



WESTCHESTER FIREFIGHTERS' PENSION FUND

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

Scot Stauber
President

Matthew LeMay
Secretary

Bill Ernst
Trustee

Tom Sullivan
Trustee

Mike Gerace
Trustee

MINUTES OF A REGULAR MEETING OF THE WESTCHESTER FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES AUGUST 24, 2020

A regular meeting of the Westchester Firefighters' Pension Fund Board of Trustees was held on Monday, August 24, 2020 at 4:00 p.m. at Westchester Village Hall in the Board Room, located at 10300 Roosevelt Rd. Westchester, Illinois 60154, for the purposes set forth in the following agenda:

CALL TO ORDER: Trustee Stauber called the meeting to order at 4:04 p.m.

PLEDGE OF ALLEGIANCE: The Board noted that they are excusing the Pledge of Allegiance due to everyone not being able to participate via videoconference.

ROLL CALL:

PRESENT: Trustees Scot Stauber, Matt LeMay, Mike Gerace (*via videoconference*), Bill Ernst and Tom Sullivan

ABSENT: None

ALSO PRESENT: Treasurer Barb Brandt, Village of Westchester; Tom McShane, Graystone Consulting; Attorney Jerry Marzullo (*via videoconference*), Puchalski Goodloe Marzullo, LLP (PGM); Sam Meyer, Lauterbach & Amen, LLP (L&A)

Pension Fund Board President Scot Stauber has determined that an in-person meeting with all participants is not practical, prudent or feasible because of COVID-19. The Board also noted because of the Governors executive order (5 ILCS 120/7(e)), recently amended by Public Act 101-0640 (Government Emergency Administration Act) Trustees are able to participate via videoconference.

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *May 11, 2020 Regular Meeting:* The Board reviewed the May 11, 2020 regular meeting minutes. A motion was made by Trustee LeMay and seconded by Trustee Sullivan to approve the May 11, 2020 regular meeting as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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

TREASURER'S REPORT – BARB BRANDT: *Village Financial Report:* Ms. Brandt reviewed the July 31, 2020 village financial report with the Board. As of July 31, 2020, the balance of the BMO Harris Bank NOW account is \$20,000 and the balance of the Money Market account is \$201,776.57. A motion was made by Trustee Ernst and seconded by Trustee Sullivan to approve the financial report as presented by Ms. Brandt. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Review/Approve – Disbursement Log: Ms. Brandt also reviewed the disbursement log with the Board. As of July 31, 2020, the total disbursement for the Fund is \$17,884.22. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve the disbursement log as presented by Ms. Brandt. Motion carried by roll call vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the two-month period ending June 30, 2020, prepared by L&A. As of June 30, 2020, the net position held in trust for pension benefits is \$24,118,377.10 for a change in position of \$847,366.363. 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 April 1, 2020 through June 30, 2020 for total disbursements of \$93,888.43. A motion was made by Trustee Stauber and seconded by Trustee Ernst to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$93,888.43. Motion carried by roll call vote.

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

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

ATTORNEY'S REPORT – PUCHALSKI GOODLOE MARZULLO, LLP: *Legal Updates:* Attorney Marzullo discussed recent case law and legislation pertaining to Article 3 and 4 Pension Funds. All questions were answered by Attorney Marzullo.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Mr. McShane presented the investment report for the period ending July 31, 2020. As of July 31, 2020, the quarter-to-date net return is 3.67%, the year-to-date net return is .75% and the ending market value is \$24,743,596. The current asset allocation is as follows: fixed income at 37.14%, equities at 62.32%, and cash management at .55%. 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: Ms. Brandt informed the Board of the Villages need for funds to pay pension benefits. Mr. McShane recommended transferring \$220,000 from Fixed income and \$130,000 from the Fund's Cash account to the BMO Harris account for the purpose of paying pension benefits. A motion was made by Trustee Stauber and seconded by Trustee LeMay to authorize Ms. Brandt to transfer an amount not to exceed \$350,000 from the accounts discussed for the purpose of remitting pension benefits. Motion carried by roll call vote.

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

Mr. Shane discussed the Board's equity portfolio. A motion was made by Trustee Stauber and seconded by Trustee Ernst to cancel the orders placed at the Board's May 11, 2020 regular meeting. Motion carried by roll call vote.

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

A motion was made by Trustee Stauber and seconded by Trustee Sullivan to transfer \$200,000 from Fixed income into the Vanguard S&P 500 account contingent upon the S&P reaching an inflection point of 3000. Motion carried by roll call vote.

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

A motion was made by Trustee Stauber and seconded by Trustee LeMay to transfer \$200,000 from Fixed Income into the Vanguard S&P 500 account contingent upon the S&P reaching an inflection point of 2850. Motion carried by roll call vote.

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

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

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

Review/Update Investment Policy: This item was tabled until the next regular meeting.

COMMUNICATIONS AND REPORTS: *Annual Affidavits of Continued Eligibility:* The Board noted that due to the health and safety concerns associated with COVID-19, L&A did not issue Affidavits of Continued Eligibility to pensioners with the April payroll cycle. The Board discussed issuing the Affidavits of Continued Eligibility with the September payroll cycle. A motion was made by Trustee Stauber and seconded by Trustee LeMay to authorize L&A to issue the Affidavits of Continued Eligibility with the September payroll cycle as discussed. Motion carried by roll call vote.

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

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. 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 – Michael Mavrogeorge:* The Board reviewed the Application for Membership submitted by Michael Mavrogeorge. A motion was made by Trustee LeMay and seconded by Trustee Stauber to accept Michael Mavrogeorge into the Westchester Firefighters' Pension Fund effective July 1, 2020, as a Tier II participant. Motion carried by roll call vote.

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

Trustee Gerace left the meeting at 5:14 p.m.

Contribution Refund – Brian Newman: The Board discussed the contribution refund request submitted by Brian Newman. A motion was made by Trustee Sullivan and seconded by Trustee Stauber to approve Brian Newman's contribution refund in the amount of \$737.71 paid directly to himself. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review Approve Regular Retirement Benefits – James Adams & Stephan Erickson:* The Board reviewed the regular retirement benefit calculation for James Adams prepared by L&A. Fire Chief Adams had an entry date of November 15, 1990 retirement date of March 15, 2020, effective date of pension of March 16, 2020, 50 years of age at date of retirement, 29 years 4 months of creditable service, applicable salary of \$137,700, applicable pension percentage of 73.33% amount of originally granted monthly pension of \$8,415 and amount of originally granted annual pension of \$100,980. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve James Adams's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

The Board reviewed the regular retirement benefit calculation for Stephan Erickson prepared by L&A. Firefighter Erickson had an entry date of June 16, 1978, retirement date of June 1, 2020, effective date of pension of June 2, 2020, 65 years of age at date of retirement, 41 years 11 months of creditable service, applicable salary of \$94,794.19, applicable pension percentage of 75%, amount of originally granted monthly pension of \$5,924.64 and amount of originally granted annual pension of \$71,095.68. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve Stephen Erickson's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Board Officer Elections – President & Secretary:* The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Stauber as President and Trustee LeMay Secretary. A motion was made by Trustee Stauber and seconded by Trustee Sullivan to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

FOIA Officer & OMA Designee: The Board discussed maintaining Trustee Stauber as the FOIA Officer and OMA Designee.

Review Preliminary Actuarial Valuation: The Board noted that L&A has received the Fund's salaries request and the Actuarial Valuation is in process. Further discussion will be held at the next regular meeting.

IDOI Annual Statement: The Board noted that L&A has received the Fund's salaries request and the IDOI Annual Statement is in process.

Review/Approve Disposal Certificate: The Board reviewed the disposal certificate prepared by L&A. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve the disposal certificate as presented. Motion carried by roll call vote.

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

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

ADJOURNMENT: A motion was made by Trustee Stauber and seconded by Trustee LeMay to adjourn the meeting at 5:24 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for November 16, 2020 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