



DES PLAINES FIREFIGHTERS' PENSION FUND

405 S. River Road ■ Des Plaines, Illinois 60016

William Rice
President

Jeff Vallee
Secretary

Paul Birger
Trustee

Nicholas Chiaro
Trustee

Jeffery Rozovics
Trustee

MINUTES OF A REGULAR MEETING OF THE DES PLAINES FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES NOVEMBER 9, 2021

A regular meeting of the Des Plaines Firefighters' Pension Fund Board of Trustees was held on Tuesday, November 9, 2021 at 8:30 a.m. in City Hall in Room 101 located at 1402 Miner Street, Des Plaines, Illinois 60016, pursuant to notice.

CALL TO ORDER: Trustee Rice called the meeting to order at 8:33 a.m.

ROLL CALL:

PRESENT: Trustees Bill Rice, Jeff Vallee, Paul Birger and Jeffery Rozovics

ABSENT: Trustee Nicholas Chiaro

ALSO PRESENT: Attorney Laura Goodloe, Puchalski Goodloe LLC; Thomas McShane, Graystone Consulting; Michelle Rice, Lauterbach & Amen, LLP (L&A); Treasurer Dorothy Wisniewski (*arrived at 8:39 a.m.*), City of Des Plaines

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *August 3, 2021 Regular Meeting:* The Board reviewed the August 3, 2021 regular meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the August 3, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

August 9, 2021 Special Meeting: The Board reviewed the August 9, 2021 special meeting minutes. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to approve the August 9, 2021 special meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board was provided the Monthly Financial Report for the nine-month period ending September 30, 2021 prepared by L&A. As of September 30, 2021, the net position held in trust for pension benefits is \$98,951,970.96 for a change in position of \$6,093,771.03. The Board also was provided the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Birger and seconded by Trustee Rozovics to accept the Monthly Financial Report as prepared. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics

NAYS: None

ABSENT: Trustee Chiaro

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period July 1, 2021 through September 30, 2021 for total disbursements of \$518,607.34. A motion was made by Trustee Birger and seconded by Trustee Vallee to approve the disbursements shown on the Vendor Check Report in the amount of \$518,607.34. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Additional Bills, if any: The Board reviewed the IPPFA invoice #3343 in the amount of \$795 for 2022 Membership Dues. A motion was made by Trustee Birger and seconded by Trustee Rozovics to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Treasurer Wisniewski arrived at 8:39 a.m.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Performance Report:* Mr. McShane presented the Quarterly Performance Report for the period ending October 31, 2021. As of October 31, 2021, the month-to-date net return is 2.6% and the ending market value is \$102,418,563.20. The current asset allocation is as follows: fixed income at 28.18%, equities at 66.59% and cash and cash equivalents at 5.23%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Purchase and/or Sale of Securities: There were no purchases or sales of securities.

Allocations and Hiring/Termination of Investment Managers: There were no recommendations at this time.

Review/Update Investment Policy, if needed: 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 L&A will mail Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. A status update will be provided at the next regular meeting.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Active Member – Thomas Bauer:* The Board noted that active member Thomas Bauer passed away October 22, 2021. The Board was provided the necessary paperwork to submit to L&A for a surviving spouse and dependent benefit calculation to be prepared. Further discussion will be held at the next regular meeting.

OLD BUSINESS: *Appointed Member Position – Nicholas Chiaro:* The Board noted that Treasurer Wisniewski has been in communication with the Mayor regarding a new appointee. Further discussion will be held at the next regular meeting.

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

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

NEW BUSINESS: *Discussion/Possible Action – as to Status of Consolidation Litigation and FPIF 11/4/2021 Directive to Cease all Investment Activity Effective December 3, 2021:* The Board discussed the communication received from FPIF notifying the Board that their assets are to freeze effective December 3, 2021. Attorney Goodloe discussed potential options with the Board and adjusting the tranche date from January 4, 2022 to February 1, 2022. A motion was made by Trustee Rozovics and seconded by Trustee Birger to continue with the January 4, 2022 tranche date. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Review/Approve – Letter of Direction to MSSB: The Board reviewed the Letter of Direction issued by FPIF. A motion was made by Trustee Vallee and seconded by Trustee Birger to approve the Letter of Direction as executed by Authorized Agents William Rice and Dorothy Wisniewski. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Discussion/Approval – Cash Flow Needs for FPIF Transfer of Assets: The Board reviewed the cash analysis projection prepared by L&A and discussed interim cash requisite for the purpose of remitting pension benefits and expenses for the December payroll and the sixty-day period subsequent to the January 4, 2022 tranche date. The Board will maintain an interim transition cash balance of \$5,300,000 in the Morgan Stanley Money Market account.

Review/Possible Action – Local Account Collateralization: The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard \$250,000 FDIC insurance coverage. A motion was made by Trustee Vallee and seconded by Trustee Rozovics to authorize Trustee Rice to execute the tri-party pledge depository agreement on behalf of the Fund up to 110%. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Review/Approve – Designation of Authorized Representatives for Global Cash Management Form and Resolution: The Board reviewed the Resolution Authorizing Account Representatives for the Northern Trust Global Cash Movement Portal. A motion was made by Trustee Birger and seconded by Trustee Rozovics to adopt the Resolution prepared by Puchalski Goodloe LLC appointing Trustees Rice and Vallee, Treasurer Wisniewski and L&A Representative Kelly Calgaro as authorized Account Representatives. Motion carried by roll call vote.

AYES: Trustees Rice, Vallee, Birger and Rozovics
NAYS: None
ABSENT: Trustee Chiaro

Establish 2022 Board Meeting Dates: The Board discussed establishing the 2022 Board meeting dates as February 1, 2022; May 3, 2022; August 2, 2022; and November 1, 2022 at 8:30 a.m. in City Hall in Room 101 located at 1402 Miner Street, Des Plaines, Illinois 60016. A motion was made by Trustee Vallee and

seconded by Trustee Rozovics to establish the 2022 Board meeting dates as stated. Motion carried unanimously by voice vote.

TRUSTEE TRAINING UPDATE: The Board reviewed the upcoming training opportunities. Trustees were reminded to submit any certificates of completion 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.

ATTORNEY'S REPORT – PUCHALSKI GOODLOE LLC: Attorney Goodloe provided updates on recent legislation and investment consolidation. All questions were answered by Attorney Goodloe.

Michael King Administrative Review Status: Attorney Goodloe discussed the status of Michael King's Administrative Review. Further discussion will be held at the next regular meeting.

Status of Application for Disability Benefit – George Hidalgo: Attorney Goodloe discussed the status of George Hidalgo's disability application and noted that all major medical treatments have been completed and his supplemental medical records will be requested. Once the supplemental records have been received, the independent medical examinations will be scheduled. Further discussion will be held at the next regular meeting.

2021 Annual Disability Re-Evaluations: Attorney Goodloe informed the Board that Christopher Moran and Ian Carroll attended their annual independent medical examinations, and it was determined that they remain disabled. Christopher Moran's and Ian Carroll's disability benefits will continue subject to further annual examinations until age 50.

Attorney Goodloe apprised the Board that Michael Shaugnessy's independent medical examination will be scheduled. Further discussion will be held at the next regular meeting.

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

ADJOURNMENT: A motion was made by Trustee Vallee and seconded by Trustee Birger to adjourn the meeting at 9:57 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for February 1, 2022 at 8:30 a.m.

Board President or Secretary

Minutes approved by the Board on _____

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