

HOFFMAN ESTATE FIREFIGHTERS PENSION BOARD

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

MEETING MINUTES

January 9, 2023 at 9:30 AM

- I. **Call to Order.** Meeting called to order at 9:30 am.
- II. **Roll Call/Acknowledgement of Guests.** Present: Matthew Fijalkowski, Rachel Musiala, Patrick Seger, Matt Collins, Jeff Northrup.
Also Present: Laura Goodloe, Puchalski Goodloe LLC; Stan Helgerson, Village of Hoffman Estates; Mike May, Lauterbach & Amen; Heidi Arndorfer, Foster & Foster; Cassie Gregorowicz, minutes recorder.
- III. **Public Comment.** None.
- IV. **Approval of Minutes.** Review minutes of October 10, 2022. Motion for approval of meeting minutes made by Patrick Seger, second by Matt Collins. All in favor, aye.
- V. **Accountant's/Finance Report.**
 1. Reviewed finance report presented by Mike May of Lauterbach & Amen. Total net position as of November 30, 2022 of \$99,352,122. Yearly change of position of a loss of \$17,414,626. Total bills of \$353,476.18.
Motion to approve Finance Statement as presented with bills being paid as reported by Matt Collins, second by Patrick Seger. Roll Call Vote: Matt Fijalkowski; aye, Matt Collins, aye, Patrick Seger, aye, Rachel Musiala, aye, Jeff Northrup, aye.
 2. Cash Flow Projections. \$5.1 million in cash as of end of November, 2022, \$650,000 expenses every month, cash flow and cash on hand is good. At next meeting the cash management policy will be reviewed.
 3. Vote to approve outstanding invoices. None.
- VI. **Investment Report**
 1. Quarterly Performance Reports. Total income at end of November about \$5.5 million. Ending net value \$94.2 million in the consolidated fund. 6.2% return for November. Ownership in the fund at 1.27%.
 2. FPIF updates. Election was held, elected members are: Brad Cole, chairperson; Chad Sullivan, Vice Chair; Matt Kirk, Board Secretary; Greg Nole, Treasurer.
- VII. **Informational Items/Unfinished Business.**
 1. Status of Trustee Training. All compliant for 2022 training. All trustees require 8 hours for 2023, Northrup completed his 16 hour new trustee training in 2022.
 2. Semi-Annual Review of Executive Session Minutes. None.
 3. Appointment of Authorized Agents – FPIF
 4. IPPFA Membership Renewal. 2023 Membership \$795 yearly fee has been paid as previously voted upon in October, 2022.
 5. Municipal Compliance Report. Presented by Mike May. \$6.3 million recommended contribution.

6. Annual Actuarial Valuation/Foster & Foster. 4.5% increase in recommendation. Investment return of 11.63% with a salary increase of 6.2%. Updated mortality to generational mortality rate and termination rate tables, reduced assumed payroll growth rate, updated salary rate increases based on the latest contract. 64.3% Funded ratio. As of January 1, 2022, 35 people that could retire in the next 5 years. Assumption for salary for tier 2 participants \$134,071.36. Motion to accept and ratify the annual actuarial valuation as presented made by Jeffrey Northrup, second Matt Fijalkowski. All in favor: aye.
7. Tax Levy Request. Submitted on November 2. Above recommendation, the Village is using different assumptions. DOI recommendation was 4.2%. Discussion of 15 year open amortization which slowly approaches 100% funding versus fully funded by year 2040. Motion to accept Municipal Compliance report made by Jeffrey Northrup, second by Matt Collins. All in favor, aye.
8. 2023 Disabled Pensioner Evaluations. No disabled pensioners below age 50 at this time.
9. 2023 Affidavits of Eligibility. Affidavits will hopefully go out by the end of January in a combined mailing opening nominations for the Retiree Trustee position.

VIII. New Business.

1. Retirement/Disability Applications.

Jason M. Loeb, age 43, 21 years and 1 month of creditable service earned, application for retirement as of December 2, 2022, effective date of pension March 22, 2029, with an applicable salary of \$121,125.99 will receive 52.71% with originally monthly pension of \$5,320.29. Motion tabled to next meeting to discuss pension deferment with pensioner.

Notice received retired chief James Eaves spouse passed away, certificate of death received for Virgie J. Eaves and has been added to the file.

Received notice from daughter of Joan Kalasa that she has passed away, she was receiving survivors benefit from retired Chief Kalasa. Pension has been stopped and all restitution has been made. All documentation is in the file.

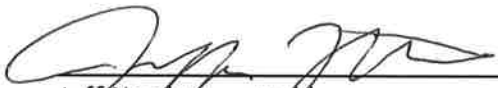
Bonnie Lou K. Stephenson Survivor Pension Application. Motion to approve conversion from a Disability Pension to Survivor's Benefits for Bonnie Lou K. Stephenson, married 07/11/1959 to Randall F. Stephenson, with an effective date of conversion 12/08/2022 made by Matthew Fijalkowski, Second by Jeffrey Northrup. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Patrick Seger, aye, Matt Collins, aye, Jeff Northrup, aye.

2. New Applications to the Fund. None.
3. QLDROs. None.
4. Reciprocity Applications. Brandan I. Sanders application is currently being processed.
5. Cost of Living Adjustments. All adjustments are in place. Motion to approve by Jeffrey Northrup, second by Matthew Fijalkowski. Roll Call Vote: Matthew Fijalkowski, aye, Rachel Musiala, aye, Patrick Seger, aye, Matt Collins, aye, Jeff Northrup, aye.
6. Annual review & confirmation as to status of vendor contracts.

7. Review, discussion and possible action regarding Bank of New York (BONY) tri-party collateralization agreement. Money in excess of \$250,000 in the BMO account will be backed. Motion to approve the collateralization agreement through Bank of New York made by Jeffrey Northrup, second by Matthew Fijalkowski. All in favor, aye.
 8. Cook County Statement of Economic Interests. Due May 1.
 9. Pension Board Election. (Active Member Trustee – Northrup), (Retired Member Trustee – Collins). Two elections will be held in the first quarter of 2023 for Jeffrey Northrup and Matthew Collins. This will begin with a mailer announcing the nomination period. Next, the nominees will be verified and then ballots will be mailed with a deadline for receipt of ballots cast. Will check if surviving spouses are able to vote.
 10. Pension Board Village Appointment (Musiala). Mayor will send out letter regarding reappointment. Patrick Seger will double check that his paperwork has been received as well.
 11. Pension Board Officer Elections. Tabled until April after election results are received.
- IX. **Closed Session.** None.
- X. **Adjournment.** Meeting adjourned at 11:27 am. Motion to adjourn by Matthew Fijalkowski, second by Patrick Seger. All in favor, aye.

Next Meeting scheduled for **April 10, 2023 at 9:30 am**

Signatures upon approval of minutes



Jeff Northrup, President



Matthew Fijalkowski, Secretary