

I. CALL TO ORDER

The meeting was called to order at 9:10 a.m. by President Randy Schultz.

II. ATTENDEES PRESENT:

Randal Schultz
Frank Buhrmann
Michelle Charron
Bill Yocius
Cary Collins (arrived at 9:25)

ABSENT:

Michael Barreto
Dave Danielson

III. REPORT OF INVESTMENT MANAGERS

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 Fourth Quarter 2013. Mr. Laughlin gave a summary of the stock interest rates and equity funds to the Board and discussed the overall performance of the Pensions funds and allocation and the Morning Star analysis rating.

Mitchell, Vaught & Taylor: Bill Yocius

Mr. Yocius provided the Board with an investment summary report of the West Dundee Fire Pension Fund portfolio for the Fourth Quarter 2013. Mr. Yocius discussed the interest rates and gave a perspective of what could happen with the rates.

IV. APPROVAL OF MINUTES

Frank moved to approve the minutes of November 6, 2013 with changes discussed. Michelle seconded the motion, and it carried by unanimous voice vote.

V. CORRESPONDENCE

Illinois DOI Levy Report – To be discussed in New Business

VI. TREASURER'S REPORT

The Treasurer's report (October '13 – December '13) was presented showing a balance of \$5,843,123.79. The second contribution in December was an odd amount due to retro pay from the firefighters contract.

MOTION: Frank moved to approve the treasurer's report as presented. Michelle seconded the motion, and it carried by unanimous voice vote.

MOTION: Frank moved to ratify the disbursements of \$1,385.00. Randy seconded the motion, and it carried by unanimous voice vote.

VII. INVESTMENT ACTIONS

Investment Committee Activity: None

IX. UNFINISHED BUSINESS

A. Trustee Education: No report

B. Freise Pension Participation: No action – tabled until next meeting.

X. NEW BUSINESS

A. Annual Benefits Increases: The board discussed the process of annual cost of living increases for those receiving benefits. Annual increases are due to McManaman and Buhrmann. During the process the board also discovered an error in Mrs. Lutzow's benefit calculation (letter attached).

MOTION: Randy moved to approve the increases and correct Mrs. Lutzow's benefit. Michelle seconded the motion, and it carried by unanimous vote.

B. 2013 Actuarial Studies: The board reviewed the report from the Illinois DOI showing a recommended tax levy of \$265,835.00. The board also reviewed a summary of the report from Tim Sharpe showing a recommended levy of \$194,722.00. It was noted that the Village will be using the number from Tim Sharpe. This is an accepted practice - any approved actuarial study may be used.

C. Investment Policy Update for Investment Managers: It was noted by the board that after the recent change to the investment policy we needed signature pages from investment managers. This was accomplished during the meeting.

D. Municipal Compliance Report: The board had a brief discussion with attorney Collins regarding the annual report. Attorney Collins said his office would assist with the report but would need a copy of Tim Sharpe's actuarial report.

XI. OTHER BUSINESS

None

XII. ADJOURNMENT

By consensus, the meeting adjourned at 10:11 a.m.

Michael Barreto
Secretary

Randy Schultz
President