

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE HOMER TOWNSHIP FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
WEDNESDAY, JANUARY 17, 2018**

A regular meeting of the Board of Trustees of the Homer Township Fire Protection District Firefighters' Pension Fund was held on Wednesday, January 17, 2018 at 9:00 a.m. in the Station 1 Conference Room, 16050 S. Cedar Road, Lockport, IL 60491 for the purpose of conducting regular business.

CALL TO ORDER: The meeting was called to order by Trustee Essenburg at 9:00 a.m.

ROLL CALL:

PRESENT: Trustees Troy Essenburg, Christopher Locacius, and Jacob Adeszko
ABSENT: Trustees Doug Mayer and Tom Sandryzk
ALSO PRESENT: Board Attorney Jeffrey Goodloe, Puchalski Goodloe Marzullo, LLP (PGM); Dave Harrington, Sawyer Falduto Asset Management; Michelle Hawkins, and Trinetta Gardner, Lauterbach & Amen, LLP (L&A); Carrie Wojcik, District Administrator; Dave Bricker, Division Chief

A motion was made by Trustee Locacius and seconded by Trustee Adeszko to elect Trustee Essenburg as President Pro Temp. Motion carried unanimously by voice vote.

PUBLIC COMMENT: There were no public comments.

APPROVAL OF AMENDMENTS TO THE AGENDA: There were no amendments to the agenda.

APPROVAL OF MEETING MINUTES: *October 18, 2017 Regular Meeting Minutes:* The minutes from the regular meeting of October 18, 2017 were reviewed by the Board. A motion was made by Trustee Adeszko and seconded by Trustee Locacius to approve the October 18, 2017 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes. A motion was made by Trustee Locacius and seconded by Trustee Essenburg to not release the closed session minutes at this time due to pending matter. Motion carried unanimously by voice vote.

TREASURER'S REPORT: The Board discussed the Treasurer's Report. A motion was made by Trustee Locacius and seconded by Trustee Essenburg update the agenda to combine the Treasurer's and Accountant's report. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the twelve-month period ending December 31, 2017 as prepared by L&A. As of 12/31/17, the net position held in trust for pension benefits is \$12,633,497.37 for a change in position of \$2,017,522.79. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Locacius and seconded by Trustee Adeszko to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills/Additional Bills: The Board reviewed the Vendor Checks Report for the period 10/01/17 through 12/31/17 for total disbursements of \$25,237.13 and the following additional bill:

- Puchalski Goodloe Marzullo, LLP invoice #0010466 for legal services rendered in the amount of \$5,858.30

A motion was made by Trustee Locacius and seconded by Trustee Adeszko to approve the disbursements shown on the Vendor Checks Report in the amount of \$25,237.13 and the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT: *Quarterly Investment Performance Report:* Sawyer Falduto distributed the Quarterly Investment Performance Report for the period ending December 31, 2017. As of 12/31/2017, the market value of the portfolio was \$12,583,549. The quarter to date investment return net of fees was 3.41%. The current portfolio asset allocation is as follows: 38.5% Fixed Income, 61.1% Equities and 0.5% Cash Equivalent. Current asset allocations within the Equity and Fixed Income funds were reviewed, as well as the Individual Fund Performance. All questions were answered by Sawyer Falduto. A motion was made by Trustee Essenburg and seconded by Trustee Adeszko to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy – if needed: The Board discussed the current Investment Policy and determined no changes are needed at this time.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the District by February 1, 2018. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2018.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Application for Membership – Dave Bricker:* The Board reviewed the Application for Membership submitted by Dave Bricker. A motion was made by Trustee Locacius and seconded by Trustee Essenburg to accept Dave Bricker into the Homer Township FPD Firefighters' Pension Fund, effective 01/01/18, as a Tier I participant. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Application for Disability Benefits – Brett Hedge:* Attorney Goodloe informed the Board that all of Brett Hedge's medical records have been received and the three independent medical examinations will be scheduled through Examworks. A status update will be provided at the next scheduled meeting.

OLD BUSINESS: *Status of Disability Appeal – Gregory Prawdzik:* Attorney Goodloe apprised the Board that they are waiting on the Appellate Court to issue a decision regarding the Gregory Prawdzik Disability Appeal. An update will be provided at the next scheduled meeting.

NEW BUSINESS: *Pension Fund Liaison – Carrie Wojcik:* The Board discussed the Pension Fund Liaison position. A motion was made by Trustee Locacius and seconded by Trustee Essenburg to appoint Carrie Wojcik as the Homer Township FPD Firefighters' Pension Fund Pension Liaison and to approve a salary of \$1,000 annually for the position to be paid quarterly in the amount of \$250, beginning January 3, 2018. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

Approve Annual Cost of Living Adjustments (COLAs) for Pensioners: The Board reviewed the 2018 Cost of Living Adjustments (see attached) as calculated by L&A. A motion was made by Trustee Essenburg and seconded by Trustee Adeszko to approve the 2018 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Sandryzk and the retired member term currently held by Trustee Mayer are expiring in April 2018. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions and the retired member position. The Board also noted that the appointed Trustee position held by Trustee Essenburg is expiring in April 2018 and he wishes to remain on the Board. The Board will contact the District and seek reappointment of Trustee Essenburg to the Board.

Illinois Department of Insurance Annual Statement: The Board discussed the Illinois Department of Insurance Annual Statement. A motion was made by Trustee Locacius and seconded by Trustee Adeszko to engage either L&A or Miriani & Associates, whichever firm has the lowest bid, to complete the Illinois Department of Insurance Annual Statement. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

ATTORNEY'S REPORT: *Discussion/Possible Action – Puchalski Goodloe Marzullo Fee Increase:* Attorney Goodloe discussed the PGM fee increases with the Board. A motion was made by Trustee Essenburg and seconded by Trustee Adeszko to approve the new fees with PGM in the amount of \$175 per hour and the quarterly retainer fee in the amount of \$650. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

Legal Update: Attorney Goodloe apprised the Board of recent court cases and how they pertain to Article 3 & 4 Pension Funds.

Annual Independent Medical Examination – Gregory Prawdzik: The Board discussed Gregory Prawdzik's annual independent medical examination. A motion was made by Trustee Locacius and seconded by Trustee Adeszko to authorize Attorney Goodloe to schedule Gregory Prawdzik's annual independent medical examination. Motion carried by roll call vote.

AYES: Trustees Essenburg, Locacius and Adeszko
NAYS: None
ABSENT: Trustees Mayer and Sandryzk

Discussion/Possible Action – Karen Gutka Annual Examination: The Board noted that Karen Gutka's independent medical examination has been received and she remains disabled. A motion was made by Trustee Locacius and seconded by Trustee Adeszko to continue Karen Gutka's disability benefits and noted that she has reached the age of 50 and is no longer required to be sent for yearly examinations. Motion carried unanimously by voice vote.


Discussion/Possible Action – Regarding Adoption of Proposed Administrative Rule 703.1/Discussion/Action – Annual Independent Medical Examinations: Attorney Goodloe informed the Board that he sent the changes to the independent medical examination process to the Board for review. A motion was made by Trustee Locacius and seconded Essenburg to approve the amendments as presented. Motion carried unanimously by voice vote.

CLOSED SESSION, IF NEEDED: There was no closed session needed at this time.

ADJOURNMENT: A motion was made by Trustee Essenburg and seconded by Trustee Adeszko to adjourn the meeting at 9:55 a.m. Motion carried unanimously by voice vote.

The next regular meeting will be held on Wednesday, April 18, 2018 at 9:00 a.m.

Respectfully submitted,



Board Secretary, Jacob Adeszko

Minutes prepared by Michelle Hawkins, Pension Services Administrator, Lauterbach & Amen

HOMER TOWNSHIP FPD FIREFIGHTERS' PENSION FUND

Annual Benefit Increases

January 1, 2018

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Gutka, Karen	Duty Disability	\$	2,103.05	0.00	2,103.05	25,236.60
Prawdzik, Gregory P.	Non-Duty Disability		3,466.25	0.00	3,466.25	41,595.00
Totals			5,569.30	0.00	5,569.30	66,831.60

HOMER TOWNSHIP FPD FIREFIGHTERS' PENSION FUND

Summary of Benefit Changes and Notes

January 1, 2018

Summary of Benefit Changes				
<u>Pensioner</u>	<u>Reason</u>	<u>Date</u>	<u>Amount of Change</u>	<u>New Monthly Benefit</u>
Gutka, Karen	Initial Increase	1/1/2029	1,829.65	3,932.70
Prawdzik, Gregory P.	Initial Increase	1/1/2041	2,599.69	6,065.94

Notes

1. None