

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

The meeting was called to order at 8:35 a.m. by President Bob Greiner.

Trustees Present:

Bob Greiner, Byron Tull, Wally Blase, James Callero, and Marimel Lim.

Officials Present:

Tom Sawyer from Sawyer Falduto Asset Management, LLC, Investment Advisor to the Fund; Attorney Carolyn Clifford; Steve Earnhardt, Lauterbach & Amen, LLP; and Scot Neukirch, Village Finance Director.

Public Comment:

No public comment.

Previous Minutes Approval:

On a motion by Callero, seconded by Greiner, the minutes from the February 17, 2016 meeting were approved by a unanimous voice vote.

President Bob Greiner reviewed the closed meeting minutes as required semi-annually. The minutes reviewed were:

November 30, 2002	February 4, 2009
December 15, 2004	September 28, 2009
February 9, 2005	October 15, 2009
February 26, 2005	February 8, 2010
April 11, 2006	April 7, 2010
December 7, 2006	September 7, 2010
January 8, 2008	

On a motion by Greiner, seconded by Callero, to keep the listed meeting minutes closed for another six months.

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

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Presentation by Lauterbach and Amen LLP:

Steve reviewed the Niles Firefighters' Pension Fund Monthly Financial Report for the month ended April 30, 2016.

Total assets April 30, 2016	\$27,772,970.27
Liabilities April 30, 2016	\$15,864.65
Net Position Held in Trust for Pension Benefits	\$27,756,105.62.
May 1, 2015 Net Position Held in Trust	\$28,094,980.89,
April 30, 2016 Net Position Held in Trust	\$27,756,105.62,
Fund's Change in Position	\$(338,875.27)

Steve presented the bills and disbursements for February 1, 2016 through April 30, 2016 for a total of \$36,448.67, check numbers 30056-30065 and 50026.

A motion was made by Callero, seconded by Tull, to approve the payment of the bills and disbursements. Also to approve the February 2016 and April 2016 financial statements as presented. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

Pensioner Calvin Radway passed away on April 11, 2016. There is no surviving spouse for Calvin Radway, and the Board is changing his status to deceased and discontinuing his pension payouts.

Pensioner Robert Steffens has passed away. He has a surviving spouse, Aurora Steffens. The Board has not received the death certificate as of this date but we have received the surviving spouse's application. Aurora Steffens surviving spouse's benefit is \$4,215.89 per month with an annual benefit of \$50,590.68.

A motion was made by Greiner, seconded by Callero, to approve Aurora Steffens surviving spouse's annual benefit of \$50,590.68. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

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NAYS: None

ABSENT: None

Motion carried.

Steve has begun the IDOI annual statement. The draft report should be provided to the Board in the next couple of months.

Investment Advisor's Report:

Tom Sawyer from Sawyer Falduto presented the Fund's March 31, 2016 "Quarterly Investment Performance Report."

The 2016 first quarter ending market value was \$27,220,144, with an investment return of \$319,527.

The total account return for the first quarter was 1.17% versus the benchmark of 1.67%. The equity rate of return for the second quarter was -0.29% versus the blended benchmark of 0.36%. The fixed income rate of return was 3.05% versus the benchmark of 3.12%.

Our current portfolio allocation as of March 31, 2016: Equities at 55.7%, Fixed Income at 42.2%, and Cash Equivalent at 2.1%.

There are no pending changes to the Investment Policy and/or Asset Allocation Parameters. This item will be included on the agenda in the future.

The Board discussed the conflict of interest rule. The conflict of interest rule does not affect Sawyer Falduto because they do not have access to the IDOI computer system. Scot Neukirch is our security administrator for the Fund.

A motion was made by Callero, seconded by Greiner, to appoint Scot Neukirch, Treasurer to the Fund, as the DOI security administrator. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

Carolyn reviewed the DOI Siren that was recently published. The Treasurer and the Security Administrator information can be submitted electronically through the IDOI website tool.

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Treasurer's Report:

Seldon and Fox replaced Sikich as the Village of Niles auditor. The audit has just started with the field work beginning in June.

Steve confirmed the actuarial study should be ready by the August 18th meeting.

Old Business:

The Board discussed the recent findings of Gerald Wagner's whereabouts. Bob received a call from Esmeralda Dizon claiming to be the step daughter of Gerald Wagner. She stated that Gerald lives in the Philippines. Bob received a phone call from Gerald himself. There were three witnesses that stated that the person they were speaking to was Gerald Wagner.

Bob talked to Esmeralda again two weeks ago and then sent her an email with the next steps to begin direct deposit payments. Esmeralda stated that she was going to go get the marriage certificate, death certificate, and a completed Lauterbach and Amen affidavit of eligibility. They agreed to complete a Lauterbach and Amen affidavit of eligibility every six months. Whenever a paperwork deadline is missed the Board will convert direct deposit to a paper check.

The Board has requested a copy of Gerald Wagner's passport or state identification.

On a motion by Callero, seconded by Lim, to give Bob the authority to start direct deposit when the required paperwork is received. If the paperwork is not received on the prescribed scheduled date, the direct deposit will be converted to a paper check. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

The Board was given a copy of the records disposal certificate signed May 1, 2016. Records will be destroyed in the near future.

Consideration of and Action upon Applicants for Admission:

Three new firefighters -- Firefighter/Paramedic Daniel Holman, Firefighter/Paramedic Jordan Brandwein, and Firefighter/Paramedic Michael Pope -- began their employment with the Niles Fire Department on April 18, 2016. They have applied for membership into the Niles Firefighters' Pension Fund. Daniel Holman, Jordan Brandwein, and Michael Pope passed all their medical assessments. This application is for the Tier 2 pension fund membership.

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On a motion by Greiner, seconded by Tull, to approve Daniel Holman, Jordan Brandwein, and Michael Pope membership into the Fund. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

New Business:

Bob Greiner's term as pension trustee expires on May 1, 2016. There was a letter posted and emailed to all active duty personnel. The Board only received one nomination, Bob Greiner. Since there is only one person nominated for the position, the Board dispensed with the formal election and declared the only nominee elected by acclamation.

On a motion by Blase, seconded by Callero, the Board dispensed with the formal election and declared the only nominee elected by acclamation being Bob Greiner. The term is a three year term, May 1, 2016 April 30, 2019. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

After a small discussion on the annual appointments of the Board president and secretary, a motion was made by Callero, seconded by Blase, to appoint Byron Tull as President of the Board and Bob Greiner as Secretary to the Board. Upon a call of the roll:

AYES: Greiner, Blase, Tull, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

A motion was made by Callero, seconded by Blase, to retain Richard Scipione as the Pension Clerk until April 30, 2017. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

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NAYS: None

ABSENT: None

Motion carried.

A motion was made by Callero, seconded by Blase, approve the Pension Clerk annual stipend of \$1300. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

There are three disabled individuals who require annual IMEs: Steve Zook, Joe Sanchez, and John Crosby. Byron Tull mailed them out last week with a due date in August.

Former firefighter Daniel Wood has contacted Bob Greiner about applying for a duty disability pension and seeking to obtain required paperwork for the duty disability. Carolyn educated the Board about a similar reported case in Wood Dale and unreported case in Bensenville. The Wood Dale case stated the person must file for duty disability prior to separation from employment. Daniel Wood resigned prior to his seeking an application for duty disability benefits. Carolyn presented a confidential memorandum to the Board. Carolyn will draft a letter to be presented to Daniel Wood.

On a motion by Greiner, seconded by Tull, to have the Board's attorney respond to Daniel Woods' request for an application to seek disability benefits. Upon a call of the roll:

AYES: Greiner, Tull, Blase, Lim, and Callero

NAYS: None

ABSENT: None

Motion carried.

Training:

Carolyn distributed training material for the Board to review. Training article that was reviewed included "Actuarial Services and Agreements: Best Practices."

The Board has designated one hours of training for this meeting.

Next Meeting:

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The next meeting is scheduled for August 18, 2016 at 8:30 a.m.

The meeting was adjourned at 10:00 a.m. on a motion by Greiner, seconded by Tull, and approved upon a unanimous vote voice.

Respectfully submitted,



Robert Greiner, Secretary

Minutes approved by the Board of Trustees at its meeting on August 18, 2016.

Minutes prepared by Rich Scipione, Pension Clerk to the Fund