

LISLE-WOODRIDGE FIRE DISTRICT
FIREFIGHTER'S PENSION FUND

Rescheduled Regular Meeting Minutes

Friday, February 1, 2019 9:00 a.m.

CALL TO ORDER

President Demas called the Lisle-Woodridge Firefighter's Pension Fund Board Meeting to order at 9:00 a.m. on Friday, February 1, 2019, at Station #51 and Headquarters, 1005 School Street, Lisle, Illinois 60532.

ROLL CALL

Roll call indicated the following Board members were present: President Demas, Secretary Gieser, Trustee Martino, Trustee Kagann and Treasurer Perry. Also present: Attorney Goodloe, Brian LeFevre of Sikich Accounting Services, Battalion Chief Capua, Battalion Chief Mulford, Captain Gaebel and Recording Secretary McClain.

APPROVAL OF MINUTES

Motion was made by Trustee Martino to approve the November 19, 2018 regular meeting minutes as presented, second by Secretary Gieser. All ayes. Motion passed.

TREASURER'S REPORT

Compilation Report Ending December 31, 2018 – Brian LeFevre of Sikich provided a summary of the Compilation Report through month ending December 31, 2018.

Motion was made by Trustee Martino, second by Secretary Gieser to accept the Compilation Report through December 31, 2018 as presented. Roll call: Trustee Martino-aye, Secretary Gieser-aye, Trustee Kagann-aye, President Demas-aye (4-ayes, 0-nays, 1-absent) Motion passed.

Payments of the Warrants –

Motion was made by Trustee Kagann to pay warrants in the amount of \$3,001.00 for the period of December 2018 and January 2019, second by Secretary Gieser. Roll call: Trustee Kagann-aye, Secretary Gieser-aye, Trustee Martino-aye, President Demas-aye (4-ayes, 0-nays, 1-absent). Motion passed.

COMMUNICATIONS

None.

COMMITTEE REPORTS

Legislative Committee – Attorney Goodloe reported on the legislative session and sever other items of note. Several House Bills have been re-filed regarding Pension Fund consolidation.

Investment Committee – President Demas reported on the 2018 UBS Financial 4th Quarter Fund performance. The account was down with a net of all fee 6.12%. Not a good year especially with this final quarter. However, after speaking with Todd Schroeder of Lauterbach & Amen, we are right in the range of other Funds. According to our rank, we are doing better than 84% of 800.

Motion was made by Secretary Gieser, second by Trustee Kagann to accept the 2018 4th Quarter investment review by UBS. Roll call: Secretary Gieser-aye, Trustee Kagann-aye, Trustee Martino-aye, President Demas-aye (4-ayes, 0-nays, 1-absent) motion passed.

OLD BUSINESS

Investment Portfolio Rebalancing –

President Demas referred to the updated rebalancing worksheet from UBS for review.

Motion was made by Trustee Kagann, second by Secretary Gieser to accept the rebalancing worksheet dated January 2019 as presented. Roll call: Trustee Kagann-aye, Secretary Gieser-aye, Trustee Martino-aye, President Demas-aye (4-ayes, 0-nays, 1-absent). Motion passed.

NEW BUSINESS

Special Election Results for Retired/Disabled Board Position – President Demas stated that after the departure of Trustee Skotnicki, a special election was held. Daniel DeCraene was elected by acclamation.

Reconstitution of Pension Board

Motion was made by Trustee Kagann, second Trustee Martino to elect Steve Demas as President. Roll call: Trustee Kagann-aye, Trustee Martino-aye, Secretary Gieser-aye, President Demas-aye (4-ayes, 0-nays, 1-absent). Motion passed.

Motion was made by Trustee Martino, second Secretary Gieser to elect Austin Gieser as Secretary. Roll call: Trustee Martino-aye, Secretary Gieser-aye, Trustee Kagann-aye, President Demas-aye (4-ayes, 0-nays, 1-absent). Motion passed.

Discussion and Possible Action Regarding Beneficiaries Union Dues Withholding

Union President Geoff Gaebel reported that the membership of Local #2986 voted to increase the dues \$5.00. Mr. Gaebel has been in contact with Sikich and Attorney Goodloe. He suggested possibly changing the language of the Authorization Form to allow increases. Sikich, the accounting firm, is concerned about the time and cost involved with requesting authorization to increase the deduction from the retired members. Discussion took place regarding the Fund incurring costs to collect the Union dues.

Motion was made by President Demas, second by Secretary Gieser to cease withholding Union dues from Pension beneficiaries effective June 1, 2019. The question was raised as to whether the accounting firm receives an affidavit from the retirees. Brian LeFevre, of Sikich explained that it gets complicated and is time consuming to track down the retirees and verify receipt of the affidavit. Typically, it is the members responsibility to contact Sikich and initiate deductions. This is the only account that Sikich handles that is set up this way. Attorney Goodloe's opinion is that

legally you need to send out an authorization every time there is a change. This mean that the Pension Fund pays the cost. It is not the Fund's responsibility, according to the Pension Code, to process this type of deduction. Roll call vote: President Demas-aye, Secretary Gieser-no, Trustee Kagann-no, Trustee Martino-no. (1-ayes, 3-nays, 1-absent). Motion failed.

The Board agreed to table this item and work on a solution with Local #2986. This item will be placed on the February agenda.

Service Pension Application Lt. James Niesel – All the figures have been reviewed by Sikich and the District. Date of hire: June 11, 1990. Effective benefit date: January 3, 2019. Creditable years of service: 28 years, 6 months and 23 days. Motion was made by Secretary Gieser to approve James Niesel's monthly service pension of \$6,469.07 (annually \$77,628.80) and the January 2019 prorated pension amount of \$6,051.71, second by Trustee Martino. Roll call: Secretary Gieser-aye, Trustee Martino-aye, Trustee Kagann-aye, President Demas-aye (4-ayes, 0-nays, 1-absent). Motion passed.

Discussion and Action Regarding FY2018 Financial Audit

President Demas received notification from Knutte & Associates that they have been purchased by Sikich. The Pension Fund will begin the RFP process for audit services.

Discussion and Action Sikich Engagement Letter for 2019 – Brian LeFevre of Sikich reported that the services are the same as 2018 with a 2% increase in their fees.

Motion was made by Trustee Martino, second by Secretary Gieser to accept the Sikich engagement letter for 2019 as presented. Roll call: Trustee Martino-aye, Secretary Gieser-aye, Trustee Kagann-aye, President Demas-aye. (4-ayes, 0-nays, 1-absent). Motion passed.

Discussion and Action Regarding FY2018 IDOI Annual Statement – Brian LeFevre reported that they will start the process.

Discussion and Possible Action UBS Discretionary Investment Authority Contract – President Demas reported that Attorney Goodloe is in contact with UBS regarding this contract that was approved subject to the Attorney's review. This item was tabled and will be placed on the February agenda.

Discussion and Action Regarding Actuarial Valuation Tax Levy Report as of January 1, 2019 – Attorney Goodloe stated that this was placed on the agenda to memorialize that Lauterbach & Amen will be providing the Actuarial Report.

Statement of Economic Interest Forms – Attorney Goodloe reported that the Statement of Economic Interest Forms will be due to the County by May 1, 2019.

President Demas stated that the report of all Pension beneficiaries annual increases was provided in the packet. This item will be placed on the February agenda for confirmation and approval.

CLOSED SESSION

None.

MATTERS OF THE PUBLIC

Battalion Chief Capua addressed the Board regarding the issue of collecting Union dues from retirees. He stated to the Board that while they have a fiduciary responsibility to the tax payors the members also contribute to the Pension Fund.

ADDITIONAL INFORMATION

The next Board meeting is February 25, 2019 at 8:00 a.m.
The amount of training hours was determined to be thirty minutes.

ADJOURNMENT

Motion was made by Trustee Martino to adjourn the meeting at 10:16 a.m., second by Secretary Gieser. All ayes. Motion passed.

Respectfully Submitted,
Austin Gieser, Pension Secretary

By: Nancy McClain, Recording Secretary