

BOARD OF TRUSTEES
DOWNERS GROVE FIREFIGHTERS PENSION FUND MEETING
Downers Grove Fire Department Station 2, 5420 Main, Training Room
November 7, 2018 – 1700 hrs.

Members Present

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

Members Absent:

Trustee Jeff Kuchta
Trustee Angelo Gurrieri,

Guests

Dave Wernecke, Asst. Vice President – MarquetteAssociates
Eric Endriukaitis, Acct. – Lauterbach & Amen, LLP
Richard Reimer, Attorney - Reimer & Karlson LLC
Deputy Chief Dan Tasso – DGFD

Trustee Campbell called the meeting to order at 1709 hrs. in the training room of the Downers Grove Fire Department Station 2, 5420 Main, Downers Grove, IL.

MINUTES

Trustee Campbell advised that the August 21, 2018 Quarterly Meeting Minutes and 10-10-18 Special Meeting Minutes had some grammatical changes.

MOTION: A motion was made by Trustee Cavenaile and seconded by Trustee Lang to accept the minutes as amended.

Motion carried by a vote of 3-0

NEW BUSINESS

Agenda Item - 3
Report from Marquette Associates

Handout
Marquette Associates DGFD Pension Fund
Third Quarter 2018 - Quarterly Executive Summary Booklet

Mr. Wernecke reviewed the asset allocation and projected returns. He reviewed the information in the handout and advised that the current asset class allocations as of September 30.

As part of the ongoing balancing procedure of 1.2 million on September 30 there was a balance of 1.8 million in the first week of October we put \$400,00 into fixed income with C.S.McKee that would bring it closer to the 35% target and moved \$50,000 to the Templeton International Small Cap (where it was under weighted). As of today no rebalance is needed.

He continued to review the various funds in the portfolio over the third quarter activity. He advised that Real Estate principal is up 6.7% with an outlook for going up more in the fourth quarter. Marquette is projecting in the long term returns of 6-7% based on a 10 year outlook.

MOTION: A motion was made by Trustee Lang to accept the 3rd Quarter Report from Marquette Associates. Seconded by Trustee ??.
Motion carried by a vote of 3-0.

MOTION: A motion was made by Trustee Campbell when deposits are received by the Pension Fund, anything in excess of 1.2 million in the Cash Fund, will be rebalanced per policy. Seconded by Trustee Cavenaile.
Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenaile	Aye

TRESURER'S REPORT

Agenda Item 5 - A **Payment of Bills**

Ms. Buttny requested approval of the invoices from her report as presented from August 1 – October 31, 2018 in the amount of \$167,278.97.

MOTION: A motion was made by Trustee Lang for the approval of the presented Treasurer's report to pay bills presented from August 1, 2018 through October 31, 2018. Seconded by Trustee Campbell.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenaile	Aye

Ms. Buttny advised she received legal bills from Reimber & Dobrovolny in the amount of \$1,908.51 for June through August. Also three INSPE (Dravo) exam bills in the following amounts: \$2,790 from Robert Reff, M.D; \$3,780 from Geoffrey Shaw, M.D., and \$3,840 from Stevan Weine, M.D.

MOTION: A motion was made by Trustee Cavenaile to approve to pay invoices for a total amount of \$12,318.51. Seconded by Trustee Campbell.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

Ms. Buttny advised she received a request from Scott Cavenaile to approve some training for him through IPPFA for the amount of \$500.00 for 2 courses.

MOTION: A motion was made by Trustee Campbell to approve to pay the amount of \$500.00 for two courses from IPPFA for Trustee Cavenaile. Seconded by Trustee Lang.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

Agenda Item 7 - A

New employees / Retirees / Issuance of refund

Pension Fund was notified by Lauterbach & Amen that John Malone’s reciprocity payments have been paid in full to the Fund and he will continue to make 1% payments moving forward.

MOTION: A motion was made by Trustee Campbell that FF/PM John Malone’s reciprocity to payments have been completed. Seconded by Trustee Lang.

Motion carried by a vote of 3-0.

Agenda Item 7 - B

Approve Signers on the BMO Harris account

Ms. Buttny advised that this is an account that Lauterbach & Amen manages for the Pension Board and both Lauterbach and the members of the Board were both shown on the BMO accounts as signers. Lauterbach is removing themselves as signers and the President, Secretary and Treasurer of the Pension Board will be the only signers on the account.

MOTION: A motion was made by Trustee Lang to accept the signatures of Pension Board President Campbell, Secretary Cavenaile and Treasurer for the BMO account. Seconded by Trustee Campbell.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

Agenda Item 7 - C

2019 Agenda planning and schedule of meetings

There was discussion of various dates for the 2019 Pension Board Meetings

MOTION: A motion was made by Trustee Cavenaile to accept the following dates for the 2019 Quaterly Pension Board Meetings: February 14, May 9, August 7 and November 5 all at 5 p.m. at Station 102 Training Room. Seconded by Trustee Campbell.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

Trustee Campbell proposed that in the first quarter of 2019 there would be elections for the “Retiree” position.

Agenda Item 4 - A
Report from Lauterbach & Amen, LLP

ATTACHMENT
Lauterbach & Amend, LLP
Monthly Financial Report
For the Month Ended September 30, 2018

Mr. Endriukaitis of Lauterbach & Amen presented the Monthly Financial Report ending September 30, 2018 reviewing each report, statement, expenses, contributions and payments. Total cash investments, \$57,531,636.94. The incurred interest \$6,656.83. Total held in trust 57,653,045.58.

Page 11-1 and 11-2 of this report contains the three month rolling Quarterly Vendor Check Report with all expense checks noted from 7-01-18 through 9-30, 2018.

MOTION: A motion was made by Trustee Campbell to accept the September 30, 2018 Quarterly Report as presented from Lauterbach & Amen. Seconded by Trustee Cavenaile.

Motion carried by a vote of 3-0.

Atty. Reimer advised that he had received an email from Retired FF/PM Dale Smith [BJ1] did not realize the Pension Board has passed their Rules & Regulations. He will need to advise Mr. Schultz that if he does not go to the next appointed exam the amount charged by the doctor for the missed appointment will be deducted from his pension check.

MOTION: A motion was made by Trustee Campbell to adopt the Amended Rules and Regulations. Seconded by Trustee Lang.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

Trustee Campbell also advised that he would like to set a “timeline” for the Actuarial Report as far as approval of assumptions, consideration of assumptions and what the timeline needs to be.

Eric advised that he would have a draft ready by May. He would have the Acturay out in May and then Adopt the recommended contribution in August.

Tursteer Campbell asked about consideration for assumptions as far as when they could review and then make a decision in time for the auditors to run the report. Eric asked what rate the Board was anticipating. Payroll assumptions at 2.5% and assumptions at 6.75%. Eric offered that maybe a "sensitivity" report.

OLD BUSINESS

Agenda Item 6 - A **Schultz Annual Exam**

Atty. Reimer advised that he did not realize the Pension Board has passed their Rules & Regulations. He will need to advise Mr. Schultz that if he does not go to the next appointed exam the amount charged by the doctor for the missed appointment will be deducted from his pension [BJ2]check.

MOTION: A motion was made by Trustee Campbell to adopt the Amended Rules and Regulations. Seconded by Trustee Lang.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

MOTION: A motion was made by Trustee Campbell to authorize Atty. Reimer to reschedule

Mr. J. Schultz's annual exam. Seconded by Trustee Cavenaile.

Motion carried by a vote of 3-0.

Agenda Item 6 - B **Dravo Disability**

Atty. Reimer gave a status report advised they have all the doctors reports and are ready to have a hearing. Full Pension Board should be at the hearing. Atty. Reimer's office staff will schedule the hearing. They will also make sure that Board members receive all paperwork to review before the hearing.

Agenda Item 6 - C **Rules and Regulations**

Atty. Reimer advised that he wanted to confirm the Pension Board had adopted the Rules & Regulations. He knows there was a special meeting and has received emails on the retirement of FF/PM Dale Smith. In the rules there is a provision that a "decision of order" even on a regular retirement "may" be done. The report shows that not only was it voted on publicly but also the Laterbauch & Amen benefits calculator report is made an exhibit and sent via certified mail to the

“retiree” to verify what was done.

MOTION: A motion was made by Trustee Campbell to authorize Atty for the Board to send a “decision of order” report to the “retiree”. Seconded by Trustee Lang.

Motion carried by a vote of 3-0.

Roll call was taken:

Trustee Campbell	Aye
Trustee Lang	Aye
Trustee Cavenille	Aye

PUBLIC COMMENT

None

ADJOURN

MOTION: Trustee Campbell made a motion to adjourn.
Trustee Lang seconded the motion.

Motion carried 3-0.

The meeting adjourned at 1807 hrs.
Respectfully submitted.

Firefighter/Paramedic Scott Cavenaile, Secretary

SC:pp All Files/Pension/2018 – 11-07-18 Quarterly Meeting Minutes