

**NILES FIREFIGHTERS' PENSION FUND  
BOARD OF TRUSTEES MEETING  
8360 DEMPSTER  
NILES, IL 60714  
FEBRUARY 17, 2016**

The meeting was called to order at 8:30 a.m. by President Bob Greiner.

**Trustees Present:**

Bob Greiner, Byron Tull, Walter Blase, and James Callero.

Absent was Marimel Lim.

**Officials Present:**

Tom Sawyer from Sawyer Falduto Asset Management, LLC, Investment Advisor to the Fund; Attorney Carolyn Clifford, Ottosen Britz; Rich Scipione, Pension Clerk to the Fund; and Steve Earnhardt, Lauterbach & Amen, LLP

**Public Comment:**

No public comment.

**Previous Minutes Approval:**

On a motion by Greiner, seconded by Callero, the minutes from the November 5, 2015 meeting were approved by a unanimous voice vote.

**Presentation by Lauterbach and Amen LLP**

Steve Earnhardt from Lauterbach and Amen presented the monthly financial statements. The Fund paid checks numbered 30042-30052, record from October 21, 2015 through December 28, 2015, for a total of \$38,435.40.

A motion was made by Callero, seconded by Blase, to approve the financial report including bills and disbursements as presented. Upon a call of the roll:

AYES: Greiner, Tull, Callero, and Blase

NAYS: None

ABSENT: Lim

Motion carried.

Lauterbach & Amen presented the revised 2016 annual pension benefit increases.

On a motion by Callero, seconded by Tull, to accept the 2016 annual benefit increases as presented by Lauterbach & Amen.

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AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

Frank Lemanski passed away January 23, 2016. There is a surviving spouse, Joann Lemanski. The surviving spouse benefit is \$2,502.67.

On a motion by Callero, seconded by Tull, to approve Joann Lemanski's surviving spouse benefit of \$2,502.67.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

### **Investment Advisor's Report**

Tom Sawyer from Sawyer Falduto presented the Fund's December 31, 2015 "Quarterly Investment Report."

The 2015 fourth quarterly ending market value was \$27,112,066, with an investment return of \$772,845. The 2015 year-to-date investment return is \$368,270.

The total account return for the fourth quarter was 2.93% versus the benchmark of 3.01%. The equity rate of return for the second quarter was 5.98% versus the blended benchmark of 4.76%. The fixed income rate of return was negative 0.56% versus the benchmark of negative 0.92%.

Our current portfolio allocation as of December 31, 2015 is Equities at 55.3%, Fixed Income at 44.4%, and Cash Equivalent at 0.3%.

Tom believes it is now a buying opportunity in the equity market. Sawyer and Falduto sold Baron Small Cap FD Institution Class stock and replaced it with T. Rowe Price Diversified Small Capital Growth (USD). The T. Rowe price has better performance and has a lower gross expense ratio. Sawyer and Falduto also sold RS Global Natural and replaced it with Vanguard Energy Adm (USD).

Our fixed income duration is 4.98 years versus the benchmark of 5.71 years.

There are no pending changes to the Investment Policy and/or Asset Allocation Parameters.

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On a motion by Callero, seconded by Tull, to approve the Investment Advisor's Report.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

### **Treasurers Report**

There was no Treasurer's Report.

### **Old Business**

Gerald Wagner is currently on disability. An affidavit was sent by certified mail to his last known address and was undeliverable. The Board discussed stopping his direct deposit and converting his pension payment to a live check. Carolyn suggested that a final letter stating that his direct deposit has been cancelled and a live check will be sent to the Village of Niles Village Hall Finance Department. He must come in person and sign the requested affidavit. Once signed his pension check will be released and his direct deposit can continue. The final letter will be sent by certified mail to his last known address.

On a motion by Callero, seconded by Tull, to convert Gerald Wagner's direct deposit to a live check until he appears in person to Village Hall to complete the annual affidavit of eligibility. This conversion will take place on February 24 and will be sent to Scot Neukirch.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

### **New Business**

Mike Siena applied for regular retirement on November 28, 2015. He had 30 years and 6 months of creditable service with a total salary of \$101,025.53. His monthly pension is \$6314.10 with his first increase due December 1, 2016.

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On a motion by Blase, seconded by Tull, to approve Mike Siena's regular retirement pension with a monthly pension of \$6314.10.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

Dave Chapp applied for regular retirement on November 30, 2015. He had 30 years and 6 months of creditable service with a total salary of \$113,531.59. His monthly pension is \$7,095.72 with his first increase due December 1, 2016.

On a motion by Greiner, seconded by Tull, to approve Dave Chapp's regular retirement pension with a monthly pension of \$7,095.72.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

Carolyn reviewed the annual attorney retainer agreement. Beginning February 1, 2016, the Niles Firefighters' Pension Fund will be billed a retainer of \$1,500.00 per quarter for the following services:

- Unlimited telephone calls between the Fund and our attorney.
- Unlimited e-mail exchanges between the Fund and our attorney.
- Attendance at all four (4) of the Fund's regular quarterly meetings.

On a motion by Callero, seconded by Tull, to approve the Annual Attorney Retainer.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

Motion carried.

Greiner sent the list of required filers for statements of economic interests to Cook County and received documentation that they received the information. Carolyn explained that all trustees must file a Statement of Economic Interest with Cook County by May 1.

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Scot had presented the Confirmation of Tax Levy amount from the Village of Niles in the November pension meeting. Laurie advised that there are no updates.

Byron Tull left at 09:20.

The Board reviewed the 2015 filings and the annual timeline for 2016. Carolyn confirmed that all required documents were filed on time in 2015. Carolyn distributed the "Timeline Requirements for Article 3 Police Pension Funds and Article 4 Firefighter Pension Funds."

The Fund has no assets held in Illinois finance entities and is not required to obtain annual servicer certifications. We received a letter from BMO Harris stating that it is federally regulated and it is not necessary to obtain an annual servicer certification.

Byron Tull returned at 09:24.

The spring nomination for one active member pension trustee will be posted at both stations. If there is only one person nominated for the position, the Board may dispense with the formal election and declare the only nominee elected by acclamation.

Byron presented a new pension documents. One is an informational sheet showing all trustees and their terms. The form will also include all of our consultants/officials and their contact information. Byron also updated an annual training form that each trustee must fill out for the Board to maintain the annual training records.

The Village of Niles will not provide Village emails to the pension trustees who are not employees. It is recommended that each trustee provide a separate email address used solely for the pension fund business. Board members were asked to have this completed by the next meeting.

Rich provided a Records Disposal Certificate that will be filed with the State of Illinois. President Bob Greiner will sign the form and it will be submitted to the State of Illinois.

**Training:**

Jim asked if the Pension Clerk could attend Pension training with the pension trustees. Carolyn stated that is appropriate to allow the administrator to attend training as necessary.

On a motion by Greiner, seconded by Tull, to approve the Pension Clerk to attend training as necessary.

AYES: Greiner, Tull, Blase, and Callero

NAYS: None

ABSENT: Lim

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Motion carried.

Carolyn presented training materials on good governance principles, and the Board designated one hour of training for the training material.

**Next Meeting:**

The next meeting will be on May 17, 2016 at 8:30 a.m.

The meeting was adjourned at 9:46 a.m. on a motion by Greiner, seconded by Tull, and approved upon a unanimous vote voice.

Respectfully submitted,

  
\_\_\_\_\_  
Byron Tull, Secretary

Minutes approved by the Board of Trustees at its meeting on May 17, 2016.

*Minutes prepared by Rich Scipione, Pension Clerk to the Fund*