

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

District Marc Wortman is retiring effective April 16, 2020, having served 32 years, 1 month and 9 days. He is entitled to a monthly pension of \$7,858.76 or an annual pension of \$94,305.12. Todd Monahan made a motion, seconded by Bill Beaman, to approve the service pension application as presented. A roll call vote was taken:

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

IV. DISBURSEMENTS

The warrant for March 19, 2020, was presented in the amount of \$1,689,101.29. Alan Granite made a motion, seconded by Carrie Hagerty, to approve payment of the warrant in the amount of \$1,689,101.29. A roll call vote was taken:

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

V. CASH & INVESTMENTS

Mike Piotrowski presented Marquette Associates' Flash Report for February 28, 2020:

- Mike began by saying, "What a difference a month makes." Last month the Fund was up by 4%. But there has been severe volatility similar to 2008, due to the COVID-19 pandemic. He explained that this is the fastest we have ever seen a bear market hit with 20% correction. Today alone there was a 30% correction. Three of the worst trading days ever over the last 70 years were all this month.
- The trading has been orderly and functioning regularly and we are in a better position than in 2008. The Feds stepped in more quickly and was better prepared. There is more relief from Congress but the question remains is how fast will the pandemic spread and how long will it last.
- At the end of February the Fund was at \$156 million – down \$10 million and today it's at \$140 million.
- The return at the end of the month was down 4% and today it is down 16%.
- Fixed income is 35% of the portfolio which helped. Bonds held up well.
- Real estate was positive 0.4%.
- Right now the Fund is almost \$8 million overweight to fixed income and \$7 million underweight to US equities. The Fund is also \$3.5 underweight to non-US equities. Mike advised that now would be a good time to rebalance. Marquette recommends systematically rebalancing over the coming weeks and months. They recommend moving 1% of the portfolio per week back into bac into equity or \$1.4 million back into equity from bonds and next week take another look and depending on the value of the portfolio and continue doing that to build up the equity portion of the portfolio. They also recommend raising \$4 million from fixed income to cover benefit payments for March, April and May with property tax monies coming in June to cover June benefit payments.

The recommendation, in summary, is to take \$5.4 million from fixed income, keeping \$4 million cash on hand to cover benefit payments and investing \$1.4 million in equities. A motion was made by Carrie Hagerty to adopt the recommendation as presented and rebalancing 1% of the portfolio on a weekly basis. Bill Beaman seconded the motion. A roll call vote was taken:

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

- Property taxes are due in June and Carrie Hagerty does not anticipate any adverse effects from the current situation.
- Records of purchases and sales were distributed. Todd Monahan made a motion, seconded by Carrie Hagerty, to approve the purchases and sales for the month. A roll call vote was taken:

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

There are no additional cash needs for the month.

VI. OLD BUSINESS

Gustafson disability matter –Attorney Clifford contacted Gustafson’s attorney, Scott Moran, and City Attorney Angela Hammer who indicated that they felt it would be prudent to suspend the hearings until further notice in light of the Governor’s shelter in place order. Attorney Clifford recommends that the situation be re-assessed in a month.

Status of Lingel’s transfer of creditable service to Chicago – Nothing further has been heard in this matter.

Board Rules & Forms –Review of the Board Rules and Forms has been tabled until a later meeting. However, Allison Knox indicated she will have a form for next month that will include a request for spousal information on the service application with their date of birth and Social Security Number. Attorney Clifford recommends that this information also be added to the annual affidavit since the DOI annual statement now requires spousal information. These forms can be brought to next month’s meeting but they can be implemented without formal Board approval.

Firefighter Sonenalinh Chanthaphone’s Application for Duty Disability – Attorney Clifford has received all the necessary records and is ready to schedule the IMEs. Attorney Clifford advised, however, that Dr. Samo cannot accept any patients for in-person reviews because of the COVID-19 pandemic, and it will probably be the same for other two IME physicians. Attorney Clifford said that the Board could allow all the doctors to complete a review of the records and just not do an in-person physical exam. Or the process could be postponed and the IMEs rescheduled revisiting the situation in a month or so. The decision was made to postpone any further activity and Attorney Clifford will send a letter documenting that the process is in a holding pattern to Chantaphone’s attorney. Alan Granite advised that Chantaphone is working light duty and his salary will continue while his work load is restricted.

Active Trustee Nomination Ballot –Todd Monahan picked up nominations on March 17. Two individuals were nominated: Alan Granite who accepted the nomination and John Larson who declined to be on the ballot. The Board rules allow that in the case of only one candidate for a trustee position, the Board can dispense with the formal election and declare that candidate elected by acclamation. A motion was made by Todd Monahan and seconded by Carrie Hagerty to dispense with the election and declare the only candidate, Alan Granite, elected by acclamation to the position of active trustee for another three-year term. A roll call vote was taken:

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

Annuity Contract Review –Discussed the options on how to handle the annuity contract particularly in the light of the transition to consolidation. Allison Knox said that at the end of November 2017 we had the option of making monthly payments or annuitizing. However, because we did not respond, the Fund was defaulted into receiving monthly payments and lost the death benefit, as the Board did not make a formal election. Attorney Weinstein is reviewing the situation with Allison and Board member, Michael White, as to whether the automatic conversion could be undone and reversed.

VII. NEW BUSINESS

Annual Medical Exams – Albaugh and McCallips are currently 49; it is their last year requiring IMEs. Attorney Clifford said she would contact the IME physicians and see if they would be amenable to a records-review-only annual IME process. However, she recommended getting the affidavits ready anyway and let Albaugh and McCallips know that the Board is starting the process. She will see if Dr. Samo would agree to conduct the IME by phone.

Statements of Economic Interest –Everyone should have received their statements from the county. Mike White had already sent Allison his confirmation. Everyone should submit their forms to the county by May 1st and let her know they have been completed.

VIII. TRAINING

Legal updates – Open Meetings Act – Attorney Clifford reiterated that the Governor’s executive order which suspends certain provisions of the Open Meetings Act to allow for meetings to be conducted by teleconference or video conference. She recommends that once regular meetings return to in person, that the Board ratify any actions that were taken through electronic means.

IX. CLOSED MEETING – None

X. ADJOURNMENT

A motion was made to adjourn the meeting. Motion carried and meeting was adjourned at 3:45 p.m.

Next regular meeting is April 16, 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 April 19, 2020, meeting.