

**MINUTES OF A REGULAR MEETING OF
THE ROCK ISLAND FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
JULY 28, 2021**

A regular meeting of the Rock Island Firefighters' Pension Fund Board of Trustees was held on Wednesday, July 28, 2021 at 2:30 p.m. in the Rock Island Police Station Meeting Room located at 1212 5th Avenue, Rock Island, Illinois 61201, pursuant to notice.

CALL TO ORDER: Trustee Jacobs called the meeting to order at 2:32 p.m.

ROLL CALL:

PRESENT: Trustee Chad Jacobs (April 2023), Trustee Shellee Showalter (April 2023) (*arrived at 2:51 p.m.*), Trustee Jim Fobert (April 2022) and Trustee Linda Barnes (April 2022), Trustee Nicholas Border (April 2024)

ABSENT: None

ALSO PRESENT: Keri O'Brien, Lauterbach & Amen, LLP (L&A); Ryan Marks, Marquette Associates; Attorney Bryan Strand, Reimer Dobrovolny & LaBardi PC

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: April 28, 2021 *Regular Meeting:* The Board reviewed the April 28, 2021 regular meeting minutes. A motion was made by Trustee Fobert and seconded by Trustee Barnes to approve the April 28, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes and will not release them at this time due to pending matters.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the six-month period ending June 30, 2021 prepared by L&A. As of June 30, 2021, the net position held in trust for pension benefits is \$27,691,927.49 for a change in position of \$1,031,659.38. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period April 1, 2021 through June 30, 2021 for total disbursements of \$198,557.34. A motion was made by Trustee Fobert and seconded by Trustee Border to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$198,557.34. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Barnes and Border

NAYS: None

ABSENT: Trustee Showalter

Additional Bills, if any: There were no additional bills presented for approval.

INVESTMENT REPORT – MARQUETTE ASSOCIATES: *Executive Summary Review:* Mr. Marks presented the Executive Summary Review for the period ending June 30, 2021. Mr. Marks discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of June 30, 2021, the three-month total net return is 4.6% and the year-to-date total net return is 8.1% for an ending

market value of \$27,023,202. The current asset allocation is as follows: Fixed Income at 29.8%, U.S. Equity at 33.5%, International Equity at 25.9%, Real Estate at 4.3%, Alternatives Composite at 5.6% and Cash at 0.9%.

Discussion/Possible Action – Rebalancing of Fund: The Board discussed rebalancing the portfolio. A motion was made by Trustee Border and seconded by Trustee Barnes to transfer \$300,000 from the Vanguard S&P 500 Index, \$250,000 from Baird Mid-Cap Growth and \$159,000 from DFA Small-Cap Value and reallocate the proceeds to the PNC Intermediate G/C Fund. Motion carried by roll call vote.

AYES: Trustees Jacobs, Fobert, Barnes and Border

NAYS: None

ABSENT: Trustee Showalter

Review/Update Investment Policy: 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 and the originals were given to the Board for their recordkeeping.

Trustee Showalter arrived at 2:51 p.m.

TRUSTEE TRAINING UPDATES: The Board discussed upcoming training opportunities. Trustees were reminded to submit all training certificates to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: The Board discussed the IPPFA 4-hour Online Transition/Consolidation Training. A motion was made by Trustee Fobert and seconded by Trustee Showalter to approve Trustee Border's registration fee for the 4-hour Online Transition/Consolidation Training. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border

NAYS: None

ABSENT: None

The Board discussed the 2021 AFFI Pension Seminar. A motion was made by Trustee Border and seconded by Trustee Fobert to approve Trustee Jacobs registration fee for the 2021 AFFI Pension Seminar. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border

NAYS: None

ABSENT: None

The Board discussed the 2021 IPPFA MidAmerican Pension Conference. A motion was made by Trustee Jacobs and seconded by Trustee Barnes to approve Trustee Showalter's registration fee for the 2021 IPPFA MidAmerican Pension Conference. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border

NAYS: None

ABSENT: None

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Duty Disability Benefits & Retroactive Payments – Kevin Vroman & Christian Naab:* The Board reviewed the duty disability benefit calculation for Kevin Vroman prepared by L&A. Firefighter Vroman had an entry date of August 10 1998, disability date of April 4, 2018, effective date of pension of April 5, 2018, 52 years of age at date of disability, 19 years and 7 months of creditable service, applicable salary of \$75,311.50, applicable pension percentage of 65.00%, amount of originally granted monthly pension of \$4,079.37 and amount of originally granted annual pension of \$48,952.44.

The Board also noted that Mr. Vroman is due a retroactive payment in the amount of \$21,844.97 for the period April 5, 2018 through November 2020 due to the time elapsed between Mr. Vroman's date of disability and his duty disability benefit granted.

A motion was made by Trustee Jacobs and seconded by Trustee Fobert to approve Kevin Vroman's duty disability benefit and retroactive payment in the amount of \$21,844.97 calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border

NAYS: None

ABSENT: None

The Board reviewed the duty disability benefit calculation for Christian Naab prepared by L&A. Lieutenant/Paramedic Naab had an entry date of March 7, 1988, disability date of November 30, 2019, effective date of pension of June 29, 2020, 65 years of age at date of disability, 31 years and 8 months of creditable service, applicable salary of \$90,555.90, applicable pension percentage of 75.00%, amount of originally granted monthly pension of \$5,659.74 and amount of originally granted annual pension of \$67,916.88. A motion was made by Trustee Jacobs and seconded by Trustee Fobert to approve Christian Naab's duty disability benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border

NAYS: None

ABSENT: None

The Board will discuss Christian Naab's retroactive payment at the next regular meeting.

Approve Regular Retirement Benefits with Reciprocity – Brian Vyncke: The Board reviewed the regular retirement benefit calculation for Brian Vyncke. Mr. Vyncke had an entry date of April 15, 1991; retirement date of June 24, 1995; effective date of combined pension of March 16, 2021; 52 years old at date of retirement; 4 years, 2 months creditable service with Rock Island Firefighters' Pension Fund; applicable salary of \$2,450.33; and an applicable pension percentage of 10.42%. The amount of originally granted annual pension from Rock Island Fire is \$3,062.93 and the amount of originally granted monthly pension from Moline Fire is \$7,042.12. A motion was made by Trustee Jacobs and seconded by Trustee Showalter to approve the regular retirement benefits for Brian Vyncke calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

Approve Regular Retirement Benefits – Craig Haigh: The Board reviewed the regular retirement benefit calculation for Craig Haigh. Mr. Haigh had an entry date of July 11, 1988; retirement date of November 4, 1995; effective date of combined pension of July 3, 2021; 53 years old at date of retirement; 7 years, 3 months creditable service with Rock Island Firefighters' Pension Fund; applicable salary of \$2,947; and an applicable pension percentage of 18.13%. The amount of originally granted annual pension from Rock Island Fire is \$6,409.73 and the amount of originally granted monthly pension from Hanover Park Fire is \$9,689.42. A motion was made by Trustee Barnes and seconded by Trustee Fobert to approve the regular retirement benefits for Craig Haigh calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

Discussion/Possible Action – TTD Disability Buyback Interest Rate – Jason Livengood: The Board discussed Jason Livengood's TTD disability buyback interest rate. A motion was made by Trustee Jacobs and seconded by Trustee Fobert to waive interest on Mr Livengood's TTD disability buyback at this time. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement has been completed and submitted to the Department of Insurance prior to the June 30, 2021 deadline.

NEW BUSINESS: *Resolution to Appoint Authorized Agents in Accordance with FPIF Rule 2021-01:* The Board reviewed the Resolution Appointing Authorized Agents in accordance with FPIF Rule 2021-01. A motion was made by Trustee Jacobs and seconded by Trustee Barnes to adopt Resolution 2021-01 appointing Trustees Jacobs and Fobert as the Authorized Agents for the Rock Island Firefighters' Pension Fund. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

Acknowledge FPIF Notice of Transfer Date, Adopt Resolution of Notice and Execute Exhibits: The Board will discuss this item at the next regular meeting.

Board Officer Elections – President & Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Jacobs as President and Trustee Fobert as Secretary. A motion was made by Trustee Border and seconded by Trustee Barnes to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

FOIA Officer & OMA Designee: The Board discussed designating Trustee Barnes as the FOIA Officer and OMA Designee. A motion was made by Trustee Jacobs and seconded by Trustee Border to designate the FOIA Officer and OMA Designee as stated. Motion carried unanimously by voice vote.

Review/Approve – Actuarial Valuation & Tax Levy Request: The Board reviewed the finalized Actuarial Valuation prepared by Nyhart. Based on data and assumptions, the recommended municipal contribution is \$4,079,988 and the statutory minimum contribution amount is \$4,067,905.

The Board discussed requesting a tax levy in the amount of \$4,079,988. A motion was made by Trustee Jacobs and seconded by Trustee Fobert to accept the Actuarial Valuation and to request a tax levy in the amount of \$4,079,988 from the City of Rock Island based on the recommended amount stated in the Actuarial Valuation prepared by Nyhart. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by the City. A motion was made by Trustee Jacobs and seconded by Trustee Fobert to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

BMO Harris Bank Signature Cards & Resolution Update: L&A provided the Board with the necessary forms to update the signers on the BMO Harris Bank account with the current Board members and municipal representative. A motion was made by Trustee Border and seconded by Trustee Showalter to designate Trustees Jacobs and Barnes as signers on the BMO Harris Bank account. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney Strand discussed recent court cases and decisions, as well as general pension matters with the Board.

Annual Independent Medical Examination – Andrew West: The Board discussed sending Andrew West for his annual independent medical examination (IME). A motion was made by Trustee Showalter and seconded by Trustee Fobert to authorize the Board Attorney to send Andrew West for his annual IME. Further discussion will be held at the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Jacobs, Showalter, Fobert, Barnes and Border
NAYS: None
ABSENT: None

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

ADJOURNMENT: A motion was made by Trustee Fobert and seconded by Trustee Border to adjourn the meeting at 3:54 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 27, 2021 at 2:30 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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