

**HOFFMAN ESTATE FIREFIGHTERS PENSION BOARD**

Station 24  
5775 Beacon Point  
Hoffman Estates, Illinois 60192  
847-695-8502

**MEETING MINUTES  
July 8, 2019 at 9:30 AM**

- I. **Call to Order.** Meeting called to order at 9:32 am.
- II. **Roll Call/Acknowledgement of Guests.** Present: Matthew Fijalkowski, Rachel Musiala, Bob Orr, Matt Collins, Patrick Seger.  
  
Also Present: Laura Goodloe, Puchalski Goodloe Marzullo; Thomas McShane, Patrick Donnelly and Mary Tomanek, Graystone Consulting; Stan Helgerson, Village Treasurer; Mike May, Lauterbach & Amen.
- III. **Public Comment.** None.
- IV. **Approval of Minutes.** Motion to approve meeting minutes. Motion to approve regular and special meeting minutes of April 8, May 21 and June 17, 2019 by Bob Orr, second Matt Fijalkowski. All in Favor: Bob Orr, Matthew Fijalkowski and Matt Collins, aye. Rachel Musiala abstains from voting on June 17 minutes and Patrick abstains.
- V. **Accountant's/Finance Report.** Reviewed finance report presented by Mike May of Lauterbach & Amen. Total net position as of May 31 is \$84,440,752. Change in position of \$6,288,174.  
  
\$175 bill 2019 Pension Seminar registration for Matt Fijalkowski for pension seminar previously submitted.  
  
Motion to accept report from Lauterbach & Amen by Rachel Musiala and second by Patrick Seger, all in favor, aye.  
  
Motion to accept bill list as presented with addition of \$175 to reimburse made by Bob Orr, second Patrick Seger. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, Matt Collins, aye.  
  
Matt Long salary issues. IDOI stating salary should have been calculated from when he applied for conversion from Non-Duty Disability to retirement not from when conversion was accepted. Salary attached to rank increased between application, October, 2017, and acceptance, January 2018. Date of birth of 3/31/57. Mike May and Laura Goodloe to review further to discuss at next meeting.
- VI. **Investment Report** presented by Graystone Consulting. Custodial account from Schwab to Morgan Stanley transition, settlement date of July 11, 2019 for the assets to transfer. Contracts for Weaver and Rotchild are being worked on by Laura Goodloe and will hopefully coincide with the transfer to Morgan Stanley. Investment Policy Statement major changes include deleting item III, Permissibility for Owning Common Stock, for funds over \$10 million this is not needed and item VI also deleted as it does not currently apply. Final copy will be sent to Bob Orr to get signatures and will then be sent to IDOI.

Motion to accept and adopt Investment Policy made by Bob Orr, second Matthew Fijalkowski. All in favor, aye.

Asset allocation reviewed as of June 30, does not include Illinois Funds. Discussion regarding 65/35% and volatility and changing to 60/40%. Adding more to bonds and their tactical tilt by scaling back at the right time would lower risk/volatility. Graystone can incorporate Illinois Funds into asset allocation summary and can work towards moving closer to 60/40 if the Board would like. Working on allocation as opposed to liquidating, long term will stay at 65/35.

Motion to adopt 65/35 allocation model effective immediately made by Bob Orr, second Matt Fijalkowski. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.

Capital Markets overview. Discussion of Adalante and using a different fund for those proceeds.

Motion to move Adalante Investment to real estate index fund made by Rachel Musiala, second Bob Orr. Roll Call vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.

Proposal of special meeting on August 29 at 9:30 to review asset allocation and mutual funds with Graystone Consulting.

#### **VII. Informational Items/Unfinished Business.**

1. Status of Trustee Training. New trustee Patrick Seger needs 32 hours of training, is currently signed up Oct 21-24 training. He will get registered with Cook County to fill out statement of economic interest. Links to attorney general for open meetings act training and Freedom of Info Act training will be sent to Patrick as well. Matt Fijalkowski needs 16 hours, attending AFFI seminar in Fall. Bob Orr has completed 16 hours. Rachel Musiala will be sending info for a course she completed in April for 8 hours. Matt Collins completed 8 hours.
2. Affidavits of Eligibility. Everyone is compliant.
3. Annual Review/Update of Membership Files. Everyone is compliant. Child may be considered disabled and may need to add information to their file. A few birth certificates to be completed and put in file.
4. Joint FD/PD meeting with Village Manager. Discussed actuarial assumptions, ideas of pension bond. Nothing will happen as far as pension bond. Will look at trying to lower actuarial assumption down a quarter point. Will implement over the next couple of years.
5. Edward Newcomer pension transfer status. Transferring service from here to Chicago, decided not to pursue.

#### **VIII. New Business.**

1. Retirement/Disability Applications. Three applications for service pensions.
  - i. Motion to approve service pension for Jay J. Martino, age 60, 30 years 9 months creditable fire service earned, tier 1, application as of 6/14/19, effective date of 6/15/19, applicable salary of \$114,870.00, and will

receive 75% with original monthly pension of \$7,179 made by Matthew Fijalkowski, second by Matt Collins. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.

- ii. Motion to approve service pension for Russell W. Slagle Sr., age 56, 27 years 10 months creditable fire service earned, tier 1, application as of 6/28/19, effective date of 6/29/19, applicable salary of \$120,727.00, and will receive 69.58% with original monthly pension of \$7,000.49 made by Matthew Fijalkowski, second by Patrick Seger. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye. Currently has a pending QILDRO, Slagle has said he will be buying her out. Status update of QILDRO matter at next regular meeting.
- iii. Motion to approve service pension for Anthony M. Butler, age 52, 22 years 4 months creditable fire service earned, tier 1, application as of 6/29/19, effective date 6/30/19, applicable salary of \$114,620.00 and will receive 55.83% with original monthly pension of \$5,3333.01 made by Matthew Fijalkowski, second by Patrick Seger. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.

2. New applications to the Fund. All graduated boot camp and academy, starting service 7/8/19.

- i. Motion to approve application to the fund by Nicholas J. Watson, born 1996 with the date of application of 4/8/19, starting salary of \$67,422.00, tier 2 pension made by Matthew Fijalkowski, second by Matt Collins. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.
- ii. Motion to approve application to the fund by Joshua R. Wigutow, born 1992 with ate of application of 4/8/19, starting salary of \$67,422.00, tier 2 pension made by Matt Fijalkowski, second by Patrick Seger. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.
- iii. Motion to approve application to the fund by Brandon G. Mitchell, born 1993, with date of application of 4/8/19, starting salary of \$67,422.00, tier 2 pension made by Matt Fijalkowski, second by Rachel Musiala. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.

3. Ratify Annual Statement. Lauterbach & Amen prepared Annual Statement and has

Motion to ratify annual statement that has been submitted to state made by Bob Orr, second Matt Fijalkowski. All in favor, aye.

4. Designation of FOIA Officer/OMA Designee. Bob Orr will be the designated Freedom of Information Act and Open Meetings Act designee. Motion to appoint

Bob Orr as FOIA Officer and Open Meetings Act designee made by Matt Fijalkowski, second by Matt Collins. All in favor, aye.

5. Disability Retiree Physical Examinations. None.
  6. Annual Actuarial Evaluations. Foster and Foster gave fee for actuarial \$4,774 fee for yearly actuarial report. Motion to reengage Foster and Foster to complete annual actuarial allocation for the cost of \$4,774 made by Bob Orr, second by Patrick Seger. Roll Call Vote: Matt Fijalkowski, aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Matt Collins, aye.
  7. Semi-Annual Review of Executive Session Minutes. May 17, 2018 minutes will remain exempt from disclosure under Freedom of Information Act pursuant to legal counsel's recommendation.
  8. Election for Board Officer Positions. President and Secretary spots up for nomination. Motion to nominate Bob Orr as president and to Matt Fijalkowski as secretary made by Rachel Musiala, second by Patrick Seger. All in Favor, aye.
- IX. **Closed Session.** None.
- X. **Adjournment.** Meeting adjourned at 11:14 am by Bob Orr, second by Matthew Fijalkowski. All in favor, aye.

Special Meeting scheduled for **August 29, 2019 at 9:30 am.**

Next Regular Meeting Scheduled for **October 14, 2019 at 9:30 am.**