



# DES PLAINES FIREFIGHTERS' PENSION FUND

405 S. River Road ■ Des Plaines, Illinois 60016

*William Rice*  
President

*Jeff Vallee*  
Secretary

*Paul Birger*  
Trustee

*Nicholas Chiaro*  
Trustee

*Jeffery Rozovics*  
Trustee

## MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE DES PLAINES FIREFIGHTERS' PENSION FUND NOVEMBER 13, 2018

A regular meeting of the Board of Trustees of the Des Plaines Firefighters' Pension Fund was held on Tuesday, November 13, 2018 at 8:30 a.m., at City Hall located at 1420 Miner Street in Room 101, Des Plaines, IL, pursuant to notice, to conduct regular business.

**CALL TO ORDER:** President Rice called the meeting to order at 8:32 a.m.

### ROLL CALL:

**PRESENT:** President Bill Rice, Secretary Jeff Vallee, Trustees Paul Birger, Nicholas Chiaro, and Jeffery Rozovics

**ABSENT:** None

**ALSO PRESENT:** Attorney Laura Goodloe, Puchalski Goodloe Marzullo, LLP (PGM); Thomas McShane, MSSB/Graystone Consulting; Michelle Hawkins and Liz Failing, Lauterbach & Amen, LLP (L&A); Dorothy Wisniewski, City of Des Plaines; Chief Alan Wax, Des Plaines Fire; Wendell Whitted, Des Plaines Police

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *August 7, 2018 Regular Meeting Minutes:* The minutes of the August 7, 2018 regular meeting were reviewed by the Board. A motion was made by Trustee Birger and seconded by Trustee Vallee to approve the August 7, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* The Board reviewed the Monthly Financial Report prepared by Lauterbach & Amen, LLP. As of October 31, 2018, the plan net assets held in trust for pension benefits is \$76,022,671.86 with a change in position of (\$4,635,399.45) for the ten-month period ending October 31, 2018. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal were provided in the Monthly Financial Report for the Board to review. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

*Presentation and Approval of Bills:* The Board reviewed the Vendor Check Report for the period 08/01/2018 through 10/31/2018 for total disbursements of \$368,967.93. A motion was made by Trustee Birger and seconded by Trustee Vallee to approve the disbursements listed on the Vendor Check Report in the amount of \$368,967.93. Motion carried by roll call vote.

**AYES:** Trustees Rice, Vallee, Birger, Chiaro and Rozovics

**NAYS:** None

**ABSENT:** None

*Additional Bills, if any:* There were no additional bills presented for approval.

**INVESTMENT REPORT – GRAYSTONE CONSULTING:** *Quarterly Performance Report:* Mr. McShane

presented the Quarterly Performance Report for the period ended October 31, 2018. As of 10/31/2018, the ending market value of the fund is \$76,086,830.24. The total return is (6.54%) for the quarter, 5.11% for the last 3 years, 4.93% for the last 5 years, and 5.49% since inception. The portfolio asset allocation is 64.12% Equity, 34.13% Fixed Income, and 1.75% Cash & Cash Equivalent. Mr. McShane noted that Great Lakes Advisors have been put on review. All questions were answered by Mr. McShane.

The Board discussed increasing the monthly transfer amount from \$670,000 to \$710,000 to the Harris Bank Account on a monthly basis for the purpose of paying pension benefits. A motion was made by Trustee Birger and seconded by Trustee Vallee to increase the monthly transfer amount as stated. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics

NAYS: None

ABSENT: None

The Board discussed selling the iShares Russell 1000 Growth and reallocating the proceeds to Russell 1000 Value Index. A motion was made by Trustee Birger and seconded by Trustee Vallee to reallocate the proceeds as discussed, based on the recommendation of Graystone Consulting. Motion carried unanimously by voice vote.

The Board discussed the manner in which the Graystone Consulting invoices are paid. Graystone Consulting will submit the invoices to the Board President and Treasurer and five business days later the account will be debited beginning with the 4<sup>th</sup> quarter 2018 invoices.

*Review Updated Investment Policy Statement:* No changes are needed to the Investment Policy at this time.

**COMMUNICATIONS OR REPORTS:** *Affidavits of Continued Eligibility:* The Board noted that all 2018 Affidavits of Continued Eligibility have been received by L&A. The originals were provided to the Board for their records.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** There were no applications for membership or withdrawals from the Fund.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Approve Regular Retirement Benefits – Guy G. Miller:* The Board reviewed the regular retirement benefit calculation for Guy G. Miller prepared by L&A. Lieutenant Miller had an entry date of 03/09/1987, retirement date of 08/24/2018, effective date of pension of 08/25/2018, 60 years of age at date of retirement, 31 years and 5 months of creditable service, applicable salary of \$119,701, applicable pension percentage of 75%, amount of originally granted monthly pension of \$7,481.31 and amount of originally granted annual pension of \$89,775.72. A motion was made by Trustee Birger and seconded by Trustee Vallee to approve Guy G. Miller's regular retirement benefit as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics

NAYS: None

ABSENT: None

*Approve Regular Retirement Benefits – Roger M. Wormley:* The Board reviewed the regular retirement benefit calculation for Roger M. Wormley prepared by L&A. Firefighter Wormley had an entry date of 09/27/1993, retirement date of 11/23/2018, effective date of pension of 11/24/2018, 59 years of age at date of retirement, 25 years and 1 month of creditable service, applicable salary of \$103,966, applicable pension percentage of 62.71%, amount of originally granted monthly pension of \$5,432.94 and amount of originally granted annual pension of \$65,195.28. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve Roger M. Wormley's regular retirement benefit as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics  
NAYS: None  
ABSENT: None

*Approve Regular Retirement Benefits – Christopher J. Wozny:* The Board reviewed the regular retirement benefit calculation for Christopher J. Wozny prepared by L&A. Battalion Chief Wozny had an entry date of 03/09/1992, retirement date of 11/21/2018, effective date of pension of 11/22/2018, 50 years of age at date of retirement, 26 years and 8 months of creditable service, applicable salary of \$133,936, applicable pension percentage of 66.67%, amount of originally granted monthly pension of \$7,440.89 and amount of originally granted annual pension of \$89,290.68. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve Christopher J. Wozny's regular retirement benefit as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Chiaro and Rozovics  
NAYS: None  
ABSENT: None

**OLD BUSINESS:** *Status of Fiduciary Liability Insurance Broker/Carrier Transition:* Attorney Goodloe apprised the Board on the status of the transition from Alliant/Mesirow to Cook Castle Associates. No further action is needed by the Board.

**NEW BUSINESS:** *2019 Board Meeting Dates:* The Board established the 2019 Board meeting dates as February 5, May 7, August 6, November 12 at 8:30 a.m. at City Hall located at 1420 Miner Street in Room 101, Des Plaines, Illinois.

**TRUSTEE TRAINING UPDATE:** The Board discussed recent training opportunities and was reminded to send all training certificates to L&A for recordkeeping.

**ATTORNEY'S REPORT:** *Status of Remand – Michael G. King:* Attorney Goodloe discussed the Michael G. King matter with the Board. A status update will be provided at the next scheduled meeting.

*Annual Independent Medical Examinations – Michael J. Carey and Christopher A. Moran:* Attorney Goodloe informed the Board that Michael J. Carey and Christopher A. Moran attended their annual independent medical examinations and the reports indicated that they remain disabled. Michael J. Carey's and Christopher A. Moran's disability benefits will continue subject to further examinations until age 50.

The Board directed Attorney Goodloe to send Michael J. Carey for a final independent medical examination prior to turning 50 in May 2019.

*Status of Carroll Disability Pension Claim:* Attorney Goodloe apprised the Board on the status of the Ian Carroll disability application and noted that two medical documentation requests remain outstanding. Further discussion will be held at the next scheduled meeting.

**CLOSED SESSION, IF NEEDED:** There were no items to be discussed in closed session.

*Discussion/Possible Action – Chicago Clearing Contract:* The Board discussed the contract renewal with Chicago Clearing. A letter will be sent to Chicago Clearing requesting all class action suits that have been filed and all receipts received from 2013 to present. Further discussion will be held at the next scheduled meeting.

**ADJOURNMENT:** A motion was made by Trustee Vallee and seconded by Trustee Birger to adjourn the meeting at 10:07 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Des Plaines Firefighters' Pension Fund will be held on **Tuesday, February 5, 2019 at 8:30 a.m.** in Room 101.

Respectfully submitted,  Date approved: 2-5-19  
William Rice, Pension Board President

*Minutes prepared by Michelle Hawkins, Pension Services Administrator, Lauterbach & Amen, LLP*