

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
NORTH CHICAGO FIREFIGHTERS' PENSION FUND
April 4, 2016**

A regular meeting of the Board of Trustees of the North Chicago Firefighters' Pension Fund was held on Monday, April 4, 2016, at 9:00 a.m., located at 1850 Lewis Avenue, North Chicago, IL 60064, pursuant to notice, for the purpose of conducting regular business.

CALL TO ORDER: President Winston called the meeting to order at 9:00 a.m.

ROLL CALL

PRESENT: President Douglas Winston, Secretary John Umek, Trustee Dell Urban, Trustee Patrick Michael and Trustee/Treasurer Kenneth Robinson

ABSENT: None

ALSO PRESENT: Board Attorney Carolyn Clifford, Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd.; Carol Digman, Tree City Investments; James Ritchie and Lisa Barnaby, Lauterbach & Amen, LLP (L&A); retired member David Biggs

PUBLIC COMMENT: None.

APPROVAL OF MEETING MINUTES: *January 4, 2016 Regular Meeting:* The Board reviewed the minutes from the January 4, 2016 regular meeting. A motion was made by Trustee Robinson and seconded by Trustee Urban to approve the minutes as written. Motion carried by voice vote.

TREASURER'S REPORT: *First Midwest Report(s):* Treasurer Robinson reviewed the Treasurer's Report for period ending 2/29/2016. The beginning balance of the First Midwest account as of 2/29/2016 is \$50,419.79; receipts totaled \$116,485.81; and total disbursements are \$122,544.35. The ending balance as of 2/29/2016 is \$44,361.25. A motion was made by Trustee Umek and seconded by Trustee Michael to accept the 2/29/2016 Treasurer's Report as presented. Motion carried by unanimous voice vote.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the month ended 2/29/2016, prepared by L&A. As of 2/29/2016, the net position held in trust for pension benefits is \$8,606,298.76. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Payroll Journal and Member Contribution Report. A motion was made by Trustee Urban and seconded by Trustee Michael to approve the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson

NAYS: None

ABSENT: None

Financial Statements Audit and IDOI annual statement: Mr. Ritchie provided the Board with a proposal from Zabinski Consulting for their consideration for year ending 4/30/2016 audit services, for \$3,225.00 including out-of-pocket expenses. A motion was made by Trustee Robinson and seconded by Trustee Michael to approve the proposal letter as presented. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson

NAYS: None

ABSENT: None

DOI Annual Statement: Mr. Ritchie informed the Board that salary requests will be sent out shortly and requested the Board provide the requested information at their earliest convenience.

PRESENTATION AND APPROVAL OF BILLS: *Vendor Checks Report:* The Board reviewed the Vendor Checks Report for the period 12/01/2015–2/29/2016, for total disbursements in the amount of \$44,388.25. A motion was made by Trustee Robison and seconded by Trustee Winston to approve the Vendor Checks Report as presented. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson

NAYS: None

ABSENT: None

IDOI Annual Compliance Fee: The Board discussed the IDOI Annual Compliance fee, and the due date of June 30, 2016. A motion was made by Trustee Winston and seconded by Trustee Robison to authorize payment of the IDOI Annual Compliance fee invoice upon receipt, at a cost not to exceed \$2,000. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson

NAYS: None

ABSENT: None

Additional Bills, if any: There were no additional bills.

INVESTMENT REPORT: *Quarterly Investment Report:* Ms. Digman distributed the Quarterly Investment Report for the period ending 03/29/2016. The ending market value of the portfolio as of 03/29/2016 is \$8,673,478. The Portfolio was down 2.17%, however taking into account structured products, the real return would have been 1.12%. The return for the S&P was .54% and the blended rate of return is .78%. The asset allocation is 46.1% Equities, 38% Fixed Income and 7.9% Money Market. The money market current balance is approximately \$600,000. Ken Robison requested approximately \$210,000 to cover expenses and benefit payments for April and May. A motion was made by Trustee Robison and seconded by Trustee Urban to accept the Quarterly Investment Report as presented. Motion carried by unanimous voice vote.

Review/Update Investment Policy: The Board reviewed the current Investment Policy and reported no changes are currently needed at this time.

ATTORNEY'S REPORT: *2016 Retainer Proposal for Attorney Services–Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd.:* The Board reviewed the April 2016 retainer proposal as presented by Ottosen Britz, et al. A motion was made by Trustee Robison and seconded by Trustee Urban to accept the proposal as presented. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson

NAYS: None

ABSENT: None

Legal Update: Ms. Clifford distributed an article entitled *Actuarial Services and Agreements: Best Practices* and discussed it with the Board.

COMMUNICATIONS OR REPORTS: *Trustee Training:* The Board reviewed the Trustee Training Summary in the Board packet. New Trustee Michael has completed his OMA training and has provided his certificate of completion to L&A for recordkeeping.

Statements of Economic Interest: All trustees were reminded to complete the filing of their Statements of Economic Interest to the County by May 1, 2016.

ADMISSIONS/WITHDRAWALS FROM FUND: *Death of Surviving Spouse Constance Simon:* The Board acknowledged the death of Constance Simon on January 15, 2016. Constance Simon is the surviving spouse of Hubert Simon.

Constance Simon Overpayment Letter/Overpayment Reimbursement: L&A reported the repayment of the pension overpayment made to Constance Simon, in the amount of \$1,402.39, was received from the Estate of Constance Simon on 3/14/2016 and was deposited into the Fund's Harris Bank account on 3/18/2016.

RETIREMENT/DISABILITY BENEFITS: *Disability Application of Mary Villarreal – Hearing Date:* Ms. Clifford informed the Board that Attorney Smith is requesting a hearing date sometime in May, 2016 and the Trustees provided Ms. Clifford with their availability for the hearing.

OLD BUSINESS: *Christopher Shearer Creditable Service Update:* Ms. Clifford discussed this matter with the Board and will follow-up with Comptroller Brim in an effort to prepare a letter to Mr. Shearer regarding this matter. A report will be given at the next regular meeting.

NEW BUSINESS: *Douglas Lindstrom Reciprocity Matter:* The Board discussed this matter and a motion was made by Trustee Robinson and seconded by Trustee Winston to forgive the most recent five (5) months of interest for Mr. Lindstrom's reciprocity. L&A will prepare correspondence to Mr. Lindstrom informing him of the amounts he is owed to each pension fund. Motion carried by roll call vote.

AYES: Trustees Winston, Umek, Urban, Michael and Robinson
NAYS: None
ABSENT: None

Certify 2016 Election Results – Retired Member Position: The Board discussed the election results for the retired member position. Patrick Michael ran unopposed and was elected by acclamation. A motion was made by Trustee Robinson and seconded by Trustee Urban to certify the election results electing Patrick Michael to the North Chicago Firefighters' Board of Trustees, by acclamation, for a three year term expiring 04/30/2019. Motion carried by unanimous voice vote.

Conduct annual Board Officer Elections for President and Secretary: The Board discussed the Board Officer elections for the positions of President and Secretary. A motion was made by Trustee Robinson and seconded by Trustee Urban to maintain the current slate; President – Trustee Winston and Secretary – Trustee Umek. Motion carried by unanimous voice vote.

Execute new Harris Bank signature cards/Resolutions: The Board executed the Harris Bank signature card and Resolutions forms.

Web Page Guidance: Ms. Clifford discussed the website recommendations memorandum in the Board packet.

Application for Membership to the Pension Fund – Sarah Sundquist: The Board reviewed the Application for Membership of Sarah Sundquist, date of hire 3/21/2016, Tier 2 status. A motion was made by Trustee Umek and seconded by Trustee Winston to accept the Application for Membership of Sara Sundquist into the North Chicago Firefighters' Pension Fund. Motion carried by unanimous voice vote.

Application for Membership to the Pension Fund – Jamie White: Acceptance of the Application for Membership of Jamie White, date of hire 3/21/2016, Tier 2 status, will be discussed at the next regular meeting.

CLOSED SESSION: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Robinson and seconded by Trustee Michael to adjourn the meeting at 10:24 a.m. Motion carried by unanimous voice vote.

The next scheduled Board meeting is on Tuesday, July 5, 2016 at 9:00 a.m.

Respectfully Submitted,

_____ Date approved: _____
John Umek, Pension Board Secretary

Minutes prepared by Lisa Barnaby, Pension Services Administrator