



DES PLAINES FIREFIGHTERS' PENSION FUND

405 S. River Road ■ Des Plaines, Illinois 60016

William Rice
President

Jeff Vallee
Secretary

Paul Birger
Trustee

Nicholas Chiaro
Trustee

Jeffery Rozovics
Trustee

MINUTES OF A REGULAR MEETING OF THE DES PLAINES FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES MAY 4, 2021

A regular meeting of the Des Plaines Firefighters' Pension Fund Board of Trustees was held on Tuesday, May 4, 2021 at 8:30 a.m. via videoconference without a quorum of the public body physically present and without any singular member of the public body present at the Board's regular meeting location because of a disaster declaration related to COVID-19 public health concerns affecting the City of Des Plaines. The City of Des Plaines Firefighters' Pension Fund Board President has determined that an in-person meeting with all participants is not practical, prudent or feasible because of the disaster, pursuant to notice.

CALL TO ORDER: Trustee Rice called the meeting to order at 8:37 a.m.

ROLL CALL:

PRESENT: Trustees Bill Rice, Jeff Vallee, Paul Birger, Jeffery Rozovics and Nicholas Chiaro

ABSENT: None

ALSO PRESENT: Attorney Laura Goodloe, Puchalski Goodloe Marzullo, LLP (PGM); Thomas McShane, Graystone Consulting; Keri O'Brien, Lauterbach & Amen, LLP (L&A); Treasurer Dorothy Wisniewski, City of Des Plaines

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 2, 2021 Regular Meeting:* The Board reviewed the February 2, 2021 regular meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the February 2, 2021 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro

NAYS: None

ABSENT: None

December 18, 2020 Special Meeting: The Board reviewed the December 18, 2020 special meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Chiaro to approve the December 18, 2020 special meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro

NAYS: None

ABSENT: None

December 18, 2020 Closed Session Meeting: The Board reviewed the December 18, 2020 closed session meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to approve the December 18, 2020 closed session meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro

NAYS: None

ABSENT: None

March 23, 2021 Special Meeting: The Board reviewed the March 23, 2021 special meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Chiaro to approve the March 23, 2021 special meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Rozovics and Chiaro
NAYS: None
ABSENT: None
ABSTAIN: Trustee Birger

March 23, 2021 Closed Session Meeting: The Board reviewed the March 23, 2021 closed session meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Chiaro to approve the March 23, 2021 closed session meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Rozovics and Chiaro
NAYS: None
ABSENT: None
ABSTAIN: Trustee Birger

Approve Destruction of Closed Session Recordings: Attorney Goodloe informed the Board that she reviewed the applicable provision of the Open Meetings Act and advised the Board that pursuant to Section 2.06(c) of the Act, the Board has the authority to destroy any such audio/verbatim recording of all closed meetings eighteen months after the closed meeting occurred, so long as a corresponding meeting minute exists for each closed session. Attorney Goodloe confirmed twelve sets of closed meeting minutes exist, to which any audio/verbatim recording may be destroyed without further notice. Upon review and discussion, a motion was made by Trustee Chiaro and seconded by Trustee Birger to destroy any such audio/verbatim recording that may be in existence as discussed with respect to the following closed sessions: November 3, 2009, August 2, 2011, December 7, 2015, January 4, 2016, February 2, 2017, September 22, 2017, October 30, 2017, November 15, 2017, November 17, 2017, January 2, 2018, August 21, 2018 and April 17, 2019. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board was provided the Monthly Financial Report for the three-month period ending March 31, 2021 prepared by L&A. As of March 31, 2021, the net position held in trust for pension benefits is \$96,508,406.31 for a change in position of \$3,650,206.38. The Board also was provided the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Birger and seconded by Trustee Rozovics to accept the Monthly Financial Report as prepared. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period January 1, 2021 through March 31, 2021 for total disbursements of \$475,740.97. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the disbursements shown on the Vendor Check Report in the amount of \$475,740.97. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice was received. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve payment of the IDOI Compliance Fee in the amount of \$8,000. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Performance Report:* Mr. McShane presented the Quarterly Performance Report for the period ending March 31, 2021. As of March 31, 2021, the quarter-to-date net return is 3.62% and the ending market value is \$96,588,427.42. The current asset allocation is as follows: fixed income at 29.04%, equities at 68.76% and cash and cash equivalents at 2.20%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Review/Update Monthly Funding Amount: The Board discussed the monthly transfer amount. A motion was made by Trustee Vallee and seconded by Trustee Birger to increase the monthly transfer amount from \$800,000 to \$830,000 for the purpose of funding benefit payments and pension fund expenses. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Chiaro
NAYS: None
ABSENT: None
ABSTAIN: Trustee Rozovics

Potential Purchase and/or Sale of Securities: The Board discussed rebalancing the portfolio. A motion was made by Trustee Chiaro and seconded by Trustee Vallee to liquidate \$1,500,000 from the S&P 500 Index and reallocate the proceeds as follows: \$500,000 to Garcia Hamilton and \$1,000,000 to cash. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Chiaro
NAYS: None
ABSENT: None
ABSTAIN: Trustee Rozovics

Allocations and Hiring/Termination of Investment Managers: There were no recommendations at this time.

Review/Update Investment Policy, if needed: The Board discussed the Investment Policy and determined that no changes are required at this time.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A. The originals will be provided to the Board for their records at the next regular meeting.

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest were due May 1, 2021.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Alden Wolf/Approve Surviving Spouse Benefit – Barbara Wolf:* The Board noted that pensioner Alden Wolf passed away March 24, 2021 and reviewed the surviving spouse benefit for Barbara Wolf for a monthly amount of \$4,005.69 with no additional increases. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the surviving spouse benefit for Barbara Wolf calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement is currently in process and the final report will be sent to the Board for review upon completion.

Break in Service Calculation – Kyle Blank: The Board noted that payment has been received from Kyle Blank in the amount of \$146.48 to make whole his 8-day break in service during various dates from August 8, 2020 and November 27, 2020 due to military leave. A motion was made by Trustee Vallee and seconded by Trustee Birger to accept the payment and recognize the purchase as paid in full. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

NEW BUSINESS: *Consent and Authorization to Communicate – Ian Carroll:* The Board reviewed the Consent and Authorization form prepared by Attorney Goodloe allowing Ian Carroll's father, Colin Carroll to be included on any correspondence that is issued to Ian Carroll. The completed form will be provided to the Board, Attorney Goodloe and L&A upon receipt.

Certify Board Election Results – Retired Member Position: L&A conducted an election for the retired member position on the Des Plaines Firefighters' Pension Fund Board of Trustees. Paul Birger ran unopposed and was re-elected for a three-year term expiring April 30, 2024. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to certify the election results as prepared. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

Board Officer Elections – President and Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Rice as President and Trustee Vallee as Secretary. A motion was made by Trustee Chiaro and seconded by Trustee Rozovics to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

FOIA Officer and OMA Designee: The Board discussed designating Trustee Vallee as the FOIA Officer. A motion was made by Trustee Rice and seconded by Trustee Chiaro to designate the FOIA Officer as discussed. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

The Board discussed designating Trustee Rice as the OMA Designee. A motion was made by Trustee Birger and seconded by Trustee Chiaro to designate the OMA Designee as discussed. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

Appointed Member Term Expiration – Nicholas Chiaro: The Board noted that the appointed member term currently held by Trustee Chiaro expired in April 2021 and he does not wish to remain on the Board. The Board directed Treasurer Wisniewski to contact the Mayor of the City of Des Plaines to seek appointment to the Board for the vacant position. Further discussion will be held at the next regular meeting.

Resolution to Appoint Authorized Agents in accordance with FPIF Rule 2021-01: The Board reviewed the Resolution to Appoint Authorized Agents in accordance with FPIF Rule 2021-01. A motion was made by Trustee Birger and seconded by Trustee Chiaro to appoint Trustees Rice and Vallee as the authorized agents for the Des Plaines Firefighters' Pension Fund Board of Trustees. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro
NAYS: None
ABSENT: None

TRUSTEE TRAINING UPDATE: The Board reviewed the upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registrations or reimbursable expenses presented for approval.

ATTORNEY'S REPORT – PUCHALSKI GOODLOE MARZULLO, LLP: Attorney Goodloe provided updates on recent legislation and investment consolidation. All questions were answered by Attorney Goodloe.

Application for Disability Benefit – George Hidalgo: Attorney Goodloe informed the Board that the City of Des Plaines has filed a petition to intervene and that George Hidalgo's attorney will be filing an objection to the City's petition. Attorney Goodloe requested dates from the Board in order to schedule a special meeting for Mr. Hidalgo's intervention hearing. Attorney Goodloe also noted that all medical records have been received and the three independent medical examinations are ready to be scheduled.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS (CONTINUED): *Approve Duty Disability Benefit and Decision and Order – Michael King:* The Board noted that L&A is currently waiting on PED/TTD payment schedules to be received from the City before Michael King's duty disability benefit and retro-payment can be finalized. The Board agreed to commence payments of Mr. King's duty disability benefit upon receipt and approval of the benefit calculations. Attorney Goodloe informed the Board that the Decision and Order is currently in process and will be presented to the Board for approval at the next regular meeting.

ATTORNEY'S REPORT – PUCHALSKI GOODLOE MARZULLO, LLP (CONTINUED): *2021 Annual Disability Re-Evaluations:* Attorney Goodloe informed the Board that in accordance with Administrative Rules, any disabled pensioner under the age of 50 is required to complete an independent medical examination. The Board directed Attorney Goodloe to send all applicable disabled pensioners for their annual IME's. Further discussion will be held at the next regular meeting.

CLOSED SESSION, IF NEEDED: There was no need for closed session.


ADJOURNMENT: A motion was made by Trustee Birger and seconded by Trustee Vallee to adjourn the meeting at 10:09 a.m. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger, Rozovics and Chiaro

NAYS: None

ABSENT: None

The next regular meeting is scheduled for August 3, 2021 at 8:30 a.m.


Board President or Secretary

Minutes approved by the Board on _____

Minutes prepared by Keri O'Brien, Pension Services Administrator, Lauterbach & Amen, LLP