

# Addison FPD Firefighters' Pension Fund

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

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

## **ADDISON FPD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES MINUTES OF A REGULAR MEETING WEDNESDAY, FEBRUARY 14, 2018 – 10:00 A.M.**

A regular meeting of the Addison FPD Firefighters' Pension Fund Board of Trustees was held on Wednesday, February 14, 2018 at 10:00 a.m. at the Addison Fire Protection District #1 Headquarters, 10 S. Addison Road, Addison, Illinois, for the purpose of conducting regular business.

**CALL TO ORDER:** The meeting was called to order by Secretary Walker at 10:00 a.m.

### **ROLL CALL:**

**PRESENT:** Secretary Scott Walker, Trustees John Rice, Michael Super and Charles Schlicher

**ABSENT:** President Timothy Scott

**ALSO PRESENT:** Attorney Evan Haim, Reimer Dobrovolny & Karlson, LLC; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Allie Rysell, Lauterbach & Amen, LLP (L&A)

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *Regular Meeting Minutes – November 8, 2017:* The minutes of the November 8, 2017 regular meeting were reviewed by the Board. A motion was made by Trustee Super and seconded by Trustee Schlicher to approve the minutes from the November 8, 2017 regular meeting as written. Motion carried unanimously by voice vote.

**OLD BUSINESS:** *Status Update – Disability of Donald E. Markowski:* Attorney Haim informed the Board that Donald E. Markowski did not appeal the final order issued by the circuit court. All questions were answered by Attorney Haim. No further Board action is needed.

**APPROVAL OF MEETING MINUTES (CONTINUED):** *Semi-Annual Review of Closed Session Meeting Minutes:* The Board tabled the review of the closed session meeting minutes until the next regular meeting.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto and Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending December 31, 2017. As of 12/31/17, the ending market value of the Fund is \$48,576,887 with an investment return for the quarter of 3.06% net of fees, outperforming the policy benchmark of 2.88%. The current portfolio allocation is 55.9% in Equities, 43.8% in Fixed Income and 0.3% in Cash and Equivalents. Since the inception date of 01/31/16, the investment return is 11.52%, outperforming the policy benchmark of 10.65%. The Cash Flow and Performance Review, Portfolio Value vs. Cumulative Net Investment Report, Market Commentary, Equity Portfolio and Fixed Income Portfolio were reviewed with the Board. All questions were answered by Mr. Sawyer and Mr. Falduto. A motion was made by Trustee Schlicher and seconded by

Trustee Super to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* The Board reviewed the Investment Policy. No changes are necessary at this time.

Mr. Falduto reviewed an article from the Daily Herald with the Board concerning the Schaumburg Police Pension Fund as well as other suburban pension funds. All questions were answered by Mr. Falduto, Trustee Walker and Attorney Haim.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* L&A presented the Monthly Financial Report for the period ended December 31, 2017. As of 12/31/17, the net position held in trust for pension benefits is \$48,565,768.46, with a change in position for the seven month period of \$2,920,673.31. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal were reviewed with the Board.

*Presentation and Approval of Bills:* The Board reviewed the Vendor Check Report for the period 10/01/17 through 12/31/17, showing total disbursements in the amount of \$185,191.77.

A motion was made by Trustee Schlicher and seconded by Trustee Super to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$185,191.77. Motion carried by roll call vote.

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

*Additional Bills, if any:* There were no additional bills to review at this time.

**COMMUNICATIONS OR REPORTS:** *Statements of Economic Interest:* Trustee Walker informed the Board that the List of Filers were submitted to the County by the February 1, 2018 due date. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2018.

*2018 IRS Mileage Rate:* As of January 1, 2018, the IRS mileage reimbursement rate has increased one cent to 54.5 cents per mile. All Trustees submitting Trustee training reimbursement requests must use the new IRS mileage reimbursement rate.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Application for Membership – Sean J. Kulpa:* The Board reviewed Sean J. Kulpa's Application for Membership. The Board noted that the date of hire listed on Firefighter Kulpa's Application for Membership should be amended from January 8, 2017 to January 8, 2018. The Board will revise Sean J. Kulpa's Application for Membership and a copy will be sent to L&A for recordkeeping. A motion was made by Trustee Walker and seconded by Trustee Schlicher to accept Sean J. Kulpa into the Addison FPD Firefighters' Pension Fund effective 01/08/18 as a Tier II participant. Motion carried unanimously by voice vote.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** There were no applications for retirement or disability benefits at this time.

**OLD BUSINESS (CONTINUED):** *Trustee Training Update:* The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all training certificates to L&A for recordkeeping.

*Creditable Service Purchase – Nicholas F. Lezza:* The Board noted that Nicholas F. Lezza has completed his creditable service purchase. The total amount paid to the Addison FPD Firefighters' Pension Fund was \$974.81. A motion was made by Trustee Walker and seconded by Trustee Super to accept payment from Nicholas F. Lezza in the amount of \$974.81 and to recognize that his creditable service purchase has been paid in full. Motion carried by roll call vote.

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

**NEW BUSINESS:** *Creditable Service Purchase – Joseph McGuire:* Trustee Walker discussed Joseph McGuire's creditable service purchase with the Board. The Board reviewed meeting minutes from the Addison FPD Firefighters' Pension Fund dated October 20, 2005 and May 2, 2007. The total amount paid to the Addison FPD Firefighters' Pension Fund was \$729.92. All questions were answered by Trustee Walker and Attorney Haim. A motion was made by Trustee Super and seconded by Trustee Schlicher to accept payment from Joseph McGuire in the amount of \$729.92, to recognize that his creditable service purchase has been paid in full, and to recognize his status as a deferred pensioner under reciprocity. Motion carried by roll call vote.

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

*Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2018 Cost of Living Adjustments as calculated by L&A. A motion was made by Trustee Walker and seconded by Trustee Super 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 Walker, Rice and Super and Schlicher  
NAYS: None  
ABSENT: Trustee Scott

*Review Trustee Term Expirations and Election Procedures:* The Board noted that the active member term currently held by Trustee Rice is expiring April 2018. Trustee Rice expressed his desire to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions. The election results will be reviewed at the next regular meeting.

The Board noted that the appointed Trustee position held by Trustee Walker is expiring in April 2018 and he wishes to remain on the Board. The Board will contact the District and seek reappointment of Trustee Walker to the Board. Further discussion will be held at the next regular meeting.

**ATTORNEY'S REPORT – REIMER DOBROVOLNY & KARLSON, LLC:** *Legal Updates:* Attorney Haim reviewed the quarterly *Legal and Legislative Update* newsletter highlighting recent court decisions and pension news. All questions were answered by Attorney Haim.

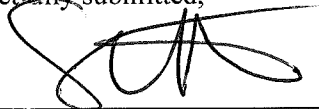
Attorney Haim requested that the Pension Fund's Administrative Rules and Regulations be reviewed at the next regular meeting.

**CLOSED SESSION, IF NEEDED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee Schlicher and seconded by Trustee Super to adjourn the meeting at 10:58 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Addison FPD Firefighters' Pension Fund will be held on **Wednesday, May 9, 2018 at 10:00 a.m.** at the Addison Fire Protection District #1 Headquarters, 10 S. Addison Road, Addison, Illinois.

Respectfully submitted,



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Scott Walker, Board Secretary

Date 5/9/18

*Minutes prepared by Allie Rysell, Pension Services Administrator, Lauterbach & Amen, LLP*