

Minutes of the Regular Meeting
St. Charles Firefighter's Pension Board
Wednesday, March 6, 2019
8 E. Main St., Den A
St. Charles, IL.
8:00 a.m.

Call to Order

The meeting was called to order by Nick Marqui at 8:06 a.m. with 5 members present.

Present: Nick Marqui, Tony Centimano, Chris Minick
Lance Maxwell, Chief Joe Schelstreet

Absent: None

Also Present: Robert Vaughan, UBS; Colleen Lavery, Finance, Carole Murphy, Recording Secretary

Minutes of the Meeting

- Tony Centimano reviewed the December 5, 2018 draft minutes of the regular meeting with the Board.

A motion was made by Chief Schelstreet and seconded by Chris Minick to accept the minutes of the December 5, 2018 meeting.

A roll call vote was taken; all approved.

Motion Carried.

Old Business

Pension Manual Discussion

- Tony Centimano told the Board he had collected leads from surrounding departments. Topic is still ongoing.

New Business

- **Review/Approve Investments**

Mr. Vaughan distributed the investment portfolio and discussed cyber security and preventions in place.

Mr. Vaughan went on to review the 2018 investments.

Mr. Minick asked for more information regarding actions in place regarding cyber security at UBS. Discussions continued regarding their process that has been in place for 20 years which include many checks and balances.

Mr. Vaughn went on to review the investment portfolio.

Dynamic index was explained comparing each index. Overall the portfolio has a 6.69% return since inception.

Two different rebalancing spreadsheets were reviewed and proposals were made for trustee payments.

A motion was made by Nick Marqui and seconded by Tony Centimano to withdraw \$148,000.00 from J.P. Morgan Equity Income, \$280,000.00 from C.S. McKee Government for a total of \$428,000.00 to cover trustee payments for the next 3 months in the amount of \$427,000.00.

A roll call vote was taken; all approved.

Motion Carried.

Mr. Vaughan suggested to terminate the Russell I Shares Midcap and to buy the Carillon Scout Mid Cap Manager with those proceeds.

Chris Minick asked about the “3 P’s”, people, process and procedures. Inquiring what had changed with I Shares. Discussion continued with explanations by Mr. Vaughan.

A motion was made by Chief Schelstreet and seconded by Chris Minick to terminate I Shares and use the proceeds to purchase the Carillon Scout Midcap Manager.

A roll call vote was taken; all approved.

Motion Carried.

A motion was made by Chris Minick and seconded by Chief Schelstreet to accept the 4th quarter 2018 investment policy review presented by Mr. Vaughan from UBS.

A roll call vote was taken; all approved.

Motion Carried.

- **Review/Approve Expenditures**

Tony Centimano reviewed the current list of expenditures in the amount of \$84,507.46.

A motion was made by Chris Minick and seconded by Chief Schelstreet to approve the expenditures in the amount of \$84,507.46 as presented.

A roll call vote was taken; all approved.

Motion Carried.

- **Review Investments Policy/Pension Governance**

Nothing was sent for review at this time. The next scheduled review is June of 2021.

- **Review/Approve UBS Discretionary Services Contract**

Update of contract is forthcoming and will be forwarded to Attorney Atwell when received.

Chris Minick reminded the Board there is an obligation to look at investment consultants on a 5 year basis.

Nick Marqui stated a Request for Proposal process will need to take place in June.

Chief Schelstreet suggested reviewing the previous process.

Chris Minick will bring a draft RFP in June and can go out after the draft is discussed to comply with the statutory obligation.

- **Pensioner & Beneficiary Audit Service**

Colleen Lavery reviewed the service and its operations with Lauterbach and Amen. She explained the process and security that would be used in downloading reports and the authorizations needed.

Discussions continued and concerns were addressed.

Chief Schelstreet would like the attorney to look into the service being proposed.

Ms. Lavery will follow up regarding the process in the event of a breach of information occurs.

A motion was made by Nick Marqui and seconded by Chris Minick to table the topic until the next meeting.

A roll call vote was taken; all approved.

Motion Carried.

Public Comment

N/A

Adjournment

A motion was made by Tony Centimano and seconded by Joe Schelstreet to adjourn the meeting at 9:27 a.m.

A roll call vote was taken; all approved.

Motion Carried.

Respectfully submitted by Carole Murphy; Recording Secretary