

Fire Pension Board Meeting

May 14, 2019

PRESENT:

Justin Hale
Jeff Becker
Randy Hurd
John Raymer

Steve Cushing from Retzer, Gerber & Associates
Pat Donnelley of Graystone Consulting

ABSENT:

Chief John Knapp
Attorney Jim Dobrolvoney

The meeting was called to order at 10:01 a.m.

PUBLIC PARTICIPATION

Don Norbits of East Peoria asked some questions of Financial Advisor Pat Donnelley after the financial report presentation was completed, asking among other questions if the tariffs will have a drag on the markets. Donnelley said if tariffs are put on U.S. goods and heavy machinery they could indeed affect the stock market.

TREASURER'S REPORT

Steve Cushing from Retzer, Gerber & Associates presented the treasurer's reports for March and April. Payments were the same as usual. At the end of April there was \$140,623 in the checking account. He said the board will need to move \$350,000 to the checking account to cover expenses.

Approval of Payments

Motion to approve the pension payments for March in the amount of \$152,085.98 and April in the amount of \$151,911.36:

Motion made by Justin Hale, seconded by Jeff Becker. Roll call vote; all vote aye 4-0.

APPROVAL OF MEETING MINUTES

Motion to approve the minutes from the March 12, 2019 Fire Pension Board meeting:

Motion made by Hale, seconded by Becker. All vote aye 4-0.

OLD BUSINESS

NEW MEMBERS

Hale reported that all the new EPFD employees' files have been created.

NEW BUSINESS

TRANSFER OF FUNDS TO CHECKING

Motion to transfer \$350,000 from the money market account to the checking account:

Motion made by Hale, seconded by Becker. Roll call vote; all vote aye 4-0.

FINANCIAL ADVISOR'S REPORT

Pat Donnelley of Graystone Consulting presented a stock market recap. The market reached a certain level and until the trade talk fears subside it will stay that way. The Fed pivoted on raising rates and is now saying rates will not raise for the next few years. Everything is doing great right now in the first quarter. In the first quarter the Dow Jones Industrial Average gained 11.81%, the NASDAQ Composite Index was up 16.8% and the S&P 500 Index was up 13.65%. International underperformed slightly in the first quarter. The bond market posted gains in the first quarter. He discussed the risk of an earnings rather than economic recession. U.S. GDP growth, consumer confidence and the economy are strong. Everything looks good regarding employment and wages are going up. Housing has been a weak spot, but it is beginning to move up. He thinks the fund is trading at the upper limit of the market. The buying strategy put in place in December is working.

The total fund as of April 30, 2019 is:

- Domestic Equity - \$11,920,866; 46.80%
- International Equity - \$4,647,063; 18.24%
- Alternatives - \$179,584; 0.70%
- Fixed Income - \$8,725,899; 34.25%
- Fund Total - \$25,473,411

The fund is up for the current quarter:

- Clearbridge Advisors 16.48%
- S&P 500 Index 17.54%
- Vanguard 14.05%
- Mid Cap Equity 18.68%
- REITs/Alts Mutual Funds 10.36%
- International Funds 13.25%
- Emerging Markets 15.5%
- Weaver Barksdale bond manager 2.65%
- Cash and Cash Equivalents .64%

Donnelley displayed a graph showing that the fund is doing well in growth and income.

He discussed the recent buy orders and handed out a sheet detailing the performance. There is still an open order on IVV to sell 1,283 shares at \$305, approximately \$391,315, and to buy 855 shares at \$235, approximately \$200,925. He also talked about the VTV purchases. There is an open order to buy 1,712 shares of VTV at \$90, approximately \$154,080.

The \$350,000 being transferred to the checking account will be moved from the S&P 500 to Morton Community Bank. It will take about 24 hours for the transfer to be completed.

ATTORNEY REPORT

Attorney Jim Dobrolvoney was not present and therefore there was no attorney report.

ADJOURNMENT

Motion to adjourn the meeting:

Motion made by Hale, seconded by Becker. All vote aye 4-0.

There will be no meeting in June 2019.

Next meeting: July 9, 2019 at 10 a.m.

Submitted by Jill Peterson