



MOKENA FPD FIREFIGHTERS' PENSION FUND

19853 S Wolf Road ■ Mokena, Illinois 60448

Joe Cirelli, President ■ Thomas Hug, Secretary ■ Ted Golden, Trustee ■ Richard Gotter, Trustee ■ Kenneth Blank, Treasurer

MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES JANUARY 10, 2017

A regular meeting of the Mokena FPD Firefighters' Pension Fund Board of Trustees was held on Tuesday, January 10, 2017, at the Mokena FPD Administration Building, 19853 S Wolf Road, Mokena, IL for the purpose of conducting regular business.

CALL TO ORDER: Trustee Cirelli call the meeting to order at 5:31 p.m.

PRESENT: Trustees Joe Cirelli, Kenneth Blank, Richard Gotter and Ted Golden

ABSENT: Trustee Thomas Hug

ALSO PRESENT: Tim Hammond, Hammond Investment Management, LLC; Brian Beerman, FNBC; Michael May and Stacie Woodill, Lauterbach & Amen, LLP (L&A); Chief Howard Stephens and FF Richard Campbell, Mokena Fire Protection District

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: *October 11, 2016 Regular Meeting Minutes:* The minutes of the October 11, 2016 regular meeting were reviewed by the Board. A motion was made by Trustee Gotter and seconded by Trustee Blank to approve the October 11, 2016 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board noted there are closed session meeting minutes but will not release them at this time. A motion was made by Trustee Golden and seconded by Trustee Blank to have the closed session meeting minutes remain closed. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* The Monthly Financial Report prepared by Lauterbach & Amen, LLP was presented to the Board for review. As of November 30, 2016 the plan net assets held in trust for pension benefits is \$12,413,037.63 with a change in position of \$1,056,574.71 for the six months ended November 30, 2016. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Gotter and seconded by Trustee Blank to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Approval of Vendor Checks Report: The Board reviewed the Vendor Checks Report for the period September 1, 2016 through November 30, 2016, showing total disbursements in the amount of \$12,330.96. A motion was made by Trustee Gotter and seconded by Trustee Blank to approve the disbursements shown on the Vendor Checks Report in the amount of \$12,330.96 for the period September 1, 2016 through November 30, 2016 in the amount of \$12,330.96. Motion carried unanimously by voice vote.

Presentation and Approval of Additional Bills: There were no additional bills presented at this time.

NEW BUSINESS: *Presentation and Approval of Insured Cash Sweep Agreement with FNBC:* Mr. Beerman from FNBC proposed an Insured Cash Sweep Account to the Board for the purpose of keeping a minimum balance of \$60,000.00 in the FNBC Checking Account. A motion was made by Trustee Golden and seconded by Trustee Blank to authorize the President and Secretary of the Board to enter into an agreement with FNBC and establish an Insured Cash Sweep Account for the purpose of keeping a minimum balance of \$60,000.00 in the FNBC Checking Account. Motion carried unanimously by voice vote.

INVESTMENT REPORT: *Hammond Investment Management:* Mr. Hammond presented the Quarterly Investment Performance Report for the period ending December 31, 2016. As of 12/31/16, the quarter-to-date total net return is -0.07% for a year-to-date investment return of \$1,126,543.00 and an ending market value of \$12,178,084.00. The current asset allocation is as follows: Fixed Income at 42.6%, Equities at 57.3% and Cash Equivalents at 0.1%. The Bond Portfolio, Market Commentary, Equity and Fixed Income Portfolios, and Asset Allocation and Returns were reviewed with the Board. All questions were answered by Mr. Hammond. A motion was made by Trustee Golden and seconded by Trustee Gotter to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

A motion was made by Trustee Golden and seconded by Trustee Blank to transfer \$70,000.00 from the FNBC Savings Account to the Charles Schwab Account for investment purposes. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board reviewed the Investment Policy with Mr. Hammond. Mr. Hammond apprised the Board of two changes he made to the Investment Policy regarding Target Percentages and Benchmarks. A motion was made by Trustee Blank and seconded by Trustee Gotter to approve the recommended Investment Policy changes as presented. Motion carried unanimously by voice vote.

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the District by February 1, 2017. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2017.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for memberships or withdrawals from the fund at this time.

APPLICATIONS FOR RETIREMENT OR DISABILITY BENEFITS: There were no applications for retirement or disability benefits at this time.

OLD BUSINESS: *Overpayment of Benefits – Jerome Johnson and Joan Yunker:* The Board discussed the letters that were sent by L&A regarding overpayment of benefits to Jerome Johnson and Joan Yunker. The Board noted Jerome Johnson and Joan Yunker have agreed to have \$10.00 withheld from their monthly pension checks until the overpayments are repaid to the Pension Fund.

NEW BUSINESS CONT.: *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2017 Cost of Living Adjustments as calculated by Lauterbach & Amen, LLP (L&A). A motion was made by Trustee Gotter and seconded by Trustee Blank to approve the 2017 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried unanimously by voice vote.

Review Trustee Term Expirations and Election Procedures: The Board noted that the retired member term currently held by Trustee Golden is expiring in April 2017. Trustee Golden expressed his wish to remain on the

Board if nominated. Lauterbach & Amen, LLP will conduct an election on behalf of the Pension Fund for the retired member Trustee position.

TRUSTEE TRAINING UPDATE: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. A motion was made by Trustee Golden and seconded by Trustee Blank to approve tuition for the 32 hour new Trustee training course for Trustee Gotter and the 16 hour training courses for the remaining Trustees. Motion carried unanimously by voice vote.

CLOSED SESSION, IF REQUIRED: There were no items to discuss in closed session.

ADJOURNMENT: A motion to adjourn the meeting was made by Trustee Gotter and seconded by Trustee Golden at 6:10 p.m. Motion carried unanimously by voice vote.

The next regular meeting of the Mokena FPD Firefighters' Pension Fund will be held on Tuesday, April 11, 2017, at 5:30 p.m.

Respectfully submitted,

Thomas Hug, Secretary

Date Approved by Board

Minutes prepared by Stacie Woodill, Pension Services Administrator