



NORTH MAINE FIREFIGHTERS' PENSION FUND

9301 POTTER ROAD, DES PLAINES, IL 60016



MINUTES OF A REGULAR MEETING OF THE NORTH MAINE FPD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES AUGUST 4, 2020

A regular meeting of the North Maine FPD Firefighters' Pension Fund Board of Trustees was held on Tuesday, August 4, 2020 at 6:30 p.m. at the North Maine Fire Protection District Headquarters located at 9301 Potter Road, Des Plaines, Illinois 60016, for the purpose of conducting regular business, pursuant to notice.

CALL TO ORDER: Trustee Ruzs called the meeting to order at 6:35 p.m.

ROLL CALL:

PRESENT: Trustees Dagmar Rutzen, Nicholas Ruzs, Robert McKay and Alan Altschul (*arrived at 7:00 p.m.*)
ABSENT: Trustee Greg Zalewski
ALSO PRESENT: Attorney David Mejia, Collins & Radja; Bob Thompson (via teleconference), Fifth Third; Sam Meyer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 4, 2020 Regular Meeting:* The Board reviewed the minutes from the February 4, 2020 regular meeting. A motion was made by Trustee McKay and seconded by Trustee Rutzen to approve the February 4, 2020 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the August 6, 2019 closed session meeting minutes. A motion was made by Trustee Rutzen and seconded by Trustee McKay approve and publish the August 6, 2019 closed session meeting minutes as written. Motion carried unanimously by voice vote.

Trustee Ruzs informed the Board that they have eight other closed session meeting minutes that the Board will keep closed due to pending matters.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the six-month period ending June 30, 2020 prepared by L&A. As of June 30, 2020, the net position held in trust for pension benefits is \$25,614,618.14 with a change in position of (\$233,446.67). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report and list of invoices prepared by Trustee Rutzen. A motion was made by Trustee Ruzs and seconded by Trustee McKay to approve the disbursements shown on the L&A Vendor Check Report in the amount of \$93,499.52 for the period April 1, 2020 through June 30, 2020 and the additional invoices totaling \$162,118.80 as presented. Motion carried by roll call vote.

AYES: Trustees Ruzs, Rutzen and McKay
NAYS: None
ABSENT: Trustees Altschul and Zalewski

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice was received. A motion was made by Trustee McKay and seconded by Trustee Rutzen to approve payment of the IDOI Compliance Fee in the amount of \$4,360.24. Motion carried by roll call vote.

AYES: Trustees Ruzs, Rutzen and McKay
NAYS: None
ABSENT: Trustees Altschul and Zalewski

INVESTMENT REPORT – FIFTH THIRD: *Quarterly Investment Review:* Mr. Thompson presented the Investment Review for the period ending June 30, 2020. As of June 30, 2020, the quarter-to-date net return is 2.48% with total earnings of \$82,270.42 for an ending market value of \$25,627,915.14. The current asset allocation is: fixed income at 37.66%, equities at 58.37%, real assets at 2.01% and cash & equivalents at 1.96%. The asset composition for the equity and fixed income portfolios, reconciliation and holdings summaries and quarterly market insights were reviewed with the Board.

Alan Altschul arrived at 7:00 p.m.

Review/Update Investment Policy: Mr. Thompson presented an updated investment policy prepared by Fifth Third. The Board reviewed and discussed the amended policy, which has been updated to include language regarding sustainability consistent with Public Act 101-0473. A motion was made by Trustee Ruzs and seconded by Trustee Altschul to adopt and execute the updated investment policy as presented and to direct L&A to file the investment policy with the Illinois Department of Insurance within 30 days of execution. Motion carried by roll call vote.

AYES: Trustees Ruzs, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustees Zalewski

A motion was made by Trustee Altschul and seconded by Trustee Rutzen to accept the Investment Review as presented. Motion carried unanimously by voice vote.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1, 2020.

Affidavits of Continued Eligibility: The Board was reminded that L&A will issue Affidavits with Continued Eligibility with the December payroll cycle to coincide with the Fund's fiscal year end.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: The Board reviewed the Application for Membership submitted by Nepathali Bailon. A motion was made by Trustee McKay and seconded by Trustee Altschul to accept Nepathali Bailon into the North Maine FPD Firefighters' Pension Fund effective February 10, 2020, as a Tier II participant. Motion carried unanimously by voice vote.

The Board noted that Connor Flynn has submitted a contribution refund packet to L&A for processing. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve Line-of-Duty Disability Benefit – James Sackley:* The Board reviewed the line-of-duty disability benefit calculation for James Sackley prepared by L&A. Firefighter Sackley had an entry date of April 23, 1984, disability date of April 29, 2020, effective date of pension of April 30, 2020, 61 years of age at date of disability, 36 years of creditable service, applicable salary of \$99,516.04, applicable pension percentage of 75%, amount of originally granted monthly pension of \$6,219.75 and amount of originally granted annual pension of \$74,637.00. A motion was made by Trustee Ruzs and seconded by Trustee Altschul to approve James Sackley line-of-duty disability benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustees Zalewski

The Board noted that James Sackley is due a retroactive payment in the amount of \$6,427.08 for the period April 30, 2020 through May 31, 2020 due to being awarded a line-of-duty disability benefit. A motion was made by Trustee Altschul and seconded by Trustee Rusz to approve the retroactive payment to James Sackley in the amount of \$6,427.08 calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustee Zalewski

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the finalized report was filed prior to the June 30, 2020 deadline.

NEW BUSINESS: *Certify Board Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the North Maine Fire Pension Fund Board of Trustees. Alan Altschul ran unopposed and was reelected for a three-year term expiring April 30, 2023. A motion was made by Trustee Rusz and seconded by Trustee Rutzen to certify the active member election results. Motion carried unanimously by voice vote.

Board Officer Elections – President & Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Rusz as President and Trustee Altschul as Secretary.

FOIA Officer & OMA Designee: The Board discussed maintaining Trustee McKay as the FOIA Officer and OMA Designee.

A motion was made by Trustee McKay and seconded by Trustee Rutzen to elect the slate of Officers and the FOIA Officer and OMA Designee as stated. Motion carried unanimously by voice vote.

Appointed Member Term Expirations – Robert McKay: The Board noted that Trustee McKay's appointment expired April 30, 2020. Trustee McKay was reappointed to the North Maine FPD Firefighters' Pension Fund Board of Trustees by the District Board of Trustees for a three-year term expiring April 30, 2023.

Status Update of Creditable Service Purchase – David Kotek: The Board noted that L&A received all necessary information and has submitted all documents to Foster & Foster to complete the actuary portion of the calculation. Further discussion will be held at the next regular meeting.

Review/Approve Actuarial Valuation & Tax Levy Request: The Board reviewed the finalized Actuarial Valuation as prepared by Foster & Foster. Based on data and assumptions, the recommended municipal contribution is \$1,875,132 and the statutory minimum contribution amount is \$1,253,634.

The Board discussed requesting a tax levy in the amount of \$1,875,132. A motion was made by Trustee Rusz and seconded by Trustee Altschul to request a tax levy in the amount of \$1,875,132 from the District based on the recommended amount stated in the Actuarial Valuation prepared by Foster & Foster. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustee Zalewski

Review/Adopt Municipal Compliance Report: The Board discussed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Rutzen and seconded by Trustee McKay to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustee Zalewski

TRUSTEE TRAINING UPDATES: The Board reviewed upcoming training opportunities and were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Fees and Reimbursable Expenses: There were no trustee training registrations or reimbursable expenses presented for approval.

ATTORNEY'S REPORT – COLLINS & RADJA: *Annual Independent Medical Examinations – Daniel Riggio:* Attorney Meija informed the Board that Daniel Riggio has filed a motion asking the Board to reconsider his non-duty-disability benefit. A motion was made by Trustee Altschul and seconded by Trustee Rusz to deny the motion to reconsider as filed by Daniel Riggio. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustee Zalewski

The Board reviewed Decision and Order prepared by Collins & Radja in response to Daniel Riggio's motion to reconsider his non-duty benefit. A motion was made by Trustee Altschul and seconded by Trustee Rusz to adopt and execute the Decision and Order as prepared. Motion carried by roll call vote.

AYES: Trustees Rusz, Rutzen, McKay and Altschul
NAYS: None
ABSENT: Trustee Zalewski

The Board noted that Daniel Riggio is now 50 years of age and is no longer required to attend annual IMEs.

Legal Updates: Attorney Meija provided legislative updates pertaining to Article 4 Pension Funds; including recent court cases and decisions, as well as general pension matters.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Rutzen and seconded by Trustee McKay to adjourn the meeting at 8:15 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for November 3, 2020 at 6:30 p.m.



Board President

Minutes approved by the Board of Trustees on 11/3/20

Minutes prepared by Sam Meyer, Pension Services Administrator, Lauterbach & Amen, LLP