

**THE REGULAR MEETING MINUTES OF THE ROCK ISLAND
FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES
JANUARY 23, 2019**

A regular meeting of the Rock Island Firefighters' Pension Fund Board of Trustees was held on Wednesday January 23, 2019 at 3:00 pm at the Rock Island Police Station Meeting Room located at 1212 5th Avenue, Rock Island, Illinois 61201, pursuant to notice.

CALL TO ORDER: President Chad Jacobs called the meeting to order at 3:06 pm.

ROLL CALL:

PRESENT: President Chad Jacobs (April 2020), Secretary Paul Hoffeditz (April 2021), Trustee Jim Fobert (*the meeting at 3:31 p.m.*) (April 2019), Trustee Stephanie Masson (April 2020)

ABSENT: Trustee Shellee Showalter (April 2020)

ALSO PRESENT: A.J. Weber (*via teleconference*) and Liz Failing, Lauterbach & Amen, LLP (L&A); Chris Caparelli, Marquette & Associates, Inc.

NEW BUSINESS: *Certify Board Election Results – Retired Trustee Position:* L&A conducted a special election for the Retired Member position on the Rock Island Firefighters' Pension Fund Board of Trustees. Jim Fobert ran unopposed and was elected to fill the remaining three-year term expiring April, 30 2019. A motion was made by Trustee Hoffeditz and seconded by Trustee Masson to certify the special election results. Motion carried unanimously by voice vote.

Board Officer Election – Secretary: The Board discussed Board Officer Elections and nominated Trustee Hoffeditz as Secretary. A motion was made by Trustee Jacobs and seconded by Trustee Masson to elect the Officer as stated. Motion carried unanimously by voice vote.

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 24, 2018 Regular Meeting Minutes:* The Board reviewed the October 24, 2018 regular meeting minutes. A motion was made by Trustee Hoffeditz and seconded by Trustee Masson to approve the October 24, 2018 regular meeting minutes with amendments to applications for membership to reflect the City of Rock Island instead of the Village and "fiscal year end" to "education year end". Motion carried unanimously by voice vote.

January 10, 2019 Special Meeting Minutes: The Board reviewed the January 10, 2019 special meeting minutes. A motion was made by Trustee Masson and seconded by Trustee Hoffeditz to approve the January 10, 2019 special meeting minutes with the amendment to the roll call removing Doug Vroman as present. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eleven-month period ending November 30, 2018 as prepared by L&A. As of November 30, 2018, the net position held in trust for pension benefits is \$23,395,821.56 for a change in position of (\$570,409.83). The Board also reviewed the

Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. The Board reviewed the Vendor Check Report for the period September 1, 2018 through November 30, 2018 for total disbursements of \$108,613.38. A motion was made by Trustee Hoffeditz and seconded by Trustee Masson to accept the Monthly Financial Report and the Vendor Check Report as presented. Motion carried by roll call vote.

AYES: Trustees Jacobs, Hoffeditz and Masson

NAYES: None

ABSENT: Trustee Showalter and Fobert

Presentation and Approval of Bills: The Board reviewed the following additional bills for approval: IPPFA invoice #2028 in the amount of \$795 for 2019 membership dues. A motion was made by Trustee Hoffeditz and seconded by Trustee Jacobs to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Jacobs, Hoffeditz and Masson

NAYES: None

ABSENT: Trustee Showalter and Fobert

Trustee Fobert joined the meeting at 3:31 p.m.

Reimer & Dobrovolny PC invoice #24560 in the amount of \$1,359.34 for legal services. A motion was made by Trustee Masson and seconded by Trustee Hoffeditz to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Hoffeditz and Masson

NAYES: None

ABSENT: Trustee Showalter

TREASURER'S REPORT: *Cash Pool Reimbursement:* The Board discussed approving the transfers from the Rock Island Firefighters' Pension Fund to the City of Rock Island for funding of benefits October through December 2018 in the amount of \$1,137,121.01. A motion was made by Trustee Hoffeditz and seconded by Trustee Fobert to approve the transfers as discussed. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Hoffeditz and Masson

NAYES: None

ABSENT: Trustee Showalter

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was submitted to the County by City Clerk. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2019.

Review/Approve – Death Audit Service Authorization: The Board discussed the Death Audit Service offered through IPPFA and L&A. A motion was made by Trustee Masson and seconded by Trustee Hoffeditz to authorize the Death Audit Service as discussed and to execute the Death Audit Service Authorization form provided by L&A. Motion carried unanimously by voice vote.

2019 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement increased to \$0.58 per mile effective January 1, 2019.

Additional Bills, if any: Mr. Weber discussed the payroll and accounts payable procedures with the Board.

INVESTMENT REPORT – MARQUETTE & ASSOCIATES, INC: *Investment Report:* Chris Caparelli presented the Investment Report for the period ending December 31, 2018. Mr. Caparelli discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of December 31, 2018, the three-month total net return is (7.0%) and the year-to-date total net return is (4.3%) for an ending market value of \$22,544,552.91. The current asset allocation is as follows: Fixed Income at 36.8%, U.S. Equity at 28.4%, International Equity at 21.5%, Real Estate at 5.5%, Alternatives Composite at 4.9% and Cash at 2.8%. A motion was made by Trustee Hoffeditz and seconded by Trustee Fobert to accept the Investment Report as presented. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Hoffeditz and Masson
NAYES: None
ABSENT: Trustee Showalter

The Board discussed terminating both the Vanguard Prime Cap and Vanguard Large Cap Funds and reallocating the funds into the Vanguard S & P 500. A motion was made by Trustee Hoffeditz and seconded by Trustee Fobert to reallocate the funds as discussed. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Hoffeditz and Masson
NAYES: None
ABSENT: Trustee Showalter

Review/Update Investment Policy: There were no updates necessary to the Investment Policy at this time.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all training certificates to L&A for recordkeeping.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: The Board noted that Brandon Ducey has withdrawn from the Fund effective December 3, 2018. No further action was taken.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Status of Disability Hearing – Kevin Vroman:* The Board noted that Mr. Vroman's paperwork has been submitted to L&A for processing and will be updated on any new information.

OLD BUSINESS: *Discussion/Possible Action – Reimer & Dobrovolny PC Retainer Agreement:* The Board discussed the Retainer Agreement provided by Reimer & Dobrovolny PC. A motion was made by Trustee Masson and seconded by Trustee Hoffeditz to authorize the President to negotiate an agreement with Reimer & Dobrovolny PC for legal services. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Hoffeditz and Masson
NAYES: None
ABSENT: Trustee Showalter

Review/Approve – Fiduciary Liability Insurance: The Board tabled this until the next scheduled meeting.

NEW BUSINESS (CONTINUED): *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* L&A informed the Board the COLA's will be available for approval at the next scheduled meeting.

Review Trustee Term Expirations and Election Procedures: The Board noted that the retired member term currently held by Trustee Fobert will be expiring in April 2019. Trustee Fobert expressed his wishes to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position.

Discussion/Possible Action – Investment Manager Contracts: The Board discussed the Investment Manager Contracts submitted by L&A. Further discussion will be held at the next scheduled meeting.

Illinois Department of Insurance Annual Statement: The Board noted the completion of the IDOI Annual Statement is currently in process. Updates will be provided to the Board as they become available.

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Legal and Legislative Update:* The Board reviewed the first quarter *Legal and Legislative* newsletter provided by Reimer & Dobrovoly PC.

Annual Independent Medical Examination – Andrew West: The Board discussed sending Andrew West for his annual independent medical examination. Further discussion will be held at the next scheduled meeting.

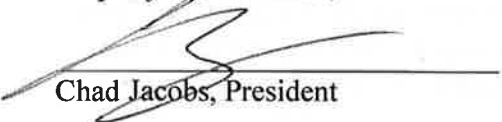
Review/Adopt – Rules & Regulations: The Board tabled this until the next scheduled meeting.

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

ADJOURNMENT: A motion was made by Trustee Hoffeditz and seconded by Trustee Fobert to adjourn the meeting at 4:49 pm. Motion carried unanimously by voice vote.

The next regular meeting of the Rock Island Firefighters' Pension Fund will be held on **Wednesday, April 24, 2019 at 3:00 pm.**

Respectfully submitted,


Chad Jacobs, President

Minutes approved by the Board of Trustees on 4-24-2019.