

HOFFMAN ESTATES FIREFIGHTERS PENSION BOARD

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

October 10, 2016 at 9:30 am

MEETING MINUTES

- I. Call to Order. Meeting called to order at 9:34 am.
- II. Roll Call/Acknowledgement of Guests. Present: Bob Orr, Matthew Fijalkowski, Rachel Musiala, Jimmy Oskroba.

Also Present: Laura Goodloe, Puchalski Goodloe Marzullo; Bill Yocius, Mitchell Vaught & Taylor; Stan Helgerson, Village Treasurer; A.J. Weber, Lauterbach & Amen; Jason Franken, Foster & Foster.

Absent: Dee Dee Derrig.

Jimmy Oskroba leaves meeting at 11:15 am.
- III. Public Comment. None.
- IV. Approval of Minutes. The Pension Board reviewed the minutes of the July 11, 2016 regular meeting and Pension Hearings on July 25 and August 29, 2016. Motion to approve minutes from July 11, 2016, July 25, 2016 and August 29, 2016 made by Matthew Fijalkowski, second by Rachel Musiala. All in favor, aye. Dee Dee Derrig absent.
- V. Accountant's/Finance Report. Bills to be added for payment: IPPFA Pension conference attended by Bob Orr on October 5 and 6, 2016 for a total of \$944.64 for registration, lodging and mileage, and NCEPERS membership renewal for \$250. Motion to approve financial report made by Rachel Musiala, second by Matthew Fijalkowski. All in favor, aye. Dee Dee Derrig absent.

Vote to approve outstanding invoices. Motion to approve vendor check report from Lauterbach & Amen and the two additional expenses for IPPFA reimbursement and NCEPERS membership

made by Rachel Musiala, second by Matt Fijalkowski. Roll call vote: Bob Orr, aye; Matthew Fijalkowski, aye; Jimmy Oskroba, aye; Dee Dee Derrig, absent. Motion passes.

VI. Investment Report

1. Mitchell, Vaught & Taylor's Quarterly Report. Overweight domestic, underweight international and overweight in REIT sector as well. No changes have been made. Total fund is up 2.83% with beginning quarter value at \$71.1 million and ending with \$73.1 million. Investment Policy for 2017 discussed, no changes recommended.

Motion to approve quarterly report provided by Mitchell, Vaught & Taylor as presented made by Matt Fijalkowski, second by Jimmy Oskroba. All in favor, aye. Dee Dee Derrig absent.

VII. Informational Items/Unfinished Business

1. Administrative Rules Changes. No changes at this time.
2. Status of Trustee Training. Matt Fijalkowski attending a seminar this week for 16 credit hours, Bob Orr has completed 16 hours, Rachel attended an ethics seminar and is attending another seminar in March.
3. Pension Workshops. Lauterbach & Amen provided a pension workshop which received good feedback.

VIII. New Business

1. Actuarial evaluation/report. Report presented by Jason Franken of Foster & Foster regarding unfunded liability. Increase for the year from \$3.9 million to 4.6 million. Mortality tables discussed, updated for the past 16 years, liability increases by \$4.5 million. Discussion of being 100% funded by 2040. Rolling amortization discussed for 15 year increments. Expected tax levy request from Village is \$4.6 million. Motion that the Hoffman Firefighters Pension Board draft a letter recommending a levy of \$4,608,883 to

fund the upcoming years obligations per the Fund's actuary made by Matt Fijalkowski, second by Jimmy Oskroba. All in favor, aye. Dee Dee Derrig absent.

2. Renewal of Fiduciary Insurance. Minor increase in price because of the value of the plan has increased. \$6,060 this year for the same coverage. Motion to renew fiduciary insurance through Mesirow Financial with Ulico providing the coverage for \$6,060 made by Matt Fijalkowski, second by Rachel Musiala. Roll call vote: Bob Orr, aye, Matt Fijalkowski, aye, Rachel Musiala, aye. Jimmy Oskroba and Dee Dee Derrig absent. Motion passes.

3. Annual Municipal Compliance Report. Issue tabled until January meeting for retroactive approval.

4. Retirement/Disability Applications.

- a. Duty service pension request by Michael P. Hartman, official retirement date is 10-9-16, effective date of pension 10-10-16, paying a pension for 31 years and 4 months and 17 days of service, Tier 1 pension, monthly salary amount of \$7,116.25. Application completed and signed off by acting Chief Schuldt. Motion to accept the numbers provided by Lauterbach & Amen and grant Michael P. Hartman his service pension effective 10-10-16 made by Matt Fijalkowski, second by Rachel Musiala. Roll Call Vote: Bob Orr, aye; Matt Fijalkowski, aye; Rachel Musiala, aye. Absent: Dee Dee Derrig and Jimmy Oskroba. Motion passes.

- b. Duty service pension request by Mark D. Hartwig, official retirement date is 10-9-16, effective date of pension 10-10-16, years of service 33 years 2 months and 2 days, Tier 1 pension, monthly salary of \$6,168.13. Application is completed and signed off by acting Chief Schuldt. Motion to accept the numbers

provided by Lauterbach & Amen and grant Mark D. Hartwig his service pension effective 10-10-16 made by Matt Fijalkowski, second by Rachel Musiala. Roll Call Vote: Bob Orr, aye; Matt Fijalkowski, aye; Rachel Musiala, aye. Absent: Dee Dee Derrig and Jimmy Oskroba. Motion passes.

c. Steven J. Kulovsek, service pension, retirement date 10-23-16, effective date of pension 10-24-16, 37 years and 2 months of service, pension of \$5,953.81, tier 1 pension. Application is completed and signed off by acting Chief Schuldt. Motion to accept the numbers provided by Lauterbach & Amen and grant Steven J. Kulovsek his service pension effective 10-10-16 made by Matt Fijalkowski, second by Rachel Musiala. Roll Call Vote: Bob Orr, aye; Matt Fijalkowski, aye; Rachel Musiala, aye. Absent: Dee Dee Derrig and Jimmy Oskroba. Motion passes.

d. Service pension for Jeffrey A. Hugel, retirement date is 10-19-16, effective date of pension 10-20-16, provided 35 years of service and 25 days, monthly salary of \$6,168.13, Tier 1 pension. Application is completed and signed off by acting Chief Schuldt. Motion to accept the numbers provided by Lauterbach & Amen and grant Jeffrey A. Hugel his service pension effective 10-10-16 made by Matt Fijalkowski, second by Rachel Musiala. Roll Call Vote: Bob Orr, aye; Matt Fijalkowski, aye; Rachel Musiala, aye. Absent: Dee Dee Derrig and Jimmy Oskroba. Motion passes.

5. 2016 Disability Pensioner Physicals. Gerry DuMelle is done for the year and all others are over 50 years old.
6. Securities Litigation.

7. Matt Long Military buyback discussion. 18 years on the job, bought back 2 years military time and went out on non-duty disability. Numbers will be run by Lauterbach & Amen, discussion of converting. Lauterbach & Amen to run the numbers of both options.
 8. Hearing Loss discussion. Potential problem for the future regarding potential disabilities due to hearing loss.
- IX. Closed Session (if needed).
- X. Adjournment. Motion to adjourn meeting at 11:56 am made by Matt Fijalkowski, second by Rachel Musiala. All in favor, aye. Dee Dee Derrig and Jimmy Oskroba absent. Meeting adjourned at 11:56 pm.

Next meeting scheduled for **January 9, 2017 at 9:30 am.**

2017 meeting dates scheduled for January 9, April 10, July 10, and October 16, 2017 at 9:30 am.