

**I. CALL TO ORDER:**

The meeting was called to order at 9:00am by Randal Schultz.

**II. ATTENDEES PRESENT:**

Randal Schultz  
Michelle Charron  
Dave Danielson  
Frank Burhrmann  
Bill Yoscius  
Eric Laughlin  
Cary Collins

**III. REPORTS FROM INVESTMENT ADVISORS**

**Morgan Stanley Smith Barney:** Eric Laughlin

Mr. Laughlin provided the Board with an investment summary report of the West Dundee Fire Pension Fund portfolio for the Third Quarter 2013. Mr. Laughlin gave a summary of the stock interest rates and bond funds to the Board and discussed the overall performance of the Pensions funds and allocation and the Morning Star analysis rating. He mentioned that the equities hit a record high and that the percentages are up as noted on page 3 of the portfolio.

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

Mr. Yoscius provided the Board with a summary of the West Dundee Fire Fighters Pension Fund's overall performance as of September 2013. Mr. Yoscius discussed the interest rates and gave a perspective of what could happen with the rates and gave brief overview of the cells that were transferred and their performance. He mentioned that although the percentage rate began and ended at the same rate of 2.3%, performance was better than the target. Mr. Yoscius noted that the rates are increasing.

Board Member Schultz inquired if Bank of Montreal (Harris Bank) is permissible and Mr. Yoscius noted that it is because they can do corporate bonds.

**IV. APPROVAL OF MINUTES:**

Treasurer Danielson made a motion to approve Meeting Minutes from August 7, 2013 and was seconded by Board Member Burhrmann. The motion was carried by unanimous voice vote.

## **V. CORRESPONDENCE:**

A brief discussion regarding the AFFI Public Act 98-0391 was held. Mr. Collins commented that the dependent percentage increased from 12-20%.

## **VI. TREASURER REPORT:**

Treasurer Danielson provided the Board with the July-September Treasurer's Report showing a total of \$5,546,745.25 in pension fund assets which is up \$200k from last quarter mainly from property tax revenue. Treasurer Danielson noted that the \$84k in cash needs to remain where it is for pension reimbursement.

**MOTION:** Board Member Buhrmann made a motion to approve the Treasurer's report and was seconded by Board Member Schultz. A motion carried by unanimous voice vote.

**MOTION:** Board Member Schultz made a motion to approve disbursements for July, August and September and was seconded by Board Member Burhmann. A motion carried by unanimous voice vote.

## **VII. INVESTMENT ACTIONS:**

There was none.

## **VIII. UNFINISHED BUSINESS:**

**A. Trustee Education.** It was noted that Board Member Burhmann received a certificate for 16 hours of training.

**B. Freise Pension Participation.** Discussion was held regarding Chief Freise's participation in the pension fund. Mr. Collins provided the Board with a brief overview of the IMRF. Mr. Collins mentioned that he has written the DOI Association to have them speak with Chief Freise but has not heard back from them to date. Mr. Collins recommended that a letter be sent to Chief Freise and then notify the DOI and them know what steps have been taken.

**C. Budget FY13/14.** Brief discussion was held regarding the budget for FY13/14.

**D. Investment Policy Signatures.** Treasurer Danielson noted that he needs signature for the Investment Policy after the meeting has commenced.

## **IX. NEW BUSINESS:**

**A. Investment Rebalancing.** Treasurer Danielson noted that the investment rebalancing has been completed. Discussion was held regarding the year end and it was noted that no equities have been added and they would not be re-investing the dividends.

**B. 2014 Meeting Schedule.** The Fireman's Pension Board Meeting schedule was discussed and the dates are as follows: 2/5/14, 5/9/14, 8/6/14 and 11/5/14. Board Member Schultz noted that he would have Mike Barreto post formal notice.

**MOTION:** Treasurer Danielson made a motion to approve the draft copy of the Investment Policy as presented with the changes made to Addendum A as discussed and was seconded by Board Member Buhrmann. A motion carried by unanimous voice vote.

**B. Freise Pension Participation.** While at a conference, the discussion of Freise's pension participation was raised and it was asked of Attorney Collins to clarify with the State of Illinois the statutes for participation. Attorney Collins briefly discussed pension statutes and noted that he will get an advisory opinion from the Department of Insurance on pensions. It was also noted that a letter be sent to Freise to advise of the discussion of his participation in the pension.

**C. Budget for Fiscal Year 2013/2014.** A brief discussion was held regarding the budget review for 2013/2014 and it was noted that Treasurer Danielson said the Village of West Dundee will pay for the Actuary Report and that the municipal report will be used to create the report.

**X. ATTORNEY REPORT:**

Attorney Collins noted that there was no report.

**XI. OTHER BUSINESS:**

Treasurer Danielson noted that he needs signatures for DOI filing.

**XII. ADJOURNMENT:**

By consensus, the meeting adjourned at 9:58a.m.

Michael Barreto  
Secretary

Christin Mangan  
Recording Secretary