



MOLINE FIREFIGHTERS' PENSION FUND

1630 8th Avenue, Moline, Illinois | 309-524-2250

Brian Vyncke
President

Mike Lucchetti
Secretary

Mike Rasche
Trustee

Scott Raes
Trustee

Kathleen Carr
Treasurer

MINUTES OF THE REGULAR MEETING OF THE MOLINE FIREFIGHTERS' PENSION FUND THURSDAY, JANUARY 28, 2016

A regular meeting of the Board of Trustees of the Moline Firefighters' Pension Fund was held on Thursday, January 28, 2016 at the Moline Fire Department, 1630 8th Avenue, Moline, Illinois for the purpose of conducting regular business, pursuant to notice.

CALL TO ORDER: Trustee Vyncke called the meeting to order at 9:01am.

ROLL CALL:

PRESENT: Trustees Brian Vyncke, Scott Raes, Mike Lucchetti (arrived at 9:50am) and Kathleen Carr

ABSENT: Trustees Mike Rasche

ALSO PRESENT: James Nowicki and Bill Yocius, Mitchell, Vaught & Taylor; Sara Tokarz, Lauterbach & Amen (L&A)

PUBLIC COMMENT: None

INVESTMENT REPORTS: *Mitchell, Vaught & Taylor, Inc.:* James Nowicki and Bill Yocius from Mitchell, Vaught & Taylor, Inc. presented the Board with the quarterly investment report. As of December 31, 2015, the total fund value was \$26,409,926, with a net performance for the fourth quarter of 3.38% and an investment return of \$880,998. The asset allocation is in accordance with policy guidelines: 60.8% in equities (49.0% Domestic and 11.9% International) and 39.2% in fixed income. The fixed income and equity portfolios were reviewed, along with the Market Commentary and Transactions Report. All questions were answered by Mr. Nowicki and Mr. Yocius. A motion was made by Trustee Carr and seconded by Trustee Raes to accept the investment transactions and the report as presented by Mitchell, Vaught & Taylor, Inc. for the quarter. Motion carried unanimously by voice vote.

Trustee Kathy Carr presented Mitchell, Vaught & Taylor, Inc. with a check from Quad City Bank and Trust in the amount of \$3,800.00 from a class action litigation settlement. The Board directed MVT to deposit the check and invest the balance into the portfolio.

Mr. Nowicki and Mr. Yocius left the meeting at 9:50am.

Trustee Lucchetti arrived to the meeting at 9:50am.

APPROVAL OF MINUTES: The Board reviewed the regular meeting minutes from October 22, 2015. A motion was made by Trustee Carr and seconded by Trustee Raes to approve the regular meeting minutes from October 22, 2015 as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Minutes: The Board discussed the closed session minutes. A motion was made by Trustee Carr and seconded by Trustee Raes to keep all closed session minutes closed. Motion carried unanimously by voice vote.

TREASURER'S REPORT: *Monthly Financial Report:* Lauterbach & Amen presented the Monthly Financial Report for the period ending December 31, 2015. The plan net assets held in trust for pension benefits are \$26,366,193.58, with a net change in position for the twelve month period of

(\$1,024,511.99). The cash analysis report, revenue report, expense report, member contribution report and payroll journal were reviewed with the Board. The vendor checks report itemized expenditures from 10/01/2015 through 12/31/2015 for an amount of \$93,010.18. All questions were answered by Lauterbach & Amen. A motion was made by Trustee Lucchetti and seconded by Trustee Raes to accept the Monthly Financial Report as presented by Lauterbach & Amen. Motion carried by unanimous voice vote.

Presentation and Approval of Bills: The Board reviewed the following invoices for approval:

- USI Insurance Services LLC invoice #1790182 in the amount of \$8,510.00 for legal services rendered.
- Illinois Public Pension Advisory Committee invoice in the amount of \$775.00 for the spring conference registration for Trustee Carr and Trustee Raes.

A motion was made by Trustee Vyncke and seconded by Trustee Lucchetti to approve the payment of the USI Insurance Services invoice as presented. Motion carried by roll call vote.

AYES: Trustees Vyncke, Raes Lucchetti and Carr
NAYS: None
ABSENT: Trustees Rasche

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the list of filers for annual Statements of Economic Interest are due to the County Clerk no later than February 1, 2016. The city will submit the list of filers to the County, and Trustees will be contacted directly to complete the Statement of Economic Interest no later than May 1, 2016.

Siren Dated 01/06/2016: Trustee Carr informed the Board that the Department of Insurance is adjusting the procedures for completion of compliance audits and the Board discussed the Siren dated 01/06/2016.

APPLICATIONS/WITHDRAWALS FROM THE FUND: *Justin Epstein – New Hire:* The Board reviewed the Application for Membership for Justin Epstein. Mr. Epstein was hired September 28, 2015 as a Tier II participant with no prior creditable service.

Sawyer Claus – New Hire: The Board reviewed the Application for Membership for Sawyer Claus. Mr. Claus was hired October 5, 2015 as a Tier II participant with no prior creditable service.

Paul Tucker – New Hire: The Board reviewed the Application for Membership for Paul Tucker. Mr. Tucker was hired November 9, 2015 as a Tier II participant with no prior creditable service.

A motion was made by Trustee Lucchetti and seconded by Trustee Raes to accept the membership applications of Justin Epstein, Sawyer Claus, and Paul Tucker effective their respective dates of hire as Tier II participants with no prior creditable service. Motion carried unanimously by voice vote.

APPLICATION FOR RETIREMENT/DISABILITY BENEFITS: *Luis Puentes – Retirement:* The Board reviewed the retirement application for Luis Puentes. Mr. Puentes was hired 9/30/90 and retired with an effective date of pension of 11/23/15 with 25 years and 1 month of creditable service and a total pensionable salary of \$81,923.35. Mr. Puentes will receive an original monthly benefit of \$4,281.06, which is 62.71% of his pensionable salary. A motion was made by Trustee Carr and seconded by Trustee Lucchetti to accept the retirement application of Luis Puentes as presented. Motion carried unanimously by roll call vote.

AYES: Trustees Vyncke, Raes Lucchetti and Carr
NAYS: None
ABSENT: Trustees Rasche

Daniel Gerlich – Duty Disability: The Board reviewed the disability benefit calculation for Daniel Gerlich. Mr. Gerlich was hired July 6, 1992 and has an effective date of pension of 10/07/2015 with 23

years and 3 months of creditable service and a total applicable salary of \$81,923.35. Mr. Gerlich will receive a monthly disability benefit of \$4,437.51, which is 100% of the applicable salary. A motion was made by Trustee Raes and seconded by Trustee Lucchetti to accept the duty disability benefit calculation of Daniel Gerlich as presented. Motion carried by roll call vote.

AYES: Trustees Vyncke, Raes Lucchetti and Carr
NAYS: None
ABSENT: Trustees Rasche

OLD BUSINESS: *Annual Medical Examination – Jerry Sottos:* The Board discussed the Annual Medical Examination of Jerry Sottos. A motion was made by Trustee Carr and seconded by Trustee Raes to continue the disability benefit of Firefighter Sottos subject to further annual evaluations. Motion carried unanimously by voice vote.

The Board will discuss the status of Mr. Sottos' disability appeal at the next regular meeting.

NEW BUSINESS: *2016 Cost of Living Adjustments:* The Board reviewed the 2016 Cost of Living Adjustments for Pensioners of the Moline Firefighters' Pension fund. A motion was made by Trustee Lucchetti and seconded by Trustee Raes to authorize the required statutory Cost of Living Adjustments as attached. Motion carried unanimously by roll call vote.

AYES: Trustees Vyncke, Raes Lucchetti and Carr
NAYS: None
ABSENT: Trustees Rasche

Scott Houzenga - Reciprocity: Lauterbach & Amen informed the Board that the reciprocity request of Firefighter Scott Houzenga has been completed, and payment has been received in full in the amount of \$17,512.19 via cashier's check #4137800 dated 10/19/2015. A motion was made by Trustee Lucchetti and seconded by Trustee Vyncke to accept the payment of \$17,512.19 and recognize the purchase as paid in full. Motion carried unanimously by voice vote.

Review of Trustee Term Expirations: Lauterbach & Amen informed the Board that the trustee term for Mike Rasche (Retired) will expire April 30, 2016. Trustee Rasche is not interested in running for re-election if nominated. The Board directed Lauterbach & Amen to conduct the Trustee elections on behalf of the Board. Election results will be presented to the Board at the next regular meeting.

The Board recognized Trustee Rasche and thanked him for his years of service on the Pension Board.

Trustee Raes left the meeting at 10:36am.

Discussion of Unpaid Leave and Recordkeeping: The Board discussed the current policy for keeping record of unpaid leave. The Board will work with the Village to appropriately report any breaks in service to L&A for recordkeeping.

TRUSTEE TRAINING: The Board was presented with upcoming Trustee training opportunities to satisfy the 16 hours of annually required Continuing Education. Trustees were reminded to send any certificates of training completion to L&A for recordkeeping.

ATTORNEY'S REPORT: The Board reviewed the first quarter *Legal and Legislative Updates* newsletter from Reimer Dobrovoly & Karlson, LLC.

CLOSED SESSION, IF REQUIRED: None

ADJOURNMENT: A motion was made by Trustee Vyncke and seconded by Trustee Lucchetti to adjourn the meeting at 10:48am. Motion carried unanimously by voice vote.

The next regular meeting of the Moline Firefighters' Pension Fund will be held on **Thursday, April 28, 2016 at 9:00am.**

Brian Vyncke, Board President

Minutes prepared by Sara Tokarz, Pension Services Administrator