \$970,734 (3.0%)

Motion to approve Draft Actuarial was made by Trustee Ukleja and seconded by Trustee Bratcher.

Motion Passed 5 – 0.

Tim Sharpe will be notified to finalize the Actuarial Report. The final report will be sent to the Illinois Department of Insurance and to the West Chicago Fire Protection District.

**Annual Financial Audit FYE May 31, 2017:** Lauterbach & Amen will have the Annual Financial Audit FYE May 31, 2017 finalized by the end of October and will provide copies for the Pension Fund.

**Review/Approve Investment Policy:** Mitchell, Vaught & Taylor (MVT) provided a proposed Investment Policy to the Board. Attorney Cary Collins will review both MVT's proposed Policy and the WCFPD Pension Fund's current Investment Policy and will put together a final draft Investment Policy to be presented at the January 2018 meeting for the Board's approval.

**Trustee Trainings:** Trustees were given a report showing 2017 Training hours for each Trustee. Trustees were given information on upcoming IPPAC and AFFI trainings. Hard copy included.

## **New Business:**

**Passing of Evelyn Urban:** Joy Edminson shared with the Board that Pensioner, Evelyn Urban passed away on October 4, 2017. President Andy Maxwell and Secretary Justin Ukleja signed and approved the final Pension payout to Evelyn Urban per direction from Attorney Cary Collins. Hard copy included.

**Approval of Retiree Benefit Increases for 2018:** The Pension Raises for 2018 were presented to the Board for approval. Hard copy included.

Trustee Ukleja made a motion to accept the 2018 Retiree Benefit increases, seconded by Trustee Bratcher. Roll call vote showed:

Trustee Ukleja - Aye  
Trustee Hodge - Aye

Trustee Bratcher - Aye  
Trustee Murphy - Aye

Trustee Maxwell - Aye

Motion Passed 5 – 0

Joy Edminson will mail out Raise letters to the Pensioners.

**Authorized Signers at FNBC Bank & Trust:** Joy Edminson informed President Maxwell, Secretary Ukleja and Treasurer Murphy that they all need to sign a new signature card at FNB Bank & Trust for the Pension's in-house checking account. Trustee Maxwell will meet with FNBC.

Attorney Cary Collins left the meeting at 10:25 am.

**Set 2018 Meeting Dates:** Keeping the meetings on the third Monday of the quarterly month, the 2018 Regular meeting dates will be January 15<sup>th</sup>, April 16<sup>th</sup>, July 16<sup>th</sup> and October 15<sup>th</sup>, 2018 All at 9:00 am at Station 6 (200 Fremont Street, West Chicago, IL 60185).

## Letters & Bills:

### Ratify Bills Paid:

Hard copy of Report on Pension Fund Bills Paid Out included with minutes. Report shows checks written in-house for \$303,763.44 (which includes the July and August Pensioner Benefit payouts), with a balance in checking account of \$36,077.40 as of 10/15/2017.

Motion to ratify the payment of bills paid by the Pension Fund Checking Account for total of \$303,763.44 was made by Trustee Ukleja and seconded by Trustee Hodge. Roll Call showed:

Trustee Ukleja - Aye	Trustee Hodge - Aye	Trustee Maxwell - Aye
Trustee Bratcher - Aye	Trustee Murphy - Aye	

Motion Passed 5 – 0

### Outstanding Bills:

A motion was made by Trustee Ukleja to pay the Invoice received from Collins & Radja for \$3,200.00 (\$4,100.00 invoiced minus \$900.00 per Cary Collins for charges for Regular Meeting and Regular Meeting services), seconded by Trustee Murphy.

Roll call vote showed:

Trustee Ukleja - Aye	Trustee Murphy - Aye	Trustee Maxwell - Aye
Trustee Bratcher - Aye	Trustee Hodge - Aye	

Motion Passed 5 – 0

A motion was made by Trustee Ukleja to pay the Invoice received from Larry DeBord of DeBord Consulting Services for total of \$1,150.00, seconded by Trustee Hodge.

Roll call vote showed:

Trustee Ukleja - Aye	Trustee Hodge - Aye	Trustee Maxwell - Aye
Trustee Bratcher - Aye	Trustee Murphy - Aye	

Motion Passed 5 – 0

**Letters:** A copy of the August 14, 2017 Siren regarding new required submissions by all pension funds subject to the requirement to file an Annual Statement under Section 1A-109 of the Illinois Pension Code was handed out.

Also handed out was a request from the Director of US Census Bureau, Fund was advised by Attorney Calcaterra to disregard request.

**Attorney Report:** Attorney Calcaterra had nothing further. Trustee Ukleja reported that he had been asked by several WCFPD members regarding Tier I vs Tier II. Attorney Calcaterra will send a letter to the Board explaining Tier II for members.

**Release of Executive (Closed) Sessions:**

Nothing released.

**Open to Public Comments:**

No comments.

**Miscellaneous:**

Nothing.

**Possible Closed Executive Session:**

There was no need to go into closed session.

**Possible Action on Closed Session:**

No Actions taken.

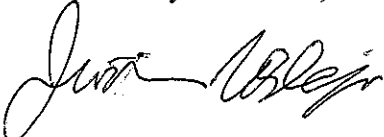
**Next regular meeting:**

The next meeting will be held on Monday, January 15, 2018 at 9:00 a.m. at Station #6, 200 Fremont Street, West Chicago, IL.

Trustee Ukleja made a motion to adjourn, seconded by Trustee Bratcher.

Meeting Adjourned at 10:37 a.m.

Respectfully submitted;



Justin Ukleja  
Pension Fund Secretary