The meeting was called to order at 9:08 a.m. by President Andy Maxwell.

Roll call showed Trustee Bob Hodge, Trustee Andy Maxwell and Trustee Justin Ukleja present. Also present were Financial Advisor John Cahill from Edward Jones, Accountant Ed McCormick from MPS, Attorney Cary Collins and the Pension Fund’s Administrative Assistant, Joy Edminson. Also present was Firefighter/Paramedic Ken Zahara.

Minutes of the Regular Meeting held on July 18, 2016 were reviewed. Trustee Ukleja made a motion to accept minutes as written; the motion was seconded by Trustee Hodge; motion passed 4 Ayes 0 nays.

Board was informed of Trustee Dave Janaes’s resignation effective September 16, 2016 and that the District Attorney, Joe Miller, stated that the new President of the District Board of Trustees is to appoint a replacement Trustee for the Pension Fund, Attorney Cary Collins was in agreement. Trustee Maxwell will contact the District BOT president, Charles Bratcher.

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 the four months ended September 30, 2016. Total Assets as of September 30, 2016 was $30,623,102 and the total Change in Net Position for the four (4) months ended September 30, 2016 was $1,343,776. No questions at this time on report.

Investment Report: John Cahill from Edward Jones Company presented the Laddering Maturity Bar Chart and the Assets Analysis Portfolio showing the Balanced Growth and Income showing a Portfolio Total of $30,222,309.96 as of October 15, 2016. Hard copy included with minutes.

Trustee Pat Murphy joined the meeting at 9:20 a.m.

Cahill shared that Stocks and Bonds are down a little since the September 30th numbers. He also shared that he doesn’t see anything on the horizon looking to affect the market at this time.
There were questions and discussion on strategies for when a market sell-off hits, Index Funds, and providing more transparency in fees.

Accountant Ed McCormick left meeting at 9:50 a.m.

Discussion was had on the change in policy for Edward Jones regarding the discontinuance of issuing Fund Performance Reports to the Pension Fund and only reporting on assets held in Edward Jones name. Attorney Collins reported that he has been in contact with Edward Jones regarding this issue and is waiting for a response. John Cahill is continuing to look for options for a solution, including a custodial for retiree payouts etc and use of a Financial Institution as a Trust Account.

Trustee Maxwell left meeting at 10:10 a.m.

**Ratification of phone transactions and trades:** None at this time.

**Approval of Revised Investment Policy:** Cary Collins will be working along with John Cahill to revise both the Pension Fund Rules & Regulations and the Investment Policy to reflect changes required by the IDOI.

A copy of Addendum C1 was completed by John Cahill to be included in the Investment Policy.

**Portability for Christopher Fennell from Brookfield Fire Department:** Attorney Cary Collins sent a letter to Brookfield Fire Department on April 20, 2016 but still has not heard anything back from them. Collins will follow up with Brookfield Fire Department requesting a speedy response on their part.

**Funding Policy Statement:** Trustee Maxwell received the WCFPD Funding Policy Statement and has given the Policy Statement to Attorney Collins.

**IDOI Report (FYE 5/31/16):** The IDOI Annual Report has been completed by Ed McCormick with mps, the signature sheet has been filed and the Report is currently coded as “Pension System Accepted the Filing” as of 10/5/2016.

**Annual Financial Report (FYE 5/31/16):** The Annual Audit FYE May 31, 2016 is being prepared by Lauterbach & Amen, LLP. The Pension Fund is waiting on a few more documents for Lauterbach & Amen for them to be able to complete the Audit.

**Annual Actuarial Report:** A Draft copy of the Actuarial Report completed by Actuary Tim Sharp was discussed. Summary of Results discussed included:

A change with respect to Actuarial Assumptions for the prior year to reflect revised expectations with respect to mortality rates. The mortality rates being changed to the RP 2014 Mortality Table (BCHA) projected to 2016 using improvement scale MP-2015.

The District’s Tax Levy Requirement increasing from $731,218 last year to $1,005,912 this year (37.6%). The increase in Tax Levy being due to the increase in salaries, the investment return being less than assumed and changes to the assumptions.
The Percent Funded decreasing from 93.1% last year to 84.3% this year.

Trustee Maxwell rejoined the meeting at 10:25 a.m.

It was suggested that it might be a good idea to have Actuary Tim Sharp attend the District Board of Trustee’s meeting to explain results of the increase in the Tax Levy.

A motion was made by Trustee Ukleja to accept the Actuarial Report and seconded by Trustee Murphy. Motion passed 4-0.

Upcoming Trainings: Attorney Collins reminded the Board that there will be an 8-hour training coming up December 9th. Trustee Ukleja has registered for an upcoming 32 hour training with Judson to fulfill his initial 32 hour requirement.

Ratify Pension Retirement Payout for Chris Youngberg: A motion was make by Trustee Ukleja to ratify the retirement amount for Chris Youngberg effective October 1, 2016, seconded by Trustee Hodge. Roll call vote showed:

Trustee Ukleja – aye
Trustee Maxwell – Aye
Trustee Hodge – Aye
Trustee Murphy – Aye

Motion passed 4 – 0.

New Business:

Acceptance of Retiree Benefit Increases for 2017: The Board was given the Retiree Benefit Increases for 2017, per the IDOI Benefit Calculator, for their review and approval. The monthly payout as of January 1, 2016 will be $133,745.68.

Trustee Ukleja made a motion to accept Retiree Benefit Increases for 2016 based on the Pension Funds figures and the IDOI Benefits Calculator, seconded by Trustee Murphy. Roll call vote showed:

Trustee Ukleja – aye
Trustee Maxwell – Aye
Trustee Murphy – Aye
Trustee Hodge – Aye

Motion passed 4 – 0.

Meeting Dates for 2017: The Pension Board set the 2017 Regular quarterly meeting dates for the third Monday of January, April, July and October at 9:00 am. The dates for 2017 will be January 16th, April 17th, July 17th and October 16th.

Motion to approve 2017 meeting dates for January 16th, April 17th, July 17th and October 16th made by Trustee Murphy and seconded by Trustee Ukleja. Motion passed 4 – 0.
Approval of Application for New Hire Member – Jim Fritz: The Board was presented with an “Application for Membership” in the WCFPD Pension Fund by District new hire, James Fritz, who was hired October 17, 2016. Jim Fritz has taken the physical including lung and heart functions and has passed, all Pension paperwork has been received and is in his Pension file. Jim Fritz is a Tier II Member. (Note: Application mistakenly had the date of hire as 10/10/16, called Chief Tanner into meeting to verify that hire date should be 10/17/16, date was changed on application.)

Motion was made by Trustee Ukleja to accept the Application for Membership for firefighter/paramedic James Fritz to begin October 17, 2016; the motion was seconded by Trustee Murphy. Motion passed 4 - 0.

Surviving Spouse Taxes for Disability Pension: Board was informed of a question received by a widow on whether a Disability Pension widow has to pay taxes. Attorney Collins confirmed that a widow receiving a Continuation of Disability Pension is tax exempt. Collins will draft a letter and mail to the widow.

Edward Jones – Flat Rate for Pensioners Taxes: Administrative Assistant, Joy Edminson, informed the Board that in July of 2016, Edward Jones called saying that one of the Pensioners had to switch his Tax deductions from a flat rate dollar amount to the Tax % rate per a W-4P. No response from Edward Jones giving an explanation as yet. Edminson will follow up with Edward Jones.

Pension Payout in Event of Pensioner and Spouses Death: Collins explained that in the case of both the Pensioner and the spouses deaths, that 20% of the contributions paid shall be given to each child till 18 years of age. In the event that a child is disabled, that child will continue to receive 20% until that child’s passing as long as all proper paperwork has been completed and approved. Any shortfall of the contribution dollars left goes into the estate.

District’s End of Year Payout Check to the Pension Fund: The WCFPD issued an end of year payout to the Pension Fund in the amount of $100,000.00 which was deposited into the Pension Fund’s Edward Jones account on September 12, 2016.

Letters & Bills:


Motion to ratify the payment of ten (10) bills paid by the Pension Fund Checking Account for $7,076.75 was made by Trustee Hodge and seconded by Trustee Murphy. Roll Call showed:

Trustee Hodge - Aye
Trustee Ukleja - Aye
Trustee Murphy – Aye
Trustee Maxwell - Aye

Motion Passed 4 – 0
Outstanding Bills:
Other bills received to be paid per Outstanding Bills Report:

- WCFPD (1/2 of Physical New Hire – Jim Fritz) $633.27
- WCFPD (1/2 of Stress Test New Hire–Jim Fritz) $201.60
- Justin Ukleja (Reimbursement for IPPAC/Judson Training) $625.00

Total to be paid $1,459.87

A motion was made by Trustee Hodge and seconded by Trustee Murphy to pay the outstanding bills in the amount of $1,459.87. Roll call showed:

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

Motion Passed 4 – 0

Attorney Report:
Attorney Cary Collins discussed that both a Document Destruction Policy and a Training Dollars Policy need to be added to the Pension Fund Policies, Collins will be adding these to the revised policies.

Release of Executive (Closed) Sessions:
Nothing at this time.

Open to Public Comments:
No comments at this time.

Miscellaneous:
Nothing 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, January 16th at 9:00 a.m. at Station #6, 200 Fremont Street, West Chicago, IL.

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

Meeting Adjourned at 10:55 a.m.

Respectfully submitted;

Justin Ukleja
Pension Fund Secretary