



Robert Carr passed away January 26, 2020, and his pension will terminate. His spouse, Jeanne Carr, is entitled to a surviving spouse benefit. Bill Beaman made a motion, seconded by Carrie Hagerty, to terminate Robert Carr’s service pension and grant Jeanne Carr a surviving spouse pension. A roll call vote was taken:

**Ayes:** Alan Granite Carrie Hagerty  
Bill Beaman Michael White  
**Absent:** Todd Monahan  
**Nays:** None

James Drager passed away January 28, 2020, and his pension will terminate. His spouse, Susan Drager, is entitled to a surviving spouse benefit. Alan Granite made a motion, seconded by Carrie Hagerty, to terminate James Drager’s service pension and grant Susan Drager a surviving spouse pension. A roll call vote was taken:

**Ayes:** Alan Granite Carrie Hagerty  
Bill Beaman Michael White  
**Absent:** Todd Monahan  
**Nays:** None

Ronald Daugherty passed away January 17, 2020, and his pension will terminate. Bill Beaman made a motion, seconded by Carrie Hagerty, to terminate Ronald Daugherty’s service pension. A roll call vote was taken:

**Ayes:** Alan Granite Carrie Hagerty  
Bill Beaman Michael White  
**Absent:** Todd Monahan  
**Nays:** None

Driver Engineer Mark Reeser is retiring effective February 14, 2020, having served 30 years and 1 day. He is entitled to a monthly pension of \$6,167.12 or an annual pension of \$74,005.42. Alan Granite made a motion, seconded by Carrie Hagerty, to approve the service pension application as presented. A roll call vote was taken:

**Ayes:** Alan Granite Carrie Hagerty  
Bill Beaman Michael White  
**Absent:** Todd Monahan  
**Nays:** None

#### IV. DISBURSEMENTS

The warrant for February 20, 2020, was presented in the amount of \$1,734,988.95. Discussed the McCallips IME invoice and retro increase payment being made to Chuck Doyle which was missed last year and is included in this month’s payroll. Bill Beaman made a motion, seconded by Carrie Hagerty, to approve payment of the warrant in the amount of \$1,734,988.95. A roll call vote was taken:

**Ayes:** Alan Granite Carrie Hagerty  
Bill Beaman Michael White  
**Absent:** Todd Monahan  
**Nays:** None

#### V. CASH & INVESTMENTS

Eric Gaylord presented Marquette Associates’ Flash Report for January 31, 2020:

- The 4<sup>th</sup> quarter GDP was positive 2.1%. The manufacturing sector significantly has slowed down but the consumer is robust and strong. January was a “good” month and the “rally continued.” However,

there were negative returns throughout the equity market and the S&P was flat due to reports of the Coronavirus. Value and small cap lost despite rallying briefly last year. Non-US equity was down 2.1% in January and emerging markets were down 4.7%. We should “take the January figures as worth a grain of salt.”

- The Fund is at \$163.2 million and is generally in line with the investment policy. There is enough cash on hand for benefit payments.
- Overall the Fund was down 0.7% for the month of January but fixed income was up 1.8% with Optimum up 2.2% outperforming their benchmark. However YTD the Fund was up 10%.
- US equity was down 1.6% for the month due to the poor returns for value and small cap although Fiduciary outperformed its benchmark.
- International markets were down 4.2% for the month.
- Real estate has been steady at 5.9% for the year outperforming the index.
- The Fund was up 10% for the year but we should continue to expect more volatility.

Exhibit II is the complete 4<sup>th</sup> quarter report whose performance was reviewed at last month’s meeting.

The Investment Policy Statement (see Exhibit III) has been updated. It includes the necessary statements concerning adherence to sustainability, environmental and social justice and corporate governance. The benchmarks have been updated and so has the assumed rate of return to 7.4% as corrected. The goal is to lower the rate of return by 1/10<sup>th</sup> every year. The revised policy will need to be filed with the Illinois Department of Insurance.

Michael White made a motion, seconded by Carrie Hagerty, to approve the revised Investment Policy Statement with the new Illinois Sustainable Investing Act language and the correction of 7.3% as an assumed rate of return to 7.4%. A roll call vote was taken:

<b>Ayes:</b>	Alan Granite	Carrie Hagerty
	Bill Beaman	Michael White
<b>Absent:</b>	Todd Monahan	
<b>Nays:</b>	None	

Records of purchases and sales were distributed. Michael White made a motion, seconded by Bill Beaman, to approve the purchases and sales for the month. A roll call vote was taken:

<b>Ayes:</b>	Alan Granite	Carrie Hagerty
	Bill Beaman	Michael White
<b>Absent:</b>	Todd Monahan	
<b>Nays:</b>	None	

There are no cash needs for the month.

## VI. OLD BUSINESS

*Gustafson disability matter* – The legal principles memo was provided to the Board along with potentially pertinent cases. The hearing has been set for March 24 and March 31 and notice has been sent to Gustafson.

*Status of Lingel’s transfer of creditable service to Chicago* – Nothing further has been heard in this case. Allison Knox will send Lingel another email to check on the status.

*Board Rules & Forms* –Review of the Board Rules and Forms has been tabled until a later meeting.

*Firefighter Sonenalinh Chanthaphone’s Application for Duty Disability* – The Board’s attorney continues to wait on treating physicians records to be provided; the Board has already selected IME physicians once we are ready for the IME stage of the process.

## VII. NEW BUSINESS

*Legal Engagement Letter* – The engagement letter states the new monthly billing rate of \$950 and the new hourly rate of \$240/hour (which is the first increase in three years). A motion was made by Michael White and seconded by Carrie Hagerty to approve the new rates and retainer for attorney services for 2020. A roll call vote was taken:

<b>Ayes:</b>	Alan Granite	Carrie Hagerty
	Bill Beaman	Michael White
<b>Absent:</b>	Todd Monahan	
<b>Nays:</b>	None	

*Contributions Left in Fund Letter* – Allison Knox stated she had compiled a list of 10 people who have money still in the Fund but who have terminated employment with the fire department, for a total of \$99,000 in contributions. One individual is due \$30,000 and one for \$24,000, but the majority of those due monies are from 2009. Knox prepared a letter for the Board's review and will send the letter out to the 10 people owed contributions giving the details. Any monies not claimed will stay with the Fund, but the Fund will comply with the new modifications to the Unclaimed Property Act, as needed.

*Annuity Contract Review* – This was tabled until another meeting.

*Active Trustee Nomination Letter* – A draft of a letter was presented to the Board. Language was discussed and some changes made. The finalized letter will be sent out to the stations. The letter states that the Board is seeking nominations for a three-year term as trustee beginning May 2020. Nominations will be picked up March 17 and ballots will be distributed March 25 and collected April 13.

Allison Knox obtained the signatures of current trustees for the Vanguard contract.

## VIII. TRAINING

*Legal updates* – Discussed what the new training requirements will be under the new statute. There will be four hours training required on consolidation for all sitting trustees but there is no deadline as to when this training must be completed. This is in addition to the required eight hours of training per year. Training can be done in house.

## IX. CLOSED MEETING – None

## X. ADJOURNMENT

A motion was made to adjourn the meeting. Motion carried and meeting was adjourned at 3:55p.m.

Next regular meeting is March 19, 2020, at 3:00 p.m.

Respectfully submitted:

Prepared by:

\_\_\_\_\_  
Bill Beaman, Board Secretary

\_\_\_\_\_  
Judith Yehling, Recording Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

*Approved by the Board of Trustees at its March 19, 2020, meeting.*