

**BOARD OF TRUSTEES**  
**DOWNERS GROVE FIREFIGHTERS PENSION FUND MEETING**  
**Downers Grove Fire Department Station 2, 5420 Main, Training Room**  
**August 17, 2017, 1700 hrs.**

**Members Present**

Trustee Matt Campbell, Trustee Scott Cavenaile, Trustee Jeff Kuchta, and Non-voting Downers Grove Finance Director Judy Buttny

**Members Absent:**

Trustee Robert Lang

**Guests**

D. Warnke, Financial Consultant – MarquetteAssociates  
Eric Endriukaitis, Acct. – Lauterbach & Amen, LLP  
Tim Bowen, Actuary – Mesirow Financial  
Brian LaBardi, Attorney - Reimer & Karlson LLC  
BC Dan Mejdrech, FF M. Collins

Trustee Campbell called the meeting to order at 1705 hrs. in the first floor conference room of the Downers Grove Fire Department Station 2, 5420 Main, Downers Grove, IL.

**MINUTES**

Trustee Campbell advised that the May 10, 2017 Quarterly Meeting Minutes some minor grammatical changes were made.

Atty. LaBardi requested a change in the minutes to reflect Atty. Rick Reimer - Reimer & Karlson was in attendance at this meeting not Atty. LaBardi.

**MOTION:** A motion was made by Trustee Kuchta and seconded by Trustee Cavenaile to approve the Quarterly Meeting Minutes of May 10, 2017 as amended.

**Motion carried by a vote of 3-0.**

**Agenda Item - 3**

**Report from Marquette Associates**

**Handout**

Marquette Associates DGFDF Pension Fund  
June 30, 2017 First Quarter - Quarterly Executive Summary Booklet

D. Warnke explained the current quarter's Marquette Associates' Executive Summary Booklet with an overview of the various funds managed for the Pension Fund. He also answered questions regarding the various investment managers and gave insight into the thinking regarding investments in the various markets.

Mr. Warnke reviewed the current market and how it is affecting the DGFDP Pension Funds and will continue to effect the various Pension Fund investments. He continued through the report giving explanation of the various investments and how the DGFDP Pension Funds are doing. Discussion regarding Harbor and Franklin Templeton over the past 3 months have started to move upward. They will be kept as a “watch” but it is felt that they are doing fairly well.

Mr. Warnke advised that real estate principal YTD was at 3.9% for the first half of the year. Steady as was expected . Principal still in main queue (about \$30 million). At present, slightly under weighted.

**MOTION:** A motion was made by Trustee Kuchta to accept the 2nd Quarter Report from Marquette Associates. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**MOTION:** A motion was made by Trustee Campbell that any cash balance in excess of \$1.2 million in the Pension Fund, will be rebalanced per policy. Seconded by Trustee Cavenaile.

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Kuchta	Aye
Trustee Cavenaile	Aye

**Agenda Item 4 - A**

**Report from Lauterbach & Amen, LLP**

**ATTACHMENT I**

Lauterbach & Amend, LLP  
Monthly Financial Report  
For the Month Ended July 31, 2017

Ms. Fain of Lauterbach & Amen presented the Quarterly Financial Report ending July 31, 2017 reviewing each report, statement, expenses, contributions and payments. Total cash investments, \$52,443,928.25. The incurred interest \$93,043.37. As of July 31, 2017, net worth is \$52,538,358.39. (Pg 2-2) Income statement showing 7 months of activity, total money in between the Village contribution and the member contributions and investments of \$6,018,189.99 less deductions equals \$3,808,117. 38. Current Tax contributions of \$1,578,802. In September 2017 you should receive another \$1.2 million in tax contributions. Expenses of benefits is \$300,200 and monthly administration expenses for a total expense of \$325,697.

Page 11-1 and 11-2 of this report contains the three month rolling Quarterly Vendor Check Report with all expense checks noted from May 31, 2017 through July 31, 2017.

**MOTION:** A motion was made by Trustee Kuchta to accept the July 31, 2017 Quarterly Report as presented from Lauterbach & Amen. Seconded by Trustee Cavenaile.  
**Motion carried by a vote of 3-0.**

Ms. Butny advised that the Vendor Check Report also includes April 1, 2017 thru July 31, 2017 Giving a total of \$210,647.96 paid out expenses.

**MOTION:** A motion was made by Trustee Kuchta to pay the Quarterly Vendor listed bills (Pages 11-1, 11-2 and 11-3 – April 1, 2017 thru July 31, 2017) in the amount of \$210,647.96 and seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**Agenda item 5 – B**

**New Employees/ Retirees**

New employees James Jackson, Jr. and Ethan Simmons – both started on 7-17-17 and will both be Tier II employees and have requested to be in the Pension Fund.

**MOTION:** A motion was made by Trustee Cavenaile to admit James Jackson, Jr. and Ethan Simmons as of 7-17-17 as a Tier II employee into the DGFDP Pension Fund. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Retirees**

Battalion Chief Daniel Mejdrech (born December 16, 1959) with retirement as of 8-01-17 at which time he will have a pension at 75% with an original monthly amount of \$7,308.31 on a base of \$116,933 with 34 years of creditable service (August 1, 1983) and an effective date of August 1, 2017.

**MOTION:** A motion to grant a regular retirement pension to Daniel Mejdrech based upon the given information was made by Trustee Cavenaile. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**Amended Retiree pension information due to change in Collective Bargaining Agreement (5-1-2017) with new benefit and retroactive pay raise:**

Lt. Fred Pajak (birth date of January 7, 1965 entered the department January 25, 1988) retirement 5-20-17 at which time he will have a pension at 73.13% with an original monthly amount of \$6,644.44 on a base of \$109,037.00 with 29 years 3 months of creditable service and an effective date of retirement on 5-21-17. A retro contribution to the Pension Fund has been made.

**MOTION:** A motion to grant a regular retirement pension to Fred Pajak based upon the given information was made by Trustee Cavenaile. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**MOTION:** A motion to approve retro to Fred Pajak based in the amount of \$240.90 was made by Trustee Campbell. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

Lt. Charles Tatroe (born July 21, 1965 entered the department April 20, 1987) retirement 5-30-17 at which time he will have a pension at 75% with an original monthly amount of \$6,814.81 on a base of \$109,037 with 30 years 1 month of creditable service and an effective date of retirement on 5-31-17. A retro contribution to the Pension Fund has been made.

**MOTION:** A motion to grant a regular retirement to Charles Tatroe based upon the given information was made by Trustee Cavenaile. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**MOTION:** A motion to approve retro to Charles Tatroe in the amount of \$188.25 was made by Trustee Campbell. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

Fire Chief James Jackson, Sr.(born August 24, 1965 entered the department August 24, 1987) retirement 8-31-17 at which time he will have a pension at 75% with an original monthly amount of \$9,187.56 on a base of \$147,001 with 30 years 0 month of creditable service and an effective date of retirement on 9-1-2017.

**MOTION:** A motion to grant a regular retirement to James Jackson based upon the given information was made by Trustee Kuchta. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

FF/PM Joel Mains (born November 10, 1958 entered the department September 28, 1992) retirement 9-29-17 at which time he will have a pension at 62.5% with an original monthly amount of \$5,058.75 on a base of \$97,128 with 25 years 0 month of creditable service and an effective date of retirement on 09-30-17.

**MOTION:** A motion to grant a regular retirement to Joel Mains based upon the given information was made by Trustee Cavenaile. Seconded by Trustee Kuchta.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**OLD BUSINESS**

**Agenda item 6 – B - Pension Tax Levy –**

**Attachment II**  
**Actuarial Valuation Summary December 31, 2016**

Trustee Campbell reviewed last meeting’s discussion on the two different tax levy percentages options for rate of return – 7% or 7.25%. The hand out shows the difference between the contribution requirement of 7% would be “B” and 7.25% would be “A”.

Ms. Buttney advised that last year’s levy was \$3,060,616. - \$339,549 difference which would be the difference in tax levy for the year. Ms. Buttney had previously calculated that for every \$500,000 increase in levy there would be a roughly \$20.00 per tax payor increase on a home that has a value of \$300,000. There was further discussion regarding the various rates and impact.

**MOTION:** A motion was made by Trustee Campbell to adopt an estimate return assumption for the actuarial study of 7%. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**MOTION:** A motion to approve the Lauterbach & Amen actual valuation using the 7% investment return and recommend a contribution of \$3,400,165. was made by Trustee Campbell. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

Atty. LaBardi will contact Ms. Fain and send a letter to DOI and the Village requesting the change.

**MOTION:** A motion to approve Reimer & Karlson to file the Municipal Compliance was made by Trustee Campbell. Seconded by Trustee Cavenaile.

**Motion carried by a vote of 3-0.**

**Roll call was taken:**

Trustee Campbell	Aye
Trustee Cavenaile	Aye
Trustee Kuchta	Aye

**Agenda item 6 – B -**

Reiter vs. Board of Trustees – Executive / Closed Session

Atty. LaBardi advised that there is nothing new and there no need to go into Closed Session.

**NEW BUSINESS**

None

Atty. LaBardi queried if the Board had actual written Decisions on all retirement matters or just the calculations. Atty. LaBardi advised that the written decision needs to be on the next Agenda. Approval of decision order for – name of retiree. Atty. LaBardi will send the Board a blank form that should be completed.

**PUBLIC COMMENT**

None

**ADJOURN**

**MOTION:** Trustee Campbell made a motion to adjourn.  
Trustee Cavenaile seconded the motion.  
**Motion carried 4-0.**

The meeting adjourned at 1816 hrs.  
Respectfully submitted.

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Firefighter/Paramedic Scott Cavenaile, Secretary

SC:pp All Files/Pension/2017 – 8-17-17 Quarterly Meeting Minutes (2)