



Village of Arlington Heights
Board of Trustees of the Firefighters Pension Fund
Conference Room Second Floor
Arlington Heights Fire Department
Administrative Headquarters
1150 N. Arlington Heights Road
Arlington Heights, IL 60004
May 4, 2015
9:00 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. Approval of Minutes - February 2, 2015 Meeting

IV. PUBLIC COMMENTS

V. CLOSED SESSION

VI. TREASURER'S REPORT

VII. PAYMENT OF BILLS

VIII. REPORTS

- A. Report from Fund Consultant, Marquette Associates

IX. OLD BUSINESS

- A. Tim Franzen Disability Appeal - decision update

X. NEW BUSINESS

- A. Trustee Election Results
- B. Board Nominations
- C. FOIA Requests Granted
- D. QUILDRO Issuance
- E. Executive Sessions - release of minutes
- F. FF Bryan Smith - Line of Duty Disability
- G. FF/P Jason Dexter - Line of Duty Disability Claim

- H. FF Gregory O'Rourke - Line of Duty Disability Claim
- I. Death of Retired Firefighter Donald Schnell on April 21, 2015

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.



Item: minutes

Department: Fire

ATTACHMENTS:

Description

Minuts

Type

Minutes

**ARLINGTON HEIGHTS
FIREFIGHTERS' PENSION BOARD**

Minutes of the Regular Meeting held on February 2, 2015

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

Members in Attendance: Carl Brandon
Thomas Kuehne
Kert Evans
Doug Ruhnke

Others in Attendance: Cary Collins, Pension Board Attorney
Ray Caprio, Marquette Associates
Brian Marks, Marquette Associates

CALL TO ORDER

Carl Brandon called the meeting to order at 9:17 AM. Roll was called with board members Carl Brandon, Thomas Kuehne, Kert Evans and Doug Ruhnke present. Ken Koeppen was not available due to another commitment.

Also present were Cary Collins, Pension Board Attorney, and two representatives from Marquette Associates, Ray Caprio and Brian Marks.

APPROVAL OF MINUTES

The minutes from the last regular meeting on December 1, 2014 were reviewed. A motion was made and seconded (T. Kuehne/K. Evans) to approve the minutes. All voted in favor, motion carried.

CLOSED SESSION

There is no closed session at this meeting.

PUBLIC COMMENTS

No public comments were made at this meeting.

TREASURER'S REPORT / DISBURSEMENTS

Tom Kuehne distributed the Treasurer's report through December 31, 2014 and briefly reviewed the highlights. Page 2 contains a list of pension payments made YTD 2014.

Next he reviewed the check register/journal voucher disbursements. Tom asked for approval of checks 447 through check 457 (JV 349 through JV 409).

Motion was made and seconded (T. Kuehne/D. Ruhnke) to approve disbursement of check 447 (JV 349) through check 457 (JV 409).

Roll was called.

Ayes: C. Brandon, T. Kuehne, K. Evans and D. Ruhnke

Nays: None

Ayes - 4; Nays – 0.

Motion carried.

Tom also distributed the proposed Pension Fund Budget for 2015. Due to the fiscal year changing to coincide with a calendar year starting January 1, 2016, this budget is for a shorter period of eight months, specifically from May 1 to December 31, 2015.

He highlighted some detail on how the numbers were determined. The total dollars for the proposed monthly pension payments also includes two additional retirees expected during the eight month budget period.

Motion was made and seconded (D. Ruhnke/K. Evans) to accept the proposed Fire Pension Fund budget for the eight month period of May 1 to December 31, 2015.

Roll was called.

Ayes: C. Brandon, T. Kuehne, K. Evans and D. Ruhnke

Nays: None

Ayes - 4; Nays – 0.

Motion carried.

REPORTS

Investment Review – Marquette Associates

Ray Caprio introduced his associate, Brian Marks, to the meeting attendees. Ray then distributed the Executive Summary ending December 31, 2014, first reviewing some of the highlights for the quarter and the past twelve months:

- The portfolio returned +3.3% for the quarter and +15.9% for the last twelve months.
- Total investment management fees of 0.34% is below the industry average of 0.48%.
- The portfolio was rebalanced in December 2013, with \$700k liquidated from the Vanguard Total Stock to Segall, Bryant & Hamill.
- The portfolio was again rebalanced in April 2014, with \$2 million liquidated from Vanguard Total Stock and \$1 million from Segall Bryant & Hamill SMID. \$3 million was sent to Segall, Bryant & Hamill Fixed.

Page 3 presents the Total Fund Composite as \$91.1 million with the breakdown (*in \$ millions*) as follows: Fixed Income \$29.0; U.S. Equity \$42.9; International Equity \$8.7; Global Tactical \$2.7, Real Estate \$5.8; and Cash \$2.0.

Page 5 shows the growth of the portfolio in the span of one to five years, respectively from \$55.7 million to the current amount of \$91.1 million.

The past twelve months has experienced excellent growth and Ray does not recommend making any changes at this time. However, he will probably proceed with an allocation study at the end of April to project how the portfolio may look in ten years going forward.

OLD BUSINESS

- Tim Franzen Disability Appeal

Last week Attorney Collins went to a court hearing related to Tim Franzen's disability appeal. Presiding Judge Hall requested additional information as to why the Pension Board denied Tim Franzen's request for Duty Related Disability versus granting him Occupational Disease Disability pension. Judge Hall asked Attorney Collins to revisit the notes/documents as presented before the Board on May 6, 2013, and then submit an Amended Decision and Order.

Attorney Collins distributed the Amended Decision and Order document and reviewed some of the contents in greater detail. A request was made to change the wording at the top of page nine (item #9 regarding the evaluation by Dr. Moisan). All agreed the revised wording provided a clearer understanding related to the lifting of heavy lumber as possibly being a triggering event.

Motion made by and seconded (T. Kuehne/K. Evans) to execute the revised document, Amended Decision and Order Line of Duty Related Disability Benefits, as set forth with the changes.

Roll was called.

Ayes: C. Brandon, T. Kuehne, K. Evans and D. Ruhnke

Nays: None

Ayes - 4; Nays - 0.

Motion carried.

NEW BUSINESS

- Adam Sielig was hired on January 5 as a new firefighter. He has submitted his application for membership into the pension fund.

Motion was made and seconded (K. Evans/D. Ruhnke) to accept the application for membership into the pension fund made by Adam Sielig.
All voted in favor and motion carried.

- Death of retired Firefighter William Andres on January 22

Doug Ruhnke recently spoke to the wife of deceased Firefighter William Andres and explained the survivor benefit to her. William Andres had been receiving a monthly benefit of \$2,508.45. Once Virginia Andres completes and returns the required documents, Mary

Ellen Juarez will then process the paperwork. The current monthly survivor benefit will continue at \$2,508.45.

Motion was made and seconded (T. Kuehne/K. Evans) to approve the monthly survivor benefit to Virginia Andres, the wife of deceased Firefighter William Andres, in the amount of \$2,508.45 pending receipt of the required documentation.

Roll was called.

Ayes: C. Brandon, T. Kuehne, K. Evans and D. Ruhnke

Nays: None

Ayes - 4; Nays – 0.

Motion carried.

OTHER BUSINESS

- Administrator and Contact Person

The Cook County Clerk's Office is requesting the name of our current Administrator/Contact Person to handle required documentation of our Pension Board as it relates to their office. Previously on record was former Chief Glenn Ericksen, who has retired.

In addition, the Board needs to select one person to act as FOIA/Open Meetings Act Administrator.

After some discussion, Doug Ruhnke volunteered to accept this responsibility as Administrator and/or Contact Person for both the Cook County Clerk's Office and FOIA/Open Meetings Act.

- The election notice for position of Trustee will be posted March 2 or earlier to determine who has interest in having their name included on the election ballot. Carl Brandon's term expires April 30.
- The next Pension Board meeting date set for Monday, May 4, at 9:00 AM.

ADJOURNMENT

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

All were in favor. Meeting adjourned 10:30 AM.

Respectfully submitted,

Laura Potts
Recording Secretary

Doug Ruhnke
Secretary