

Addison 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 FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES MINUTES OF THE REGULAR MEETING WEDNESDAY, FEBRUARY 8, 2017 – 10:00 A.M.

A regular meeting of the Addison Firefighters' Pension Fund Board was held on Wednesday, February 8, 2017 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 President Timothy Scott at 10:00 a.m.

ROLL CALL:

Present: Trustees Timothy Scott, Scott Walker, Charles Schlicher, John Rice and Michael Super

Absent: None

Also Present: Attorney Rick Reimer, Reimer Dobrovolny & Karlson; John Falduto and Tom Sawyer (*arrived at 10:16 a.m.*), Sawyer Falduto Asset Management; Derek Flessner and Allie Rysell, Lauterbach & Amen, LLP

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: *Regular Meeting – November 9, 2016:* The minutes from the November 9, 2016 regular meeting were reviewed by the Board. A motion was made by Trustee Schlicher and seconded by Trustee Super to approve the minutes from the November 9, 2016 regular meeting as written. Motion carried unanimously by voice vote.

Special Meeting – November 1, 2016: The minutes from the November 1, 2016 special meeting were reviewed by the Board.

Special Meeting – November 9, 2016: The minutes from the November 9, 2016 special 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 1, 2016 and November 9, 2016 special meetings as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Minutes: The Board tabled the review of the closed session minutes until the next regular meeting.

ACCOUNTANT'S REPORT: *Monthly Financial Report – Lauterbach & Amen, LLP:* Mr. Flessner presented the Monthly Financial Report for the period ended December 31, 2016. As of 12/31/16, the plan net held in trust for pension benefits is \$44,206,180.57, with a net change in position for the seven month period of \$1,868,096.49. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal were reviewed with the Board. All questions were answered by Mr. Flessner.

Presentation and Approval of Bills: The Board reviewed the Vendor Checks Report for the period 10/01/16 through 12/31/16, showing total disbursement of \$195,801.31. A motion was made by Trustee Super and seconded by Trustee Schlicher to accept the Monthly Financial Report and to approve the payment of the disbursements shown on the Vendor Checks Report in the amount of \$195,801.31. Motion carried by roll call vote.

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

Trustee Training Reimbursements: There were no reimbursements to review at this time.

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

INVESTMENT REPORT: *Sawyer Falduto Asset Management, LLC:* Mr. Falduto and Mr. Sawyer presented the Investment Report for the period ending December 31, 2016. As of 12/31/16, the ending market value of the Fund is \$43,846,415 with an investment return for the quarter of 0.46% net of fees, outperforming the policy benchmark of 0.42%. The investment return for the year is \$2,713,046. The current portfolio allocation is 51.8% in Equities, 46.8% in Fixed Income and 1.4% in Cash and Equivalents. The Market Commentary, Equity Portfolio, Fixed Income Portfolio and Transactions Report 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 Investment Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: There were no updates to the Investment Policy at this time.

COMMUNICATIONS OR REPORTS: *Trustee Training Update:* The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any training certificates to Lauterbach & Amen for recordkeeping.

Statements of Economic Interest: Trustee Walker informed the Board that the List of Filers for the annual Statements of Economic Interest were submitted by the February 1, 2017 due date. Trustees will be contacted directly to complete the Statements of Economic Interest by the deadline of May 1, 2017.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: The Board noted that Firefighter Nathan Dikun resigned on January 25, 2017 and his contributions have ceased.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Motion to Adopt and Publish Markowski Written Decision and Order:* The Board reviewed the written Decision and Order for the Non-Duty Disability Benefits of Donald E. Markowski, prepared by Reimer, Dobrovlny & Karlson. A motion was made by Trustee Rice and seconded by Trustee Schlicher to approve and adopt the written Decision and Order for Donald E. Markowski as presented. Motion carried by roll call vote.

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

OLD BUSINESS: There were no outstanding matters to discuss.

NEW BUSINESS: *Military Service Purchase – Robert B. Shea:* Lauterbach & Amen informed the Board that Firefighter Robert B. Shea has requested a military service purchase calculation for the period 06/02/1998 through 06/01/2000. The Board reviewed the military service purchase calculation as provided by Lauterbach & Amen. As of March 15, 2017, the balance owed to the Addison Firefighters'

Pension Fund is \$71,556.36. Lauterbach & Amen will inform the Board if Firefighter Shea elects to proceed with the military service purchase. Further discussion will be held at the next regular meeting.

Approve 2017 Cost of Living Adjustments for Pensioners: The Board reviewed the Annual Benefit Increases effective January 1, 2017 for Pensioners of the Addison Firefighters' Pension Fund. A motion was made by Trustee Walker and seconded by Trustee Schlicher to approve the 2017 Cost of Living Adjustments for Pensioners, as required by state statute and calculated by Lauterbach and Amen. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: Lauterbach & Amen informed the Board that Trustee Scott's elected active Trustee term will expire April 30, 2017. Trustee Scott is interested in remaining on the Board if nominated. The Board directed Lauterbach & Amen to conduct the election on behalf of the Board. Election results will be presented to the Board at the next regular meeting. The Board will contact the District for reappointment confirmation of Trustee Super.

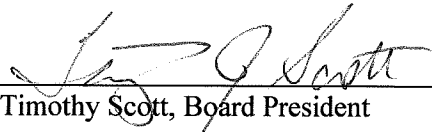
CLOSED SESSION: There was no need for closed session.

ATTORNEY'S REPORT: Attorney Reimer reviewed the *Legal and Legislative Updates* quarterly newsletter highlighting recent court decisions and pension news. All questions were answered by Attorney Reimer.

ADJOURNMENT: A motion was made by Trustee Schlicher and seconded by Trustee Rice to adjourn the meeting at 11:12 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Addison Firefighters' Pension Fund will be held on Wednesday, May 11, 2017 at 10:00 a.m. at the Addison Fire Protection District #1 Headquarters, 10 S. Addison Road, Addison, Illinois.

Respectfully submitted,



Timothy Scott, Board President

Date 05/10/2017