

Addison Firefighters' Pension Fund

10 S. Addison Road, Addison, IL 60101-3870

Business Phone: (630) 628-3100 • Fax (630) 543-9742

PENSION TRUSTEES: Timothy Scott, President • Donald Markowski, Secretary • John Rice, Trustee
Michael Super, Trustee • Charles Schlicher, Trustee • Bernadette LaRocca, Treasurer

ADDISON FIREFIGHTERS PENSION BOARD MINUTES OF REGULAR MEETING WEDNESDAY, FEBRUARY 10, 2016 – 9:00 AM

A Regular Meeting of the Addison Firefighters' Pension Board was called to order by President Timothy Scott at 9:02am on Wednesday, February 10, 2016, at 10 S. Addison Road, Addison, Illinois, for the purpose of conducting regular business.

ROLL CALL:

Present: Trustees Donald Markowski, Timothy Scott, John F. Rice and Michael Super
Absent: Trustee Charles Schlicher
Also Present: Attorney Evan Haim, Reimer Dobrovolny & Karlson; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management; Derek Flessner, Allie Rysell and Sara Tokarz, Lauterbach & Amen, LLP

PUBLIC COMMENT: None

APPROVAL OF MINUTES: *November 11, 2015 – Regular Meeting:* The Minutes from the November 11, 2015 regular meeting were reviewed by the Board. A motion was made by Trustee Markowski and seconded by Trustee Rice to approve the minutes as written. Motion carried unanimously by voice vote.

December 4, 2015 – Special Meeting: The Minutes from the December 4, 2015 special meeting were reviewed by the Board. A motion was made by Trustee Scott and seconded by Trustee Markowski to approve the minutes as written. Motion carried unanimously by voice vote.

Semi Annual Review of Closed Session Minutes: The Board determined there are no closed session minutes to be reviewed at this time.

Trustee John Rice left the meeting at 9:16am. The Board maintains a quorum.

INVESTMENT REPORTS: *Sawyer Falduto Asset Management, LLC:* Tom Sawyer presented the Investment Report for the period of October 21, 2015 through December 31, 2015. As of 12/31/15, the ending market value was \$41,895,105 with an investment return for the period of (\$26,254). The individual performance of the funds within the portfolio were reviewed, along with the firm's Market Commentary and Transaction Report. All questions from the Board were answered by Mr. Sawyer. The current portfolio allocation is 49.1% equities, 49.2% fixed income and 1.6% cash and equivalents. The Board discussed the actuarial impact of salary increases, rate of returns and employee contributions. A motion was made by Trustee Markowski and seconded by Trustee Super to accept the Sawyer Falduto financial report as presented. Motion carried unanimously by voice vote.

Review Investment Policy and Possible Addendum: The Board discussed proposed revisions to the Investment Policy as presented by Sawyer Falduto Asset Management. Updates have been made to the Diversification/Strategies section pertaining to fixed income and equities. A motion was made by Trustee

Super and seconded by Trustee Markowski to adopt the investment policy statement as presented by Sawyer Falduto Asset Management. Motion carried by roll call vote.

AYES: Trustees Markowski, Scott and Super
NAYS: None
ABSENT: Trustee Rice and Schlicher

Trustee Rice returned to the meeting at 9:41am.

TREASURER'S REPORT: *Monthly Financial Report – Lauterbach & Amen, LLP:* 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 \$42,296,758.12, with a net change in position for the seven month period of (\$1,118,339.66). The cash analysis report, revenue report, expense report, member contribution report and payroll journal were reviewed with the Board. All questions were answered by Lauterbach & Amen.

Participant Board Report: Lauterbach & Amen presented the Board with the Participant Board Report for the Addison Firefighters' Pension Fund as of April 30, 2015.

A motion was made by Trustee Rice and seconded by Trustee Super to accept the monthly financial report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Checks Report provided in the financial report. The vendor checks report itemized expenditures from 10/01/2015 through 12/31/2015 for an amount of \$197,105.07. A motion was made by Trustee Markowski and seconded by Trustee Super to approve payment of the disbursements shown on the Vendor Checks Report in the amount of \$197,105.07 for the period 10/1/15 through 12/31/15.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

Additional bills, if any: The Board had no additional invoices for review at this time.

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board was reminded to complete the annual Statements of Economic Interest no later than May 1, 2016.

APPLICATIONS FOR ADMISSIONS/WITHDRAWALS FROM FUND: *Erick Fritsch –*

Contribution Refund: The Board discussed the contribution refund request of Erick Fritsch. A motion was made by Trustee Super and seconded by Trustee Markowski to authorize and approve the request for the refund of contributions of Erick Fritsch in the amount of \$37,674.16. Motion carried by roll call vote.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

APPLICATIONS FOR RETIREMENT OR DISABILITY BENEFITS: None.

OLD BUSINESS: None.

NEW BUSINESS: *VFIS Portfolio Crime Policy Renewal:* The Board discussed the VFIS Portfolio Crime Policy Renewal and invoice. A motion was made by Trustee Markowski and seconded by Trustee Super

to accept the renewal and ratify payment on the invoice in the amount of \$1,645. Motion carried by roll call vote.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

Discussion and Possible Action – IPFA Membership: The Board discussed joining the Illinois Professional Firefighters Association and enrollment fees. Current membership fees are \$70.00 for active members and \$35.00 for retired and disabled members. A motion was made by Trustee Super and seconded by Trustee to join the IPFA and approve payment of enrollment fees in total not to exceed an amount of \$315. Motion carried by roll call vote.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

Approve Lauterbach & Amen engagement for GASB 67 services: The Board discussed the engagement with Lauterbach & Amen for GASB 67 reporting services. A motion was made by Trustee Markowski and seconded by Trustee Super to authorize signature on the engagement letter with Lauterbach & Amen for GASB 67 reporting services for the fiscal years ended May 31, 2015 in the amount of \$2,000, May 31, 2016 in the amount of \$2,050, May 31, 2017 in the amount of \$2,100 and May 31, 2018 in the amount of \$2,150. Motion carried by roll call vote.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

Confirm Tier Status of Firefighter Kevin Riordan: The Board discussed the tier status of Firefighter Kevin Riordan. Mr. Riordan has informed the Board that he has prior creditable service with the Elmhurst Firefighters' Pension Fund. The Board will contact Elmhurst Firefighters Pension Fund to receive a copy of minutes indicating his acceptance as a Tier I Member to the Elmhurst Firefighters' Pension Fund. The Board has tabled further action until the next regular meeting.

2016 Cost of Living Adjustments: The Board reviewed the 2016 Cost of Living Adjustments for Pensioners of the Addison Firefighters' Pension fund. All questions were answered by Lauterbach & Amen. A motion was made by Trustee Rice and seconded by Trustee Super to authorize the required statutory Cost of Living Adjustments, with the possible correction of Surviving Spouse Linda Kreft, as attached. Motion carried unanimously by roll call vote.

AYES: Trustees Markowski, Rice, Scott and Super
NAYS: None
ABSENT: Trustee Schlicher

Review of Trustee Term Expirations: Lauterbach & Amen informed the Board that the trustee term for Charles Schlicher (Retired) will expire April 30, 2016. Trustee Charles Schlicher is 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.

Trustee Training Update: The Board reviewed the trustee training summary provided in the Board packet. The Trustees were reminded to submit their training certificates to Lauterbach & Amen for record keeping. Trustee Markowski informed the Board that Trustee Schlicher has been registered for the 32-hour Certified Trustee Training in East Peoria.

John Falduto arrived to the meeting at 10:32am.

Trustee Markowski discussed with the Board information he received at the Northern Alliance Conference regarding terms of Appointed Trustees. Board Attorney, Evan Haim, discussed best practices with the Board.

CLOSED SESSION: None.

ATTORNEY'S REPORT: Attorney Evan Haim provided his firm's newsletter *Legal and Legislative Update* and an overview of recent discussions relating to consolidation of all downstate pension funds, and Tier II Firefighters exercising reciprocity to become Tier I participants.

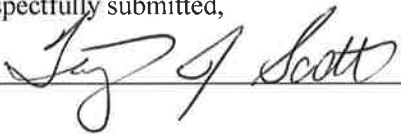
Trustee Markowski asked Sawyer Falduto about the disbursements made to the Pension Fund from the County. The Board will work with Sawyer Falduto to get all necessary paperwork and information in place moving forward.

Lauterbach & Amen introduced Allie Rysell as the newly assigned Pension Services Administrator for the Addison Firefighters' Pension Fund. Moving forward, all Board business and communications should be sent to Ms. Rysell.

ADJOURNMENT: A motion was made by Trustee Super and seconded by Trustee Rice to adjourn the meeting at 10:55am. Motion carried unanimously by voice vote.

The next regular meeting of the Addison Firefighters' Pension Fund will be held on Wednesday, May 11, 2016 at 9:00 am.

Respectfully submitted,



Date 5-11-2016

Minutes prepared by Sara Tokarz, Pension Services Administrator, Lauterbach & Amen, LLP