



LOMBARD FIREFIGHTERS' PENSION FUND



George Seagraves – President Thomas Willis – Vice President
Terry Davis – Secretary Joseph Shark – Assistant Secretary
Ronald Rakosnik – Trustee

MINUTES OF A REGULAR MEETING OF THE LOMBARD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES JULY 24, 2019

A regular meeting of the Lombard Firefighters' Pension Fund Board of Trustees was held on Wednesday, July 24, 2019 at 8:30 a.m. in the Village Hall located at 255 E. Wilson Avenue, Lombard, Illinois 60148, pursuant to notice.

CALL TO ORDER: Trustee Seagraves called the meeting to order at 8:30 a.m.

ROLL CALL:

PRESENT: Trustees George Seagraves, Terry Davis, Joe Shark, Thomas Willis and Ronald Rakosnik

ABSENT: None

ALSO PRESENT: Attorney Charles Atwell, Atwell & Atwell; Bob Thompson and Alex Garber, Fifth Third; Finance Director Tim Sexton, Accounting Coordinator Jessica Nawracaj and Village Accountant Michael Whaley, Village of Lombard; Michelle Rice, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 24, 2019 Regular Meeting:* The Board reviewed the April 24, 2019 regular meeting minutes. A motion was made by Trustee Willis and seconded by Trustee Davis to approve the April 24, 2019 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik

NAYS: None

ABSENT: None

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

INVESTMENT REPORT – FIFTH THIRD: *Investment Review:* Mr. Thompson presented the Investment Review for the period ending June 30, 2019. As of June 30, 2019, the quarter-to-date net return is 3.2% with total earnings of \$2,349,815.13 and an ending market value of \$63,796,109.23. The current asset allocation is as follows: fixed income at 41.93%, equities at 52.38%, real assets at 1.94% and cash & equivalents at 3.74%. The asset composition for the equity and fixed income portfolios, reconciliation and holdings summaries and quarterly market insights were reviewed with the Board.

Review/Update Investment Policy: The Board discussed increasing the equity allocation from 55% to a target of 62% with a range of 60 – 65%, with a revised investment policy to be reviewed by the Board at the next regular meeting. A motion was made by Trustee Willis and seconded by Trustee Rakosnik to increase the equity allocation as discussed. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

A motion was made by Trustee Shark and seconded by Trustee Davis to accept the Investment Review as presented. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the six-month period ending June 30, 2019 prepared by L&A. As of June 30, 2019, the net position held in trust for pension benefits is \$64,696,973.67 for a change in position of \$5,985,923.67. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Rakosnik and seconded by Trustee Willis to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period April 1, 2019 through June 30, 2019 for total disbursements of \$166,672.51. A motion was made by Trustee Willis and seconded by Trustee Shark to approve the disbursements shown on the Vendor Check Report in the amount of \$166,672.51. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Maris Hovee, Brian Kurth and Joel Montiel:* The Board reviewed the Applications for Membership submitted by Maris Hovee, Brian Kurth and Joel Montiel. A motion was made by Trustee Willis and seconded by Trustee Davis to accept Maris Hovee effective April 8, 2019 and Brian Kurth and Joel Montiel effective February 4, 2019 into the Lombard Firefighters' Pension Fund as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefit – Timothy Hogan:* The Board reviewed the regular retirement benefit calculation for Timothy Hogan. Firefighter Hogan had an entry date of January 8, 1999, retirement date of June 3, 2019, effective date of pension of June 4, 2019, 54 years of age at date of retirement, 20 years 4 months of creditable service, applicable salary of \$101,805.12, applicable pension percentage of 50.83%, amount of originally granted monthly pension of \$4,312.58 and amount of originally granted annual pension of \$51,750.96. A motion was made by Trustee Willis and seconded by Trustee Davis to approve Timothy Hogan's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

TRUSTEE TRAINING UPDATES: The Board was presented with the Trustee Training Summary and upcoming training opportunities. Trustees were reminded to submit any continuing education certificates 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.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Board Officer Elections – President and Secretary:* The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Seagraves as President, Trustee Willis as Vice President, Trustee Davis as Secretary and Trustee Shark as Assistant Secretary. A motion was made by Trustee Rakosnik and seconded by Trustee Shark to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

FOIA Officer and OMA Designee: The Board discussed maintaining Trustee Davis as the FOIA Officer and OMA Designee. A motion was made by Trustee Willis and seconded by Trustee Rakosnik to maintain the FOIA Officer and OMA Designee as stated. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

Review/Approve – Actuarial Valuation: The Board reviewed the Actuarial Valuation prepared by Nyhart. Based on data and assumptions, the recommended municipal contribution is \$2,509,600 and the statutory minimum contribution is \$1,843,984. Mr. Sexton apprised the Board that the Village will be making an additional \$300,000 contribution into the Lombard Firefighters' Pension Fund. A motion was made by Trustee Rakosnik and seconded by Trustee Willis to accept the Actuarial Valuation prepared by Nyhart. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

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

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

Tax Levy Request: The Board discussed requesting a tax levy in the amount of \$2,509,600. A motion was made by Trustee Willis and seconded by Trustee Rakosnik to request a tax levy in the amount of

\$2,509,600 from the Village of Lombard, based on the recommended amount stated in the Actuarial Valuation prepared by Nyhart. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the June payroll cycle and a due date of July 31, 2019. A status update will be provided at the next regular meeting.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

ATTORNEY'S REPORT – ATWELL & ATWELL: *Legal Updates:* Attorney Atwell provided legislative updates pertaining to Article 4 Pension Funds; including recent court cases and decisions, as well as general pension matters.

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

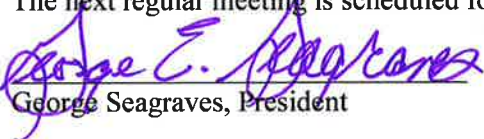
APPROVE TRUSTEE TRAINING HOURS FOR MEETING: The Board approved one hour of Trustee training for Trustees Seagraves, Davis, Shark, Willis and Rakosnik for attendance at the July 24, 2019 Board meeting. A motion was made by Trustee Willis and seconded by Trustee Davis to approve one hour of training. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

ADJOURNMENT: A motion was made by Trustee Rakosnik and seconded by Trustee Davis to adjourn the meeting at 9:58 a.m. Motion carried by roll call vote.

AYES: Trustees Seagraves, Davis, Shark, Willis and Rakosnik
NAYS: None
ABSENT: None

The next regular meeting is scheduled for October 23, 2019 at 8:30 a.m.


George Seagraves, President


Terry Davis, Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Michelle Rice, Pension Services Administrator, Lauterbach & Amen, LLP