

**I. CALL TO ORDER:**

The meeting was called to order at 0900 am by West Dundee Fire Fighters Pension Board President Randy Schultz.

**II. ATTENDEES PRESENT:**

1. Randy Schultz
2. Mark Guth
3. Jack Festen
4. Mike Baretto
5. Dave Danielson
6. Bill Yocius
7. Eric Laughlin
8. Cary Collins

**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 2017 with regard to the overall performance of the Pensions fund, allocations, stocks, bonds and current status of the market.
- B. Eric Laughlin confirmed the allocation of a portion of the assets from Washington Mutual to American Europacific was completed.
- C. Eric Laughlin recommended moving \$30,000 from American Growth Fund of America to International Equities.

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

- A. Mr. Bill Yocius 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 2017.

**V. APPROVAL OF MINUTES:**

- A. After careful review of the July 26<sup>th</sup>, 2017 minutes it was discovered that the time frame in section IV was noted as the “Third Quarter of 2017” when, in fact, should have been the “Second Quarter of 2017”. The change was made and updated minutes have been submitted for re-review at the February Board Meeting.

**MOTION:** Pension Board Member Mark Guth made a motion to accept the July 26<sup>th</sup>, 2017 Minutes with the change: Second Quarter 2017 in section IV. The motion was seconded by Pension Board Member Mike Baretto. The Motion was carried by unanimous voice vote

**VI. CORRESPONDENCE:**

- A. No correspondence as of this meeting date.

**VII. TREASURER REPORT:**

- A. Treasurer Danielson presented the Treasurers report from April, May & June 2017.

**MOTION:** Pension Board Member Mark Guth made a motion to accept the Treasurers Report from April, May & June 2017. The motion was seconded by Pension Board Member Jack Festen. The Motion was carried by unanimous voice vote.

- B. Treasurer Danielson presented the Treasurers report from July, August & September 2017.

**MOTION:** Pension Board Member Mark Guth made a motion to accept the Treasurers Report from July, August & September 2017. The motion was seconded by Pension Board Member Mike Baretto. The Motion was carried by unanimous voice vote.

**MOTION:** Pension Board Member Mark Guth made a motion to ratify disbursements for July, August & September 2017. The motion was seconded by Pension Board Member Mike Baretto. The Motion was carried by unanimous voice vote.

## VIII. INVESTMENT ACTIONS

- A. Eric Laughlin has recommended to move another \$30,000 of funds from American Growth Fund of America to American Europacific to a total of \$60,000 to date.

**MOTION:** Pension Board Member Dave Danielson made a motion to transfer \$30,000.00 from the American Growth Fund of America to American Europacific. The motion was seconded by Pension Board Member Mark Guth. The Motion was carried by unanimous voice vote.

## IX. UNFINISHED BUSINESS

- A. Trustee Education:
  - a. Dave has signed up for the Judson online course
  - b. Cary Collins will host a course on December 1<sup>st</sup> at Poplar Creek Country Club from 8am to 3:30pm.
  - c. Pension Board Member Mike Baretto will need 16 hours: 8 hours with Cary and 8 hours with Dave.
- B. Investment Advisor Review:
  - a. Equity Groups: Cary to provide RFP reports for investment advisors:
    - i. Mitchell, Vaught & Taylor & contact Bill Yocious should be reviewed with in 5 years
    - ii. Morgan Stanley Smith Barney contact Eric Laughlin: Going forward people may change the fee structure to 12b1 plus the cost of additional fee's. A review should be a consideration to take place, because it's over 5 years.
    - iii. There is an obligation to look into making an investment advisor change, but there is no reason/desire to actually make a change at this time.
- C. Additions to the Rules & Regs. 2 Sections – Final Review:
  - a. 2.12 Replacement – Record Retention will be replaced with a new document.
  - b. 2.15 New addition – Travel expense control policy will be added to complement the remainder of the document.
  - c. Pension Board Members Mark & Randy need to sign the documents.
  - d. Attorney Cary Collins will send the signed copy to Springfield.

## **X. NEW BUSINESS**

- A. Annual Report Dave has worked with and used Tim Sharp for guidance for the tax levy. The fund has met the assumed annual rate of return at 8%.
  - a. Last year the levy was \$345,921 and this year the levy is \$367,149.

**MOTION:** Pension Board Member Mark Guth made a motion to accept \$367,149 actuary report be included in the 2017 tax levy ordinance. The motion was seconded by Pension Board Member Mike Baretto. The Motion was carried by unanimous voice vote.

- B. 2018: Village does not include pension in budget. Estimated budget is included with the minutes.

**MOTION:** Pension Board Member Jack Festen made a motion to have estimated 2017/2018 budget on file. The motion was seconded by Pension Board Member Mark Guth. The Motion was carried by unanimous voice vote.

- C. Wilcox Annual Physical
  - a. To be completed by February 28<sup>th</sup>.
  - b. The process for the yearly exam is to find, if possible, the doctor who examined his original disability. A letter with the report will indicate whether there has been any progress. The letter needs to specify that he is still unfit.
  - c. Cary will send the notice and schedule the appointment
  - d. Pension Board Member Mark Guth inquired if this has to be budgeted. Attorney Cary Collins stated that it can be included in medical/legal. The statute requires that the disabled be sent to a doctor until the age of 50. After that it is still allowed, but not required.
- D. 2018 Meeting Dates:
  - a. February 7<sup>th</sup>, 2018
  - b. May 2<sup>nd</sup>, 2018
  - c. August 1<sup>st</sup>, 2018
  - d. November 7<sup>th</sup>, 2018

## **XI. ATTORNEY REPORT:**

- A. Attorney Cary Collins has stated that there are no changes at this time. Cary did mention a tier 3 that could affect the pension fund.

## **XII. OTHER BUSINESS:**

- A. The next West Dundee Fire Fighters Pension Board meeting will be held on February 7<sup>th</sup>, 2018 at 0900.

**XIII. ADJOURNMENT:**

- A. The meeting adjourned at 1023.

**MOTION:** Pension Board Member Dave Danielson made a motion to adjourn the meeting at 1023. The motion was seconded by Pension Board Member Jack Festen. The Motion was carried by unanimous voice vote.

Courtney Berg-Meyer  
Recording Secretary

Mark Guth  
Board Secretary