

HOFFMAN ESTATE FIREFIGHTERS PENSION BOARD

Station 24
5775 Beacon Point
Hoffman Estates, Illinois 60192
847-695-8502

MEETING MINUTES

January 13, 2020 at 9:30 AM

- I. **Call to Order.** Meeting called to order at 9:34 am.
- II. **Roll Call/Acknowledgement of Guests.** Present: Matthew Fijalkowski, Rachel Musiala, Bob Orr, Patrick Seger. Absent: Matt Collins.

Also Present: Joe Weishampel, Puchalski Goodloe Marzullo; Thomas McShane and Mary Tomanek, Graystone Consulting; Stan Helgerson, Village Treasurer; Mike May, Lauterbach & Amen.
- III. **Public Comment.** None.
- IV. **Approval of Minutes.** Motion to approve meeting minutes. Motion to approve regular and special meeting minutes of October 14 and November 6, 2019. Change Weaver International to Intermediate on November 6 minutes. Motion to approve minutes with corrections made by Patrick Seger, second by Matthew Fijalkowski. All in Favor, aye. Matt Collins absent.
- V. **Accountant's/Finance Report.** Reviewed finance report presented by Mike May of Lauterbach & Amen. Total net position as of December 31, 2019 is \$93,356,790. Change in position of \$15,204,212.

Motion to approve the bills as listed and add invoice for Puchalski, Goodloe and Marzulo in the amount of \$1,839.80 for services rendered made by Patrick Seger, second by Matthew Fijalkowski. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seger, aye. Absent: Matt Collins.

Motion to approve contract as presented made by Bob Orr, second by Matt Fijalkowski. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seger, aye. Absent: Matt Collins.
- VI. **Investment Report** presented by Graystone Consulting. Since last meeting Garcia Hamilton Fixed Income manager has been hired. Graystone is making the following recommendations: Move \$1 million from mutual fund to Kane Anderson small cap account. Take \$2.6 million from iShares Russell 3000 and move to Kane Anderson for a total of \$3.6 million in Kane Anderson. Currently under allocated in emerging markets, take \$1.5 million from iShares Russell 3000 and move to Invesco Opportunity mutual fund. Move \$600,000 from iShares Russell 3000 and move to Cohen & Steers. Remaining amount of approximately \$8.6 million in Russell 3000 to be transitioned to Vanguard S&P 500 index fund.

Motion to move \$1 million from mutual fund and \$2.6 million from to Kane Anderson made by Rachel Musiala, second by Bob Orr. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seger, aye. Absent: Matt Collins.

Motion to move \$1.5 million from Russell 3000 into Invesco Emerging Market by Rachel Musiala, second by Patrick Seeger. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seeger, aye. Absent: Matt Collins. Motion to take \$600,000 from iShares Russell 3000 and move to Cohen & Steers made by Rachel Musiala, second by Patrick Seeger. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seeger, aye. Absent: Matt Collins.

Motion to move remaining amount in iShares Russell 3000 of approximately \$8.6 million to Vanguard S&P 500 Index Fund made by Rachel Musiala, second by Bob Orr. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seeger, aye. Absent: Matt Collins.

VII. Informational Items/Unfinished Business.

1. Status of Trustee Training. Everyone was compliant for 2019 including Patrick Seeger who completed 32 hours. 2020 hours will be 8 hours per Trustee and 4 hours of transition training that does not count towards the 8 needed. IPPFA has an upcoming class available.
2. Administrative Rules Change/Review. No changes needed.
3. Semi-Annual Review of executive session minutes. None.
4. Slagle QUILDRO. He is still working out a possible agreement with his ex-wife and the issue is still pending.
5. Legislative changes. Governor Pritzker signed the consolidation bill. By July 1, 2020 they plan to have all assets in the consolidated funds. Discussion of the new bill: An audit will be done and then there will be a 10-day freeze and funds will be transferred to the consolidated fund within 30 days. Changes to Tier 2 benefits salary 4 out of 5 or 8 out of 10 whichever is higher and increased surviving spouse benefits, higher of 66 2/3% of pension or 54% of salary. Question about appealing if there is a difference in evaluation.

Disability case discussed regarding city intervention.
6. Ed Kalasa Survivor Conversion Approval. All paperwork has been received; payment has not been held. Lauterbach & Amen ran numbers in July for the conversion and payments have been continued pending paperwork. Motion to approve Ed Kalasa's spousal pension with initial payment of \$1,306.46 per month beginning on August 1, 2019 made by Bob Orr, second Patrick Seeger. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seeger, aye. Absent: Matt Collins.
7. 2020 Disabled Pensioners Evaluations. No members under age 50 on disability.
8. 2020 Affidavits of Eligibility. Letters will be sent out, Lauterbach & Amen to send current list of addresses with retiree trustee nominations.

VIII. New Business.

1. Retirement/Disability Applications. None.
2. New Application to the Fund. None.

3. Cost of Living Adjustments. Have been implemented. Motion to approve cost of living adjustment for 2020 made by Bob Orr, second Matt Fijalkowski. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Bob Orr, aye, Patrick Seger, aye. Absent: Matt Collins.
 4. Statement of Economic Interest. All information has been entered.
 5. Pension Board Election (Retiree Trustee). Matt Collins term expires in April as well as Rachel Musiala's term. Information regarding election will be sent with Affidavits.
 6. President and Secretary for coming terms. Matthew Fijalkowski nominates Bob Orr as President, second by Rachel Musiala. All in favor, aye. Matt Collins absent. Bob Orr nominates Matthew Fijalkowski as Secretary, second by Rachel Musiala. All in favor, aye. Matt Collins absent.
 7. Annual review & confirmation as to status of vendor contracts. Laura Goodloe will go over at the next meeting.
- IX. **Closed Session.** None.
- X. **Adjournment.** Meeting adjourned at 11:14 am by Bob Orr, second by Patrick Seger. All in favor, aye. Matt Collins absent.

Next Meeting scheduled for **April 13, 2020 at 9:30 am**