



## 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

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### MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE WESTCHESTER FIREFIGHTERS' PENSION FUND TUESDAY, FEBRUARY 6, 2018 – 4:00 P.M.

A regular meeting of the Board of Trustees of the Westchester Firefighters' Pension Fund was held on Tuesday, February 6, 2018 at 4:00 p.m. at the Westchester Fire Department, 10240 Roosevelt Road, Westchester, Illinois for the purpose of conducting regular business, pursuant to notice.

**CALL TO ORDER:** Trustee Stauber called the meeting to order at 4:10 p.m.

#### ROLL CALL:

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

**ABSENT:** None

**ALSO PRESENT:** Barb Brandt, Village Treasurer; Tom McShane, Graystone Consulting; Jerry Marzullo, Puchalski Goodloe Marzullo, LLC (PGM); Allie Rysell, Lauterbach & Amen, LLP (L&A)

**PUBLIC COMMENT:** There was no public comment.

**REVIEW AND APPROVAL OF MEETING MINUTES:** *Regular Meeting – November 6, 2017:* The Board reviewed the meeting minutes of the November 6, 2017 regular meeting. A motion was made by Trustee LeMay and seconded by Trustee Sullivan to approve the minutes of the November 6, 2017 regular meeting as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board reviewed the closed session meeting minutes and will not release them at this time.

**TREASURER'S REPORT – BARB BRANDT:** *Village Financial Report:* Ms. Brandt reviewed the Village Financial Report with the Board. As of December 31, 2017, the balance of the Money Market Account is \$280,422.83 and the balance of the Harris Bank NOW Account is \$50,670.25. Ms. Brandt informed the Board that cash reserves may be needed to fund monthly pension payments for the quarter. The Board will discuss rebalancing the portfolio with Mr. McShane to fund Ms. Brandt's request.

*Review/Approve – Disbursement Log:* The Board reviewed the Disbursement Log for the period 11/03/17 through 12/31/17 showing total disbursements in the amount of \$17,972.80. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve the Disbursement Log as presented. Motion carried by roll call vote.

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

Ms. Brandt distributed copies of the April 30, 2017 Audit Report to the Board for review. The Board noted that the draft report was approved at the last regular meeting. No Board action was taken.

A motion was made by Trustee Stauber and seconded by Trustee Sullivan to accept the Village Financial Report as presented. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* L&A presented the Monthly Financial Report for the period ending December 31, 2017. As of 12/31/17, the net position held in trust for pension benefits is \$23,588,552.91 with a positive change in position for the eight month period of \$1,353,721.63. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal were reviewed with the Board. A motion was made by Trustee Stauber and seconded by Trustee Sullivan to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

*Presentation and Approval of Bills:* The Board reviewed the Vendor Check Report for the period 10/01/17 through 12/31/17 showing total disbursements in the amount of \$87,697.92. A motion was made by Trustee Stauber and seconded by Trustee Ernst to approve the disbursements shown on the Vendor Check Report in the amount of \$87,697.92. Motion carried by roll call vote.

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

*Approval of Trustee Training Registration Fees and Reimbursable Expenses:* Trustee Sullivan informed the Board that he is interested in attending the 2018 IPFA Spring Pension Seminar to obtain 8-hours of continuing education. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve the payment of the registration fee in the amount of \$180 for Trustee Sullivan to attend the 2018 IPFA Spring Pension Seminar. Motion carried by roll call vote.

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

*Additional Bills, if any:* There were none at this time.

**ATTORNEY'S REPORT – PUCHALSKI GOODLOE MARZULLO, LLC:** *Discussion/Possible Action – Jeff O'Connor Subpoena:* Attorney Marzullo reviewed the response for the subpoena request dated January 21, 2018 regarding pensioner Jeff O'Connor. All questions were answered by Attorney Marzullo. No further action is needed at this time.

*Review/Discuss – Quarterly Retainer and Hourly Fee Increase:* Attorney Marzullo reviewed the PGM Client Memo dated January 1, 2018. PGM will be increasing the Pension Fund's quarterly retainer fee from \$600.00 to \$650.00 per quarter, and the hourly rate fee will be increased from \$165 to \$175, effective April 1, 2018. All questions were answered by Attorney Marzullo. A motion was made by Trustee Sullivan and seconded by Trustee Gerace to continue to engage PGM for legal services at the increased quarterly retainer and hourly rate fee. Motion carried by roll call vote.

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

*Legal Updates:* Attorney Marzullo discussed recent case law and legislation pertaining to Article 3 and 4 Pension Funds. Further cases and legislation will be watched closely and the Board will be updated. A motion was made by Trustee Stauber and seconded by Trustee LeMay to approve the Attorney's Report as presented. Motion carried unanimously by voice vote.

**INVESTMENT REPORT – GRAYSTONE CONSULTING:** *Quarterly Investment Report:* Mr. McShane presented the Quarterly Investment Report for the period ending December 31, 2017. As of 12/31/17, the market value of the portfolio is \$23,315,634, with an investment return for the fourth quarter of 3.54%. The investment return for the fiscal year-to-date is 8.90%. The portfolio composition is 67.68% in Equities and 32.32% in Fixed Income. Current asset allocations within the Equity and Fixed Income funds were reviewed as well as individual fund performance. All questions were answered by Mr. McShane.

*Purchase/Sale of Investment Securities:* Mr. McShane reviewed his recommendation for rebalancing the portfolio with the Board. All questions were answered by Mr. McShane. A motion was made by Trustee Gerace and seconded by Trustee Stauber to sell \$650,000 of the S&P 500 Index Fund and to transfer \$200,000 of the proceeds to the Harris Cash Account for the purpose of funding pension payments and to reallocate \$450,000 to Fixed Income Manager Weaver Barksdale. Motion carried by roll call vote.

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

*Review/Update Investment Policy:* The Board reviewed the Investment Policy and determined no changes are needed at this time.

A motion was made by Trustee LeMay and seconded by Trustee Sullivan to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board noted Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2018.

*2018 IRS Mileage Rate:* As of January 1, 2018, the IRS mileage reimbursement rate has increased one cent to 54.5 cents per mile. All Trustees submitting Trustee training reimbursement requests must use the new IRS mileage reimbursement rate.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND:** There were none at this time.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** There were none at this time.

**OLD BUSINESS:** *Trustee Training Updates:* The Board reviewed the Trustee Training Summary and upcoming opportunities for continuing education. Trustees were reminded to forward all certificates of completion to L&A for recordkeeping.

**NEW BUSINESS:** *Creditable Service Purchase – Nicholas F. Lezza:* The Board noted that Nicholas F. Lezza has completed his creditable service purchase. The total amount paid to the Westchester Firefighters' Pension Fund was \$1,419.86. A motion was made by Trustee Stauber and seconded by Trustee Sullivan to accept payment from Nicholas F. Lezza in the amount of \$1,419.86 and to recognize that his creditable service purchase has been paid in full. Motion carried by roll call vote.

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

*Creditable Service Purchase – Paul J. Groom:* L&A informed the Board that former Firefighter Paul J. Groom requested a creditable service purchase calculation to combine service under reciprocity per 40 ILCS 5/4-109.3. L&A sent Firefighter Groom the creditable service purchase calculation for his review. As of February

28, 2018, the total amount due to the Westchester Firefighters' Pension Fund is \$9,199.88. L&A will notify the Board if Firefighter Groom elects to proceed with his creditable service purchase.

*Creditable Service Purchase – Jason E. Sudaz:* L&A informed the Board that former Firefighter Jason E. Sudaz requested a creditable service purchase calculation to combine service under reciprocity per 40 ILCS 5/4-109.3. L&A sent Firefighter Sudaz the creditable service purchase calculation for his review. As of February 28, 2018, the total amount due to the Westchester Firefighters' Pension Fund is \$6,052.60. L&A will notify the Board if Firefighter Sudaz elects to proceed with his creditable service purchase.

*Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2018 Cost of Living Adjustments as calculated by L&A (see attached). A motion was made by Trustee Sullivan and seconded by Trustee Ernst to approve the 2018 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

**OLD BUSINESS (CONTINUED):** *Discussion/Possible Approval – Refund of Excess Contributions – Paul J. Groom and Jason E. Sudaz:* Ms. Brandt informed the Board that the Village verified the refund amounts for former Firefighters Paul J. Groom and Jason E. Sudaz due to incorrect contribution withholding on their vacation time. Ms. Brandt noted that the refunds were issued through payroll which will be reflected on the December 2017 contribution report. The total amount refunded to Firefighter Groom was \$928.19 and the total amount refunded to Firefighter Sudaz was \$776.70. The Board will approve the refunds amounts for Paul J. Groom Jason E. Sudaz at the next regular meeting, pending review of the December 2017 contribution report and verification from L&A.


**NEW BUSINESS (CONTINUED):** *Review Trustee Term Expirations and Election Procedures:* The Board noted that the retired member term currently held by Trustee Gerace is expiring April 30, 2018. Trustee Gerace expressed his desire to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position. The election results will be reviewed at the next regular meeting.

The Board noted that the appointed Trustee position held by Trustee Sullivan is expiring April 30, 2018 and he wishes to remain on the Board. The Board will contact the Village and seek reappointment of Trustee Sullivan to the Board. Further discussion will be held at the next regular meeting.

**CLOSED SESSION, IF NEEDED:** Closed session was not needed.

**ADJOURNMENT:** A motion was made by Trustee Sullivan and seconded by Trustee Ernst to adjourn the meeting at 5:25 p.m. Motion carried unanimously by voice vote.

The next regular meeting of the Westchester Firefighters' Pension Fund is scheduled for Monday, May 7, 2018 at 4:00 p.m. at the Westchester Fire Department, 10240 Roosevelt Road, Westchester, Illinois.

  
Scot Stauber, Board President

# WESTCHESTER FIREFIGHTERS' PENSION FUND

## Annual Benefit Increases

January 1, 2018

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Altman, Richard L.	Service	\$	4,074.91	122.25	4,197.16	50,365.92
Anderson, Gregory E.	Service		7,215.08	216.45	7,431.53	89,178.36
Archambault, Lee J.	Duty Disability		2,642.88	38.12	2,681.00	32,172.00
Athans, John T.	Duty Disability		2,861.90	0.00	2,861.90	34,342.80
Belmonte, Richard E.	Service		8,233.43	247.00	8,480.43	101,765.16
Botka, Thomas M.	Service		4,917.28	0.00	4,917.28	59,007.36
Crowley, Daniel M.	Service		4,514.43	135.43	4,649.86	55,798.32
DeBoer, James H.	Service		7,323.53	219.71	7,543.24	90,518.88
Finn, Robert J.	Service		5,780.78	173.42	5,954.20	71,450.40
Gerace, Michael J.	Service		5,894.28	176.83	6,071.11	72,853.32
Horn, Beatrice P.	Spouse		2,329.15	0.00	2,329.15	27,949.80
Horn, Elaine M.	Spouse		5,060.83	0.00	5,060.83	60,729.96
Keeffe, Dennis F.	Duty Disability - T		5,125.89	0.00	5,125.89	61,510.68
LeBeda, Jeffrey G.	Service		5,805.38	0.00	5,805.38	69,664.56
Malik, Richard J.	Service		4,228.67	126.86	4,355.53	52,266.36
Mitchell, Wayne A.	Service		5,894.28	176.83	6,071.11	72,853.32
O'Connor, Jeff	Duty Disability		3,254.68	0.00	3,254.68	39,056.16
Padalik, Gary F.	Service		5,894.28	176.83	6,071.11	72,853.32
Rafferty, Thomas P.	Service		9,059.65	271.79	9,331.44	111,977.28
Scalise, Ralph P.	Non-Duty Disability		3,441.78	58.01	3,499.79	41,997.48
Schultz, Helen	Spouse		1,764.88	0.00	1,764.88	21,178.56
Siciliano, Helen R.	Spouse		1,172.86	0.00	1,172.86	14,074.32
Soukup, Alan R.	Service		6,825.24	204.76	7,030.00	84,360.00
Vandenbroucke, John R.	Service		6,277.79	188.33	6,466.12	77,593.44
Veron, Robert E.	Service		6,346.82	190.40	6,537.22	78,446.64
Waters, James P.	Service		6,450.77	193.52	6,644.29	79,731.48
Williams, Linda P.	Spouse		1,256.17	0.00	1,256.17	15,074.04
Totals			133,647.62	2,916.54	136,564.16	1,638,769.92

## WESTCHESTER FIREFIGHTERS' PENSION FUND

### Summary of Benefit Changes and Notes

January 1, 2018

Summary of Benefit Changes				
Pensioner	Reason	Date	Amount of Change	New Monthly Benefit
Athans, John T.	Initial Increase	1/1/2019	1,631.28	4,493.18
Keeffe, Dennis F.	Initial Increase	1/1/2020	768.88	5,894.77
LeBeda, Jeffrey G.	Initial Increase	10/1/2020	870.81	6,676.19
Botka, Thomas M.	Initial Increase	2/1/2021	688.42	5,605.70
O'Connor, Jeff	Initial Increase	1/1/2023	1,855.17	5,109.85
Notes				

1. None