

MINUTES

10-24-2017 Regular Meeting

Central Fire Station Conference Room

9:04 AM Meeting called to order by President Blair Senneff. Members in attendance were: Bill Senneff, Blair Senneff, Buss, Tessendorf, Marsh. Absent: None.

City Finance Director Randy Bukas was also in attendance.

Mike Spychalski of Marquette Associates attended the meeting. Mike brought executive summary reports explaining how the markets affected the portfolio for the last quarter. The reports discussed our portfolio and the following topics: Economic environment, GDP, unemployment, fed. fund rate, fixed income market, U.S. equity market, International equity market, and manager performance. Mike also discussed the status of Harbor International, William Blair International, and Franklin International as all remaining on Alert due to performance. Portfolio return: Qtr. 3.3%, YTD 10.3%, 1 YR. 10.6%, 2 YR. 9.5%, 3 YR. 6.0%, 4 YR. 6.2%, 5YR. 7.5%. Mike also discussed that the fund is at an all time high of \$34.8 Mil and that we pay out \$1.5 Mil a year.

1 Year Historical Performance as of 09-30-17:

Mesirow	-0.1%	Benchmark	0.2%
Vanguard Total Stock Fund	18.6%	Benchmark	18.9%
Vanguard MIDCAP Growth Index	15.4%	Benchmark	15.5%
Seagull Bryant & Hamill	15.9%	Benchmark	20.5%
Harbor International	15.1%	Benchmark	19.6%
William Blair International Growth	18.6%	Benchmark	19.6%
Franklin International Fund	30.8%	Benchmark	19.6%
PIMCO	10.2%	Benchmark	-0.1%
Principal US Property	8.6%	Benchmark	6.7%

Marquette recommend rebalancing at this time:

\$25,000 From Harbor International
\$110,000 From William Blair International
\$110,000 From Franklin International
\$30,000 From Vanguard Mid-Cap
\$50,000 From Segal Bryant & Hamill
\$325,000 Into Mesirow Financial

Buss made a motion to follow Marquette's recommendations. Seconded by Bill Senneff. Motion passed 5-0.

Minutes of the 07-26-2017 Regular Meeting were read. Motion by Buss to approve the minutes as read. Seconded by Tessendorf. Motion passed 5-0.

The Treasurer's Report was presented, showing assets of \$34,970,774.61 as of 09-30-17. Market value gain for July 2017 was \$467,996.27. Market value gain for August 2017 was \$126,553.75. Market value gain for September 2017 was \$551,642.71. Motion by Marsh to approve the Treasurer's Report. Seconded by Bill Senneff. Motion passed 5-0.

Bills presented:

07-27-17,#28156-28163-EFT-July 2017 Benefit Payroll	\$223,902.21
07-27-17,EFT-Jeremy Marsh/Payroll Clerk	\$250.00
08-29-17,#28164-28171-EFT-August 2017 Benefit Payroll	\$222,851.83
08-29-17,EFT-Jeremy Marsh/Payroll Clerk	\$250.00
08-29-17,#28172-IPPFA 2017 MidAmerica Conference	\$1,245.00
08-29-17,#28173-IPPAC Annual Membership	
7/1/17-6/30/18 INV 1613	\$500.00
09-27-17,#28174-28181,EFT-September 2017 Benefit Payroll	\$224,997.56
09-27-17,EFT-Jeremy Marsh/Payroll Clerk	\$250.00
09-27-17,EFT-Marquette INV#1709589 09/01/2017-11/30/2017	\$6,750.00
09-27-17,#28182-Lauterbach & Amen	
Thrumman Reciprocity calculation	\$300.00
09-27-17,EFT-James Blackburn Retro Pay 06/17-08/17	<u>\$318.32</u>
Total	\$681,614.92

Motion by Buss to pay the bills as listed. Seconded by Blair Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Applications for membership - None

Application for benefits - Retiree Application for Joseph Radford to receive \$3,159.54 monthly effective 09/12/2017. Motion to accept by Blair Senneff. Motion seconded by Bill Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Motion by Buss to accept Adam Thrumman's intent to maintain his credible service in the Freeport Fire Pension Fund. Motion seconded by Tessendorf. Motion passed 5-0.

Motion by Blair Senneff to ratify investment actions taken by our managers since the last regular meeting. Seconded by Marsh. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Motion by Blair Senneff to approve the Tax Levy/Formal Request Letter/Report to Municipality using the actuarially determined contribution for year ending 04/30/2018 in the amount of \$1,434,173. The Statutorily Required City Contribution is \$957,165. Motion seconded by Marsh. Motion passed 5-0.

Motion by Blair Senneff to Accept and place on file the Illinois DOI Annual Report. Motion seconded by Tessendorf. Motion passed 5-0.

Motion by Marsh to accept 01/24/2018, 04/24/2018, 07/26/2018, and 10/24/2018 as 2018 meeting dates. Motion seconded by Bill Senneff. Motion passed 5-0.

Motion by Marsh to authorize Buss to sign engagement letter with WIPFLI for 1099 preparation. Motion seconded by Blair Senneff. Motion passed 5-0. Bill Senneff-yes, Blair Senneff-yes, Buss-yes, Tessendorf-yes, Marsh-yes.

Tessendorf has 8 hours of training completed and needs to obtain another 8 hours by 04/30/2018.

No new business.

RDK Legal and Legislative update discussed.

Motion to adjourn at 10:01 AM by Buss. Seconded by Blair Senneff. Motion passed 5-0.

Jeremy Marsh, Secretary