

HOFFMAN ESTATES FIREFIGHTERS PENSION BOARD

Station 24
575 Beacon Point
Hoffman Estates, IL 60192
847-695-8502

July 13, 2015 at 9:30 am

MEETING MINUTES

- I. Call to Order. Meeting called to order at 9:30 am.
- II. Roll Call/Acknowledgement of Guests. Present: Matthew Fijalkowski, Bob Orr, Rachel Musiala.

Absent: Jimmy Oskroba. One vacant position. Also Present: Laura Goodloe, Puchalski Goodloe Marzullo; Bill Youcius, Mitchell Vaught & Taylor; David Vaught, Mitchell Vaught & Taylor, Stan Helgerson, Village Treasurer.
- III. Minutes.
 - 1. Review/approval of minutes. Motion to approve minutes of April 13, 2015 and May 22, 2015 by Matt Fijalkowski, second by Rachel Musiala. All in favor, aye. Jimmy Oskroba absent.
- IV. Announcements/Communications. None.
- V. Treasurers /Finance Report
 - 1. Review/discussion. As of May, 2015 \$66,435,588 make up cash in investments.

Everything is on target. Motion to approve treasures report by Rachel Musiala, second by Matt Fijalkowski. All in favor, aye. Jimmy Oskroba absent.
 - 2. Vote to approve outstanding invoices. Invoices for Puchalski Goodloe Marzullo (PGM), new pension board attorneys, Barbara Bell's final invoice for services, and Matt Fijalkowski reimbursement expense for certified mail. Motion to pay invoices to include invoices for PGM at \$613.90, Barbara Bell, Attorney at Law final invoice of \$2,050 and Matt Fijalkowski for certified mail expenses of \$23 made by Bob Orr, second by Matt

Fijalkowski. Roll call vote: Bob Orr, aye, Matt Fijalkowski, aye, Rachel Musiala, aye.

Jimmy Oskroba absent.

VI. Investment Report

1. Mitchell, Vaught & Taylor's Quarterly Report. Fixed income overweight, equities \$4.2m underweight. Changes: swapped small cap and midcap value funds, took out Heartland Value Fund and replaced with Diamond Hill, and took out Columbia Acorn International and replace with Oppenheimer International small cap fund. Beginning value of \$72.3 million, period had a loss, for 2 ½ years annualized net return of 9.41%. Total fund down \$303,815. REITs this year hurt the performance overall. Mid and Small cap were 30% of the portfolio and Large Cap is 70%. Motion to accept financial report made by Bob Orr, second Matt Fijalkowski, all in favor, aye. Jimmy Oskroba absent.

VII. New Business

1. Puchalski Goodloe Marzullo
 - a. Review/Discussion of Administrative Rules. Participant must meet definition requirements of firefighter. Composition and makeup of board, Village appointee still needed. Staggering of terms to avoid having numerous new trustees at a time. Reimbursement for Expenses rate consistent with IRS rate, duty coverage to be added. Chapters to be added for requirements for training FOIA and Open Meetings Act. Elections section to be fine tuned with Board Members. Discussion of disability hearing procedures, costs associated with deposing doctors based on applicant's objections and time frame of objection. Creditable service for breaks in service under 30 days discussed. Motion to tentatively adopt Administrative Rules and Regulations with

corrections on an as needed basis made by Bob Orr, second by Matt Fijalkowski, all in favor, aye. Jimmy Oskroba absent.

- b. Status as to annual audit, actuarial valuation and tax levy. Report to be done by next meeting. Motion to retain Foster and Foster to do actuarial evaluation for this year by Bob Orr, second by Matt Fijalkowski, all in favor, aye. Jimmy Oskroba absent.
 - c. Status as to filing of Annual statement with Department of Insurance.
 - d. Status as to annual medical re-evaluations for disabled pensioners. Four disabled pensioners under 50.
 - e. Board officer elections. President and Secretary needed. Motion made to nominate Bob Orr as President by Matt Fijalkowski, second by Rachel Musiala, all in favor, aye. Jimmy Oskroba absent. Motion to nominate Matt Fijalkowski as Secretary made by Rachel Musiala, second by Bob Orr, all in favor, aye. Jimmy Oskroba absent.
 - f. Semi-Annual review of closed session meeting minutes. All closed session minutes to be sent to attorney.
 - g. Review/Update membership records.
 - h. Status as to implementation as to new GASB standards.
 - i. Status as to Trustee training requirements.
2. Rich DeTamble QILDRO/Consent Order. Requesting formal verification that DeTamble did not convert from disability to full pension.
 3. Outsourcing of Accounting Services (Trustee Musiala). Lauterbach and Amen proposal reviewed. Only received proposal from Lauterbach & Amen because Sikich is already doing the audit for the Board and cannot be used. They will provide direct services to

beneficiaries, look at all calculations and make sure everything is correct. All payments will go from Lauterbach & Amen to beneficiaries. They will do monthly reporting, processing QILDROs and Portabilities, service buybacks and year-end IRS reporting. Will be doing all of the accounting as well. Per year \$16,375 for all services, \$4,250 additional for start up and setup. Motion to fire the Village of Hoffman Estates and acquire Lauterbach & Amen as the accounting service firm made by Bob Orr, second by Matt Fijalkowski. Roll call vote: Bob Orr, aye, Matt Fijalkowski, aye, Rachel Musiala, aye. Jimmy Oskroba absent.

4. Brian Peters Contribution Withdrawal. Has 6 months worth of contributions before moving to Naperville. Motion to refund Brian Peter's contributions amounts subject to form outlining costs made by Bob Orr, second Matt Fijalkowski. Roll call Vote: Bob Orr, aye, Matt Fijalkowski, aye, Rachel Musiala, aye. Jimmy Oskroba absent.
5. Certification of Life Letters. All letters sent out, majority have been received back. Still waiting on two to come back.
6. Disability pensioner physical results. Tabled until next meeting.
7. FF Merkel application to the fund. Peter Merkel recently sworn in to the department. Peter Joseph Merkel, date of hire: July 6, 2015, date of application: July 7, 2015, date of birth: January 28, 1981, he is Tier 2. Motion to accept Peter Joseph Merkel into pension fund as of today, July 13, 2015, made by Bob Orr, second by Matt Fijalkowski. All in favor, aye. Jimmy Oskroba absent.

VIII. Old Business

1. Attorney Interviews. Puchalski Goodloe Marzullo has been hired.
2. Election nominations/results.
3. Training OT policy.

IX. Good of the Fund/Visitors Comments. None.

X. Adjourn. Motion to adjourn meeting at 12:29 pm made by Bob Orr, second by Matt Fijalkowski.

All in favor, aye. Jimmy Oskroba absent. Meeting adjourned at 12:29 pm.

Next meeting scheduled for **October 12, 2015 at 9:30 am.**