



WESTCHESTER FIREFIGHTERS' PENSION FUND

10240 Roosevelt Road, Westchester, Illinois | 708-345-2873

Scot Stauber
President

Matthew LeMay
Secretary

Bill Ernst
Trustee

Tom Sullivan
Trustee

James Adams
Trustee

MINUTES OF A REGULAR MEETING OF THE WESTCHESTER FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES FEBRUARY 14, 2022

A regular meeting of the Westchester Firefighters' Pension Fund Board of Trustees was held on Monday, February 14, 2022 at 4:00 p.m. in the Westchester Fire Department, located at 10240 Roosevelt Road, Westchester, Illinois 60154, pursuant to notice.

CALL TO ORDER: Trustee Stauber called the meeting to order at 4:00p.m.

ROLL CALL:

PRESENT: Trustees Scot Stauber, Matt LeMay, Bill Ernst, James Adams (*arrived at 4:05 p.m.*), and Tom Sullivan

ABSENT: None

ALSO PRESENT: Tom McShane, Graystone Consulting; Treasurer' Barb Brandt (*arrived at 4:08 p.m.*), Village of Westchester; Attorney Jerry Marzullo, Asher Gittler & D'Alba Ltd.; Sam Meyer and Delia Dadirlat, Lauterbach & Amen, LLP (L&A)

All Members of the Board acknowledge and gave consent to being recorded.

PLEDGE OF ALLEGIANCE: The Board stood and recited the Pledge of Allegiance.

PUBLIC COMMENT: There was no public comment.

Trustee Adams arrived at 4:05 p.m.

APPROVAL OF MEETING MINUTES: *November 8, 2021 Regular Meeting:* The Board reviewed the November 8, 2021 regular meeting minutes. A motion was made by Trustee Ernst and seconded by Trustee Stauber to approve the November 8, 2021 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eight-month period ending December 31, 2021, prepared by L&A. As of December 31, 2021, the net position held in trust for pension benefits is \$29,288,657.77 for a change in position of \$579,941.80. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period October 1, 2021 through December 31, 2021 for total disbursements of \$123,585.74. A motion was made by Trustee Ernst and seconded by Trustee Adams to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the in the amount of \$123,585.74. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

Ms. Brandt arrived at 4:08 p.m.

TREASURER'S REPORT – BARB BRANDT: *Village Financial Report and Review/Approve – Disbursement Log:* The Board reviewed the January 31, 2022, Village Financial Report prepared by Ms. Brandt. As of January 31, 2022, the balance of the BMO Harris Bank NOW account is \$20,182.62 and the balance of the Money Market Fund is \$592,691.49. The Board also reviewed the disbursement log prepared by Ms. Brandt. As of January 31, 2022, the total disbursement for the Fund is \$22,974.23. A motion was made by Trustee Stauber and seconded by Trustee Sullivan to approve the Treasurers report as presented. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

ATTORNEY'S REPORT – ASHER, GITTLER & D'ALBA, LTD.: *Legal Updates:* Attorney Marzullo discussed recent case law and legislation pertaining to Article 4 Pension Funds. All questions were answered by Attorney Marzullo.

IFPIF Updates: Attorney Marzullo updated the Board on the status of the lawsuit regarding pension consolidation.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Mr. McShane presented the investment report for the period ending January 31, 2022. As of January 31, 2022, the quarter-to-date net return is (3.61%), the year-to-date net return is (3.61%) and the ending market value is \$27,440,664.31. The current asset allocation is as follows: fixed income at 33.55%, equities at 66.16%, and cash management at 0.29%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Purchase/Sale of Investment Securities, Hiring or Termination of Investment Managers, and/or Rebalancing of Assets: Mr. McShane recommended liquidating \$250,000 from Large Cap equity and an additional \$250,000 from international equity and reallocating all proceeds into the Fund's Cash Account. A motion was made by Trustee Sullivan and seconded by Trustee Ernst to rebalance the funds as recommended. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

A motion was made by Trustee Sullivan and seconded by Trustee Ernst to accept the investment report as presented. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required at this time.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers were to be submitted to the County by the Village by February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

TRUSTEE TRAINING UPDATES: The Board discussed upcoming training opportunities and Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registration fees or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Membership – Sean Johnson & Mitch Zabel:* The Board reviewed the Applications for Membership submitted by Sean Johnson

& Mitch Zabel. A motion was made by Trustee LeMay and seconded by Trustee Stauber to accept Sean Johnson into the Westchester Firefighters' Pension Fund effective November 18, 2021 and Mitch Zabel effective November 15, 2022, both as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: The Board reviewed the regular retirement benefit calculation for Joseph Gerace prepared by L&A. Firefighter Gerace had an entry date of October 1, 1989, retirement date of February 2, 2022, effective date of pension of February 3, 2022, 58 years of age at date of retirement, 32 years 4 months of creditable service, applicable salary of \$95,120.88 applicable pension percentage of 75%, amount of originally granted monthly pension of \$5,945.06 and amount of originally granted annual pension of \$71,340.72. A motion was made by Trustee Sullivan and seconded by Trustee LeMay to approve Joseph Gerace's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams, and Ernst
NAYS: None
ABSENT: None

OLD BUSINESS: *Discussion/Possible Action – Pension Underfunding:* The Board discussed funding level of the Pension Funding.

Reciprocity Update – Michael Timothy: The Board noted that the balance due from Michael Timothy to the Westchester Firefighters' Pension Fund to combine service under reciprocity has been received in full. A motion was made by Trustee Stauber and seconded by Trustee Ernst to accept this payment and recognize the purchase as paid in full. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst
NAYS: None
ABSENT: None

NEW BUSINESS: *Reciprocity Update – Matthew Heiderman & Brennen Jacobs:* The Board noted that the balance due from Matthew Heiderman to the Westchester Firefighters' Pension Fund to combine service under reciprocity has been received in full. A motion was made by Trustee Adams and seconded by Trustee LeMay to accept this payment and recognize the purchase as paid in full. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst
NAYS: None
ABSENT: None

L&A informed the Board that Brennen Jacobs reciprocity calculation is in process and will be made available for review and approval at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Stauber and seconded by Trustee Ernst to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst
NAYS: None
ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee LeMay is expiring in April 2022. Trustee LeMay wishes to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions.

Review/Approve Lauterbach and Amen LLP Engagement Letter: The Board reviewed the L&A three-year engagement letter for Actuary services. A motion was made by Trustee Sullivan and seconded by Trustee Stauber to engage L&A in the annual amounts as follows: \$5,520 for the year ended 2022; \$5,690 for the year ended 2023; and \$5,860 for the year ended 2024. Motion carried by roll call vote.

AYES: Trustees Stauber, LeMay, Sullivan, Adams and Ernst

NAYS: None

ABSENT: None

IFPIF: Discussion/Possible Action to be taken on all FPIF requests pertaining to consolidation: The Board noted they have requested to be moved to the June tranche date due to the ongoing lawsuit. Further discussion will be held at the next regular meeting.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Adams and seconded by Trustee Ernst to adjourn the meeting at 5:28 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 9, 2022 at 4:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Sam Meyer, Pension Services Administrator, Lauterbach & Amen, LLP