



DARIEN-WOODRIDGE

Firefighters' Pension Fund

7550 Lyman Avenue Darien, Illinois 60561 (630) 910-2200 Fax (630) 910-2203

PENSION MEETING MINUTES

Meeting held at 7550 Lyman Avenue, Darien, Il.

Date: 09/25/2018

Time: 4:01 p.m.

Attendance:

Board Members:

- Wayne Messenger (President) (District Appointee-April 30, 2021)
- Mike Zessemos- (Active-April 30, 2021)
- Jay Worden (Secretary) (Retired April 30, 2019)
- Sharon Cattaneo (District Appointee-April 30, 2020)
- Brian Isley- (Active-April 30, 2020)

Others Attending:

- Carolyn Welch Clifford, Attorney (Non-Voting)
- Frank Burns-Treasurer (Non-Voting)

Active Membership Attending:

None

Public Comment Period:

None.

Reading of the Minutes:

Minutes of the April 3, 2018 Meeting.

Motion: To waive the reading of the minutes and to accept the minutes as presented.

Motion: Isley 2nd: Cattaneo Approved by 5-0 by roll call vote.

Minutes of the May 9, 2018 Special Meeting.

Motion: To waive the reading of the minutes and to accept the minutes as presented.

Motion: Isley 2nd: Worden Approved by 4-0-1 by roll call vote. Cattaneo-Abstain.

Treasurer's Report:

The Board reviewed the financial statement from Lauterbach and Amen through 08/31/2018. Copy attached. **Motion:** To approve the financial statement through August 31, 2018 as presented. Motion:

Cattaneo 2nd: Messenger. Aye: Cattaneo, Messenger, Isley, Zessemos and Worden. Nay: None. Passed. 5-0

Bills and Disbursements:

Motion: To pay the pending bills totaling \$162,962.50. Motion: Messenger 2nd: Worden Aye: Messenger, Worden, Cattaneo, Isley and Zessemos. Nay: None. Passed. 5-0.

Preparation for IDOI annual report, actuarial calculations and annual audit are under way at the current time.

Investments:

Frank Fanelli from MB Financial made his presentation on the results thru 08/31/2018. The overall portfolio had a return of 2.82% since the beginning of the fiscal year 06/01/2018 which is slightly below the benchmark of 3.09%. The blended results for the last quarter were 2.82%. The equity side has shown an increase of 4.36% since the beginning of the fiscal year. The increase of the fixed portfolio was .60% since the beginning of the fiscal year which was better than the benchmark of .55%.

Spencer Klein discussed several issues including the potential of adding a new benchmark for the fund. The current ones we are using do not really accurately reflect our actual allocation between fixed and equity funds. The closest is a 50/50mix while we are currently running at 64% equities, 35% fixed and money market and very small exposure to other investments like commodities in the alternative strategies portfolio.

We discussed whether we should consider a change in our current investment positions and it was decided to make no changes at this time.

Old Business:

1. Richard Conner's IME was received. Per Dr. Khanna he remains disabled at this time. **Motion:** Based upon the IME report from Dr. Khanna, the Board accepts that Richard Conner is still disabled and will continue to receive disability benefits. Motion: Worden 2nd: Messenger Aye: Worden, Messenger, Cattaneo, Isley and Zessems. Nay: None Passed 5-0
2. Lauterbach and Amen notified the Pension Fund that Anthony Browning has paid the 1% increase and accrued interest equaling \$3,571,24 to meet the requirements for his request for reciprocity with City of Aurora Fire Department. **Motion:** To acknowledge that Anthony Browning has meet the requirements to establish 4 years and 3 months of service under reciprocity under 40 ILCS 5/4-109.3. Motion: Worden 2nd: Isley Aye: Worden, Isley, Messenger, Cattaneo and Zessems. Nay: None Passed 5-0.
3. We received the policy renewal effective 09/01/2018 from Mesirow Insurance for our Fiduciary Insurance equaling \$3,351.00 which was within our 5% threshold passed at the April meeting. **Motion:** To approve \$3,351.00 to Mesirow Insurance for our annual Fiduciary Insurance Renewal. Motion: Messenger 2nd: Cattaneo Aye: Messenger, Cattaneo, Isley, Zessems and Worden. Nay: None Passed 5-0.

Application for Membership:

1. Zachary Gloodt was appointed as a firefighter to the Fire District on 06/04/18. His paperwork was in order and the Physician's Certification was included. He will be a Tier 2 due to no previous Fire Service Experience.
2. Joseph Hanson was appointed as a firefighter to the Fire District on 06/04/18. His paperwork was in order and the Physician's Certification was included. He will be a Tier 2 due to no previous Fire Service Experience.
3. Jason Knobelech was appointed as a firefighter to the Fire District on 06/04/18. His paperwork was in order and the Physician's Certification was included. He will be a Tier 2 due to no previous Fire Service Experience.

Motion: To accept Zachary Gloodt, Joseph Hanson and Jason Knobelech into the Pension Fund effective June 04, 2018. Motion: Messenger 2nd: Zessems Aye: Messenger, Zessems, Cattaneo, Isley and Worden. Nay: None Passed 5-0.

Applications for Refunds or Benefits:

1. None

New Business:

1. After a great deal of discussion and consultation between Lauterbach and Amen and the Illinois Department of Insurance about signing authority an updated procedure was agreed to for handling non-electronic transactions. In order to implement this we need to pass a new Resolution. **Resolution 18/19-01: A Resolution Establishing Signatory Authority for the Darien-Woodridge Firefighters' Pension Fund.** Motion: Worden 2nd: Cattaneo Aye: Worden, Cattaneo, Messenger, Isley and Zessems. Nay: None
2. The IDOI Compliance fee of \$3980.43 was paid in a timely manner.
3. The Annual Report has some significant changes and is under review.

4. Robert Rietz from Lauterbach and Amen presented the draft Actuarial Report as of 06/01/18. He also presented the GASB 67/68 report. There was a long discussion on the reason for the assumptions used and whether we should reduce them to reflect the current investment returns we can expect of the next 5-10 years. It was also discussed that we should talk to the District Board and see if we can come to an agreement on Funding. President Messenger was going to follow-up with Chief Gorsky on that issue. **Motion:** To approve the Municipal Compliance Report (attached) as presented by Lauterbach and Amen based on the draft actuarial report. The figures presented should be correct unless something in the District's audit causes a change. It is unlikely we will get the IDOI recommendations before the MCR is required to be given to the District. Motion: Messenger 2nd: Isley Aye: Messenger, Isley, Cattaneo, Zessemos and Worden. Nay: None Passed 5-0.
5. The District Audit is under way. The draft GASB 67/68 has been forwarded as requested.

Attorney Report:

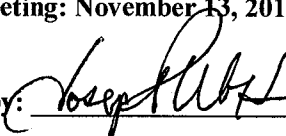
1. Carolyn discussed a couple of issues including the intercept provision for funding. However, Fire Protection Districts have no access to this provision due to a lack of state funds to be intercepted.

Training:

1. AFFI Conference October 29-30 in Lisle.
2. IPFA Conference on November 2th. Several members to attend.
3. Per the IDOI, the training year corresponds with your term May1- April 30th. All our training records will be updated to reflect those dates starting 05/01/2018.

Adjournment: Motion: Messenger 2nd: Isley 5-0 by Voice Vote. Time: 5:42 PM

Next Meeting: November 13, 2018 Time: 4:00 pm

Signed by:  Joseph P. Worden, Secretary

Approved 11/13/18
3-0