

**NILES FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES MEETING
8360 DEMPSTER
NILES, IL 60714
FEBRUARY 21, 2019**

The meeting was called to order at 8:35 a.m. by President Byron Tull.

Trustees Present:

Bob Greiner, Byron Tull, John Zeman, and James Grammas. Absent was Marimel Lim.

Officials Present:

Dave Harrington from Sawyer Falduto Asset Management, LLC, Investment Advisor to the Fund; Attorney Meganne Trela, Ottosen Britz; Trinetta Gardner, Lauterbach & Amen, LLP; Rich Scipione, Pension Clerk to the Fund.

Retiree Rich Teper was in the audience.

Public Comment:

No public comment.

Previous Minutes Approval:

On a motion by Tull, seconded by Greiner, the minutes from the October 30, 2018 meeting were approved, subject to attorney review, by a unanimous voice vote.

Presentation by Lauterbach and Amen LLP

The Board reviewed the Monthly Financial Report for the month ending January 31, 2019. As of January 31, 2019, the Fund held total assets of \$32,666,922.88 and total liabilities of \$4,698.00. The Net Position Held in Trust for Pension Benefits is \$32,662,224.88. The Municipal Contribution is \$2,918,715.57.

Trinette presented the list of bills and disbursements. The Fund paid checks numbered 30200-30218; 50037, record from November 13, 2018 through January 30, 2019, for a total of \$170,147.52.

A motion was made by Tull, seconded by Greiner, to approve the financial report, and authorize payment of the bills and disbursements as presented. Upon a call of the roll:

AYES: Greiner, Tull, Zeman, and Grammas

NAYS: None

ABSENT: Lim

Motion carried.

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Trinette Gardner presented the revised 2019 annual pension benefit increases, as calculated by Lauterbach and Amen.

On a motion by Tull, seconded by Grammas, to accept the 2019 annual benefit increases as presented by Lauterbach & Amen.

AYES: Greiner, Tull, Zeman, and Grammas

NAYS: None

ABSENT: Lim

Motion carried.

Trinette reviewed the death audit service that Lauterbach and Amen provide. The service is complimentary and is no cost to the Fund. The program uses Life Status 360 and tracks obituaries. Megan stated that we should table this Agenda item awaiting attorney review of the authorization form. Byron and the Board agreed to table the item until next meeting.

Greiner left at 8:49.

Investment Advisor's Report

Dave Harrington from Sawyer Falduto presented the Fund's December 31, 2018 "Quarterly Investment Report." The Investment Policy Guidelines were reviewed.

The 2018 fourth quarterly ending market value was \$30,250,512, with an investment return of \$-2,805,344. The 2018 year-to-date investment return is \$-1,606,300.

The total account return for the fourth quarter was -8.46% versus the benchmark of -8.47%. The equity rate of return for the second quarter was -14.62% versus the blended benchmark of -14.77%. The fixed income rate of return was negative 2.22% versus the benchmark of 2.54%.

The Fund was rebalanced at the end of January 2019 with a market value of \$31,629,295.

Our current portfolio allocation as of December 31, 2018 is Equities at 59.9%, Fixed Income at 38.4%, and Cash Equivalent at 1.7%.

Our fixed income duration is 4.89 years versus the benchmark of 6.02 years.

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

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

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AYES: Tull, Zeman, and Grammas

NAYS: None

ABSENT: Lim and Greiner

Motion carried.

Consideration of and Action upon Applicants for Admission and/or Withdrawal from Fund:

A new firefighter, Louis Panagopoulos, joined the Niles Fire Department on February 19, 2019. He has applied for membership into the Niles Firefighters' Pension Fund. Louis successfully completed his medical assessment. This application is for the Tier 2 pension fund membership. Louis also has previous Tier 2 credit from the Hanover Park Fire Department and is requesting information on how to purchase his credible service.

On a motion by Tull, seconded by Grammas, to approve Louis Panagopoulos membership into the Fund. Upon a call of the roll:

AYES: Tull, Grammas, and Zeman

NAYS: None

ABSENT: Lim and Greiner

Motion carried.

Joseph Florest passed away on December 9, 2018. He has a surviving spouse, Cheryl Florest, who is entitled to a spousal benefit of \$7,481.81.

On a motion by Tull, seconded by Grammas, to approve Cheryl Florest's application for surviving spouse benefit of \$7,481.81 per month.

AYES: Tull, Zeman, and Grammas

NAYS: None

ABSENT: Lim and Greiner

Motion carried.

Edward Sosnowski passed away on November 25, 2018. He has a surviving spouse, Janice Sosnowski, who is entitled to a spousal benefit of \$7,239.84.