

PENSION BOARD MEETING FROM October 12, 2020

Meeting called to order at 15:30 by R. Tieman. On-Line meeting via Zoom, In attendance J. Clift, S. Haywood, J. Newbury, J. Marzullo, A. J. Weber & D. Harris with Ethan Armstrong representing Raymond James.

QUORUM: YES

Procedural issues discussed with mandate from Governor's order that meeting must be recorded with each member consenting to be recorded: Haywood-yes, Newbury-yes, Harris-yes, Clift-yes, Weber-yes, Tieman-yes, Armstrong-yes, Marzullo-yes. Minutes from the quarterly meeting from May 2020 were discussed with no corrections. Motion was made by J. Clift with a 2nd from J. Newbury to be accepted, 4-0 ayes-passed.

Raymond James Report:

---Cash Needs: None at his time, will advise if anything changes.

---No Change in Invest Policy currently

---Portfolio is up 14.73% for the quarter against the 9.21% Benchmark and up \$1,383,000 for the year, a 10.5% increase against 4.7% Benchmark. Fees for the quarter were \$7,511.

---Portfolio up to 69.29% equities/30.71% fixed income balance, recommendation to rebalance to 65% equities. Motion to rebalance to 65% equities by J. Clift, 2nd by S. Haywood, Roll Call: Newbury-Aye, Haywood-Aye, Clift-Aye, Tieman-Aye, 4-0 Ayes-Motion pass.

Lauterbach & Amen Report:

Old Business:

- 1) Pension Consolidation Update
 - Infrastructure being put into place, nothing new at this time
- 2) Annual Audit Update
 - In Progress with Roenfeldt & Lockas. Issues have been brought to our attention concerning pension contributions. Deductions are not being calculated properly with individuals dealing with work comp claims as the contributions are not being made on the work comp portion of the payment. Discussion ensued as to the length of time this has been going on. Determined that if no contributions are being made that should be reported by Lauterbach & Amen as an unpaid break in service. Marzullo: Under a case called Soto, work comp is still considered a payment and the individual can make up the missing portion of the contributions and be made whole in his/her service time. Fiduciary Liability Insurance Policy would not be an avenue to make up the difference, burden would fall to the employee. People taking unpaid time would be allowed to make up payments if under 30 days in a year. Main factor is correcting the way the City handles work comp cases going forward. As for issues concerning the audit, report the breaks in service to the DOI with leave to file amended audit at a later date.

3) Retired Trustee Election Results

- Two nominations were submitted, Greg Olson and Steve Haywood.
- Of the 41 ballots sent out, 37 were returned
- Steve Haywood wins the election 20-16 with 1 spoiled ballot.
- Motion to accept election results as presented by Newbury, 2nd by Clift, Roll Call: Newbury –Aye Clift-Aye, Haywood-Aye, Tieman-Aye, 4-0 ayes-passed

New Business:

1) Approval of Invoices

- 3rd Quarter Retainer for PGM Law totaling \$3,012.50 for services rendered
- 4th Quarter Retained for PGM Law totaling \$6,600.82 for services rendered
- Motion to approve invoices as presented by Clift, 2nd by Newbury, Roll Call: Newbury-Aye, Clift-Aye, Haywood-Aye, Tieman-Aye, 4-0 ayes-passed.

2) Haywood Initial Class Registration

- Go to IPPFA.org for 16-Hour New Trustee Training
- Register and pay on own, reimbursement from Board when complete
- Also need to complete a one-time certification with the Illinois Attorney General for Open Meetings Act and Freedom of Information class.

3) AFFI Pension Seminar

- October 27th and 28th, On-Line Webinar. Each individual registers separately.

4) Pension Member Death Notices

- Frank Elzer passed away on September 7, 2020. Motion to convert the pension of Frank Elzer to a surviving spouse pension for Ann Elzer effective 9/7/2020 by Haywood, 2nd by Newbury, Roll Call: Newbury-Aye, Clift-Aye, Haywood-Aye, Tieman-Aye, 4-0 ayes-passed.
- Barb Cunningham passed away on October 8, 2020. Motion to suspend her surviving spouse benefit effective 10/8/2020 by Newbury, 2nd by Haywood, Roll Call: Newbury-Aye, Clift-Aye, Haywood-Aye, Tieman-Aye, 4-0 ayes-passed.

5) Geiger Legal Update and Discussion

- Complaint for Administrative Review has been filed in LaSalle County Circuit Court. City of Ottawa has filed a petition to intervene which needs to be adjudicated first, scheduled for case management on 11/13/2020.

6) Brian Garland Retirement

- Nothing new to report at this time.

Legal Comments:

- No official action to appoint 5th member to Board by the City at this time.

Public Comments:

Motion to adjourn @ 16:21 by Clift, 2nd by Newbury, Roll Call: Clift-Aye, Newbury-Aye, Haywood-Aye, Tieman-Aye, 4-0 ayes, passed.

Next Meeting scheduled for November 19 @ 15:30