

**I. CALL TO ORDER:**

The meeting was called to order at 9:04am by West Dundee Fire Fighters Pension Board President Randy Schultz.

**II. ATTENDEES PRESENT:**

1. Randy Schultz
2. Mark Guth
3. Frank Buhrmann
4. Jack Festen
5. Bill Yocius
6. Eric Laughlin
7. Dave Danielson
8. Attorney Cary Collins (0921)

**III. AUDIENCE PRESENT:**

- No Audience Present.

**IV. REPORT OF INVESTMENT:**

**Morgan Stanley Smith Barney:** Eric Laughlin

- A. Mr. Eric Laughlin provided the Fire Fighters Pension Board with a capital market overview. Mr. Laughlin also provided the Board with an investment and performance summary report of the West Dundee Fire Pension Fund portfolio for the Third Quarter 2016 with regard to the overall performance of the Pensions fund, allocations, stocks, bonds and current status of the market.
- B. Attorney Cary Collins inquired if dividends are included in the returns for the US Cap and Eric's response was "Yes".
- C. Eric Laughlin broke down every fund, with the expense fees to better show the break down of the estimated annual fee's.
  - a. Morgan Stanley gets paid by a 12-b-1 fee or a fee paid directly to Morgan Stanley.
  - b. Jack Festen inquired about what a 12-b-1 fee was and Eric Laughlin answered that it is imbedded into the mutual fund via brokerage or fee.
  - c. Eric Laughlin created a document that emphasizes the Fire Fighters Pension Board annual estimates in terms of fee's being charged. Highlighted in Blue is paid to the Fund Company and in Green is paid to Morgan Stanley.

**Mitchell, Vaught & Taylor: Bill Yocious**

- A. Mr. Bill Yocious provided the Fire Fighters Pension Board with a summary of the West Dundee Fire Fighters Pension Fund's overall performance, allocation and perspective of the current market for the Third Quarter of 2016.
- B. Bill Yocious confirmed that he combined the assets of Fire and Police to reduce fee's to 0.25 bps.

**V. APPROVAL OF MINUTES:**

- A. February's minutes are still misplaced. Board President Randy Schultz and Board Secretary Mark Guth confirmed that they are missing and will not be provided a copy. Attorney Cary Collins said he would go through his notes to try to compile something to resemble minutes for the February Meeting.

- B. August Minutes:

- a. Board Secretary Mark Guth asked for a change to the August Minutes that included replacing "Courtney Berg-Meyer – Board Secretary" to adding "Recording Secretary – Courtney Berg-Meyer" and "Board Secretary – Mark Guth" to the end of the minutes.

**MOTION:** Board Secretary Mark Guth made a motion to approve the change and accept the August Minutes

- a. Second: Board Member Dave Danielson
  - b. Aye: Unanimous
  - c. Nay: None

**VI. CORRESPONDENCE:**

- No correspondence as of this meeting date.

**VII. TREASURER REPORT:**

- A. Treasurer Danielson presented the Treasurers report from July, August & September 2016, showing a balance of \$6,411,496.98.
- B. **MOTION:** Board Member Frank Buhrmann made a motion to accept the Treasurers report as presented.
  - a. Second: Board Secretary Mark Guth
  - b. Aye: Unanimous
  - c. Nay: None

- C. **MOTION:** Board Member Dave Danielson to ratify disbursements for July, August & September
  - a. Second: Frank Buhrmann
  - b. Aye: Unanimous
  - c. Nay: None

## **VIII. INVESTMENT ACTIONS**

- The Board acknowledges that equity investment is over 45% (48%). There will be no new investments, and there will be no rebalancing at this time.

## **IX. UNFINISHED BUSINESS**

- A. **Trustee On-Going Education.**
  - a. Board Member Jack Festen has completed the mandatory 32 hours of initial training
    - i. 16 Hours will be required next year and going forward
  - b. Board Member Dave Danielson's training is pending for 2016
- B. FOIA & Opening meeting certifications to be completed in 2017
  - a. Open Meeting Admin was completed by Board Secretary Mark Guth
- C. Security Admin was completed by Dave Danielson

## **X. NEW BUSINESS**

- A. Ralph Webster has requested Retirement Benefits
  - a. West Dundee has the ability to accrue pay based on time of service.
  - b. **MOTION:** Treasurer Dave Danielson made a motion to acknowledge retirement benefits for former firefighter Ralph Webster in the amount of \$135.26
    - i. Second: Board Secretary Mark Guth
    - ii. Aye: Unanimous
    - iii. Nay: None
- B. Application for disability Benefits. Kris Wilcox has completed the L45 application and has requested disability benefits. The application has been acknowledged. Next steps will be to send to Cary for further evaluation and determination.
  - a. **MOTION:** Board Secretary Mark Guth made a motion to approve and accept the application for disability benefits on behalf of Kris Wilcox.
    - i. Second: Frank Buhrmann
    - ii. Aye: Unanimous
    - iii. Nay: None

- C. RFP for fiduciary Liability Insurance
  - a. Initiate process to get pricing
  - b. It is a permissible expense for the board
  - c. There is a blanket form to request information
  - d. **MOTION:** Board Member Frank Buhrmann made a motion to issue RFP
    - i. Second: Board Secretary Mark Guth
    - ii. Aye: Unanimous
    - iii. Nay: None
- D. Pension Benefit/Payroll
  - a. Board President Randal Shultz inquired about a way to include a check stub, to prove income from a documentation perspective
    - i. Treasurer Danielson responded that case by case requests are acceptable, but is not able to accommodate this request consistently due to the recordings being done by hand. The pension benefits cannot be included in the regular pay roll because it is a conflict. Treasurer Danielson will look into this and report back. For the time being, refer all new retiree's to the finance department.
- E. Actuarial Report
  - a. Treasurer Danielson Audit 4/30/16
  - b. Basing upcoming tax levy on mortality tables updated to base increase of longevity. The Levy is being increased by \$100,000.00
  - c. Cary to prepare 5088 as long as he has the actuary report.
  - d. Board President Randal Shultz found an inconsistency in AR personnel-eligible for pension missing for 2 of 4 employees who will be eligible for retirement.

#### **XI. ATTORNEY REPORT:**

Attorney Cary Collins will redo the rules and regulations and incorporate state law on training and travel.

#### **X. ADJOURNMENT:**

By consensus, the meeting adjourned at 10:43 a.m.

Courtney Berg-Meyer  
Recording Secretary

Mark Guth  
Board Secretary