



# 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:** 11/14/2017

**Time:** 4:06 p.m.

#### **Attendance:**

##### Board Members:

- Wayne Messenger (President) (District Appointee-April 30, 2018)
- Mike Zessemos- (Active-April 30, 2018)
- 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 September 26, 2017 Meeting.

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

Motion: Cattaneo 2<sup>nd</sup>: Messenger Approved by 3-0-1 by roll call vote. Worden abstained.

#### **Treasurer's Report:**

The Board reviewed the financial statement from Lauterbach and Amen through 10/31/2017. Copy attached. **Motion:** To approve the financial statement through October 31, 2017 as presented. Motion: Messenger 2<sup>nd</sup>: Cattaneo. Aye: Messenger, Cattaneo, Worden and Zessemos. Nay: None. Passed. 4-0

#### **Bills and Disbursements:**

**Motion:** To pay the pending bills totaling \$66,485.00. Motion: Worden 2<sup>nd</sup>: Cattaneo Aye: Worden, Cattaneo, Messenger and Zessemos. Nay: None. Passed. 4-0

#### **Investments:**

Frank Fanelli from MB Financial made his presentation on the results thru 10/31/2017. The overall portfolio had a return of 4.22% since the beginning of the fiscal year 06/01/2017 which is slightly below the benchmark of 4.87%. The blended results for the last quarter were 2.83%. The equity side has shown an increase of 4.79% over the last quarter and 6.87% since the beginning of the fiscal year. The increase of the fixed portfolio was only .29% over the last quarter and .68% since the beginning of the fiscal year.

The Board discussed the overall market conditions and potential for a market correction. Spencer Klein discussed the overall portfolio, its ongoing strategy and the balance to reduce some of the potential risks. The Board expressed its desire to maximize the total return of the portfolio while limiting risk as much as possible. With the limitations of return in the fixed income market the investment strategy needs to use the equity portion as much as prudently possible while limiting foreseeable risks. There was discussion of increasing our exposure to foreign equities. That market is moving better due their delay in beginning their growth cycle.

There was a short discussion on the alternative strategy portion of the portfolio. We finished with a discussion on the potential disruptions caused by the Fed normalizing its balance sheet.

#### **Old Business:**

1. The IDOI Annual Statement is completed and was submitted by Lauterbach and Amen electronically. **Motion:** To approve the submission of the Annual Statement and certify that the information as submitted is complete and correct. Motion: Worden 2<sup>nd</sup>: Cattaneo Aye: Worden, Cattaneo, Messenger and Zessems. Nay: None Passed 4-0. Certification Form signed and will be submitted on 11/15/17 electronically.
2. The District's Audit was completed and should be approved by the District's Board on 11/15/17.
3. Lauterbach and Amen reviewed the draft District's audit. Based on the results there were no changes to the draft Actuarial Report and GASB 67/68. They then forwarded a final Actuarial Report and GASB 67/68 to be approved by the Pension Board. **Motion:** To approve the Actuarial Report and GASB 67/68 as prepared by Lauterbach and Amen. Motion: Messenger 2<sup>nd</sup>: Cattaneo Aye: Messenger, Cattaneo, Zessems and Worden Nay: none Passed 4-0.
4. There was discussion of the potential changes to check signing authorizations held by Lauterbach and Amen. They are still working with their staff to address the concerns expressed by the Illinois Department of Insurance. A new policy/procedure will be forthcoming next year, 2018.

#### **Application for Membership:**

1. Andrew Hunt was unable to submit his application and other paperwork before the meeting. His application to the fund will be tabled until the January meeting.

#### **Applications for Refunds or Benefits:**

1. We received notification that Anthony Browning has submitted a request to use his Darien-Woodridge service for reciprocity under the Illinois Statues. We will follow up to make sure all paperwork and the 1% plus interest is computed and forwarded to him for action.

#### **New Business:**

1. After review of the Actuarial report the Pension Levy letter was prepared to be forwarded to the District Board for action. All required paperwork was also prepared including the HB-5088 Municipal Compliance report and the outside the Tax Cap calculation letter. **Motion:** To request the District to Levy \$1,254,458.00 for the benefit of the Pension Fund. Of this amount \$37, 227.00 is to be levied outside the Tax Cap. In support of this Levy request, the MCR will be attached. Motion: Worden 2<sup>nd</sup>: Messenger Ayes: Worden, Messenger, Cattaneo, and Zessems. Nay: None Passed: 4-0.
2. The Municipal Compliance Report (MCR) was prepared by Lauterbach and Amen. **Motion:** To approve and forward the MCR to the District Board as required. Motion: Worden 2<sup>nd</sup>: Messenger Ayes: Worden, Messenger, Cattaneo, and Zessems. Nay: None Passed: 4-0.
3. Lauterbach and Amen prepared the Annual Increases for 2018. **Motion:** To approve the Annual Increases as prepared by Lauterbach and Amen. Copy attached. Motion: Cattaneo 2<sup>nd</sup>: Worden Ayes: Cattaneo, Worden, Messenger and Zessems. Nay: None Passed 4-0.
4. Conner IME process to begin in January.
5. Next year's meeting dates were discussed. Motion: To approve the meeting dates for 2018. Motion: Messenger 2<sup>nd</sup>: Worden Passed: 4-0 by voice vote.

**Attorney Report:**


1. Carolyn discussed several items of interest. A short discussion on the Illinois Municipal League proposals to Pension Consolidation. IML has 5 different variations several of which put us under the control of IMRF.

**Training:**

1. NIAFPD Conference is January 25-28, 2018 in Westmont.

**Adjournment:** Motion: Messenger 2<sup>nd</sup>: Worden 4-0 by Voice Vote. Time: 5:39 PM

**Next Meeting: January 23, 2018 Time: 1600**

Signed by:  Joseph P. Worden, Secretary Approved 4-0 1/23/18