Agenda
Village of Arlington Heights
Board of Trustees of the Firefighters Pension Fund
Fire Station #2, Conference Room

August 5, 2019
9:00 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes - May 6, 2019 Regular Meeting

IV. PUBLIC COMMENTS

V. CLOSED SESSION

VI. TREASURER'S REPORT

VII. PAYMENT OF BILLS

VIII. REPORTS

IX. OLD BUSINESS

A. Consulting Agreement with Marquette - Review for approval
B. Annual Medical Evaluation Disabled Firefighter Under Age 50 - Heidi Arndorfer
C. Legal Forms Book - Review

X. NEW BUSINESS

A. Closed Executive Session - Release of Minutes
B. Application for Membership - FF Trevor Komarynsky hired August 5, 2019
C. Retired Disabled FF Bryan Smith - Update on Medical Status
D. Previous Service Time Buy-Back - FF Xavier Beltran
E. Duty Disability Application - FF Jerome Kennedy
F. Retired FF Dennis Bergquist passed away on 6/29/2019 - Continuation of Pension Benefits to spouse, Shirley Bergquist

XI. OTHER BUSINESS

XII.ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.

Board of Trustees of the Firefighters Pension Fund
8/5/2019

Item: minutes

Department: fire

Minutes - May 6, 2019 Regular Meeting

ATTACHMENTS:

Description	Type
May 6, 2019 Regular Meeting	Minutes

ARLINGTON HEIGHTS
FIREFIGHTERS' PENSION BOARD

Minutes of the Regular Meeting held on May 6, 2019

Arlington Heights Fire Department Administrative Headquarters
1150 No. Arlington Heights Road – Arlington Heights IL 60004

Members in Attendance:	Doug Ruhnke Andrew Larson Tom Kuehne Mark Aleckson Kert Evans
Others in Attendance:	Cary Collins, Pension Board Attorney Michael Spychalski , Marquette Associates Melissa Cayer, Pubic Observer

CALL TO ORDER

Doug Ruhnke called the meeting to order at 9:05 AM. Roll was called with board members Doug Ruhnke, Andrew Larson, Tom Kuehne, Kert Evans and Mark Aleckson present.

Also present were: Cary Collins, Pension Board Attorney; Michael Spychalski representing Marquette Associates; and Melissa Cayer, public observer.

APPROVAL OF MINUTES

The minutes from the last regular meeting held on January 28, 2019 were reviewed.

A motion was made and seconded (T. Kuehne/A. Larson) to approve the minutes from the January 28 regular meeting. All voted in favor, motion carried.

PUBLIC COMMENTS

Melissa Cayer thanked the FF Pension Board for their efforts at keeping costs down, resulting in lower property taxes.

CLOSED SESSION

None.

TREASURER'S REPORT / DISBURSEMENTS

Tom Kuehne distributed the monthly financial report as of March 31, 2019. He indicated the Revenue side is doing fine and Expenses are right on target at 24% for the first quarter. Also included is the list of pension payments for the first quarter.

He next reviewed the Check Register, asking for approval of check #634 (journal voucher 28) through check #636 (journal voucher 45).

Motion was made and seconded (A. Larson/K. Evans) to approve payments of check 634 (JV 28) through check 636 (JV 45).

Roll was called.
Ayes: D. Ruhnke, A. Larson, T. Kuehne, K. Evans, M. Aleckson
Nays: None
Ayes – 5; Nays -0.
Motion carried.

The final page is the Projected Cash Flow by Month report compiled by Mary Ellen. Recently Tom and the Village Manager requested the Village Board consider the surplus money in the General Fund at the end of 2018. They recommended $3 million to be split equally between the Police Pension Fund and the Firefighters Pension Fund. This is a means of pre-funding and actually saves interest money to the Village in the long run. The Village Board agreed and this additional $1.5 million has been included in the cash flow.

Tom also referred to an administrative fee from U.S. Bank of $320 we receive periodically. He suggested rather than writing a check each time, we pay the fee by wire transfer. Everyone was in agreement to pay by wire transfer.

<u>REPORTS</u>

<u>Marquette Associates</u>

Mike Spychalski opened his presentation with a quick review of the Marquette Update page at the beginning of the Executive Summary for March 31, 2019.

- A recent update was announced to Marquette's succession plan and the three largest shareholders sold 30% of their ownership to the existing shareholder base. This change will strengthen commitment to independent ownership and transparency to clients.
- Marquette recently formed a partnership with Milwaukee-based investment advisor Operose Advisors to expand their field and they now have an office in Milwaukee.
- Board members may wish to attend Marquette's annual Investment Symposium on October 4 at the Standard Club in Chicago. Attendance is free for their clients and does offer six certified hours of continuing education.

Six months ago, Marquette recommended we placed Oppenheimer on alert due to organizational changes with Invesco. Marquette has routinely reviewed Oppenheimer's progress. Mike is now confident there are no real issues and the company is solid in performance. He recommends that we remove Oppenheimer from alert status and move them back to in-compliance status.

Motion was made and seconded (T. Kuehne/K. Evans) to place Oppenheimer "in-compliance" status.
All voted in favor, motion carried.

Executive Summary Page 2 – Total Fund Composite shows the market value of the fund to be at $111.6 (millions) with a breakdown as follows: Fixed Income $35.8; U.S. Equity $35.3; International Equity $23.5; Real Estate $14.6; and Cash at $2.4.

- **Investment Policy Guidelines - Marquette**
  Mike Spychalski distributed an updated copy of the Investment Policy Guidelines, with the following minor adjustments made from the previous contract:

  Page 10 – Investment Objectives Benchmark:
  Government/Credit index down from 35% to 32%
  Added 3% of 91 Day T-Bills
  Page 12 – Asset Allocation/Rebalancing further recaps these adjustments

Motion was made and seconded (T. Kuehne/M. Aleckson) to approve the revised amendment to the Investment Policy Guidelines Dated May, 2019.
All voted in favor, motion carried.

The Board members executed the Adoption of Policy (page 22). As required, Cary Collins will forward a copy to the State of Illinois within 30 days of signing.

OLD BUSINESS

- **Consulting Agreement with Marquette**

  Attorney Collins briefly discussed the consulting agreement with Marquette. He and Mike Spychalski both have reviewed the contract in detail. It is fairly standard. At the next meeting, the Agreement will be reviewed for approval and executed.

NEW BSINESS

- **Retired Div. Chief Victor Tamosaitis – Disability Pension begins April 25, 2019**

  Workers Comp has settled and TTD has discontinued, now Victor Tamosaitis is eligible to begin his Disability Pension as previously awarded. Pension payments began April 25, 2019.

- **Annual Medical Evaluation Disabled Firefighters Under Age 50 – Gregory O'Rourke**

  Attorney Collins distributed the medical evaluation from Dr. Suchy. In Dr. Suchy's opinion, Greg O'Rourke continues to be disabled from duties as a firefighter.

- **Trustee Election – Certify Results**

  Kert Evans' term as a Trustee on the Board ended April 30, 2019 and an election was held. Kert Evans was the only name on the ballot as no one else requested to be placed on the ballot.

  After the election, the Village Clerk's office canvassed the results with a total of 46 votes received as follows: 45 votes for Kert Evans and one write-in vote for Richard Davis. Until certified by the Board, the unofficial results are that Kert Evans was re-elected as a Board Trustee to serve a three year term beginning May 1, 2019.

Motion was made and seconded (T. Kuehne/A. Larson) to certify the election results, with Kert Evans as Trustee for an additional three year term beginning May 1, 2019.
All voted in favor, motion carried.

- **Pension Board Nominations**

  Motion was made and seconded (K. Evans/M. Aleckson) to nominate Doug Ruhnke for Board President. No further nominations for President were made.
  All voted in favor, motion carried.

  Motion was made and seconded (D. Ruhnke/M. Aleckson) to nominate Kert Evans for Board Secretary. No further nominations for Secretary were made.
  All voted in favor, motion carried.

- **Legal Forms Book**

  Board members will review the various forms provided by Attorney Collins' office. This will be discussed at the next regular meeting for approval.

OTHER BUSINESS

Retired FF Bryan Smith was awarded Duty Disability as of August 11, 2015. During the disability hearing Bryan indicated he may have another surgery in the future. If that has occurred, Bryan should be re-evaluated to determine his current medical condition. Attorney Collins will contact him regarding any new medical updates.

ADJOURNMENT

As there was no other business to present before the Board, the motion was made and seconded (K. Evans/D. Ruhnke) to adjourn the meeting.

Meeting adjourned at 10:15 AM.

NEXT MEETING – Scheduled for Monday, August 5, 2019 at 9:00 AM

Respectfully submitted,

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Laura Potts
Recording Secretary

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Kert Evans
Board Secretary