

Addison FPD Firefighters' Pension Fund

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Timothy Scott
President

Scott Walker
Secretary

John Rice
Trustee

Michael Super
Trustee

Keven Barnes
Trustee

Bernadette LaRocca
Treasurer

MINUTES OF A REGULAR MEETING OF THE ADDISON FPD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES MAY 15, 2019

A regular meeting of the Addison FPD Firefighters' Pension Fund Board of Trustees was held on Wednesday, May 15, 2019 at 9:00 a.m. at the Addison Fire Protection District #1 Headquarters, located at 10 S. Addison Road, Addison, Illinois 60101, pursuant to notice.

CALL TO ORDER: Trustee Scott called the meeting to order at 9:00 a.m.

ROLL CALL:

PRESENT: Trustees Timothy Scott, Scott Walker, John Rice and Keven Barnes

ABSENT: Trustee Michael Super

ALSO PRESENT: Treasurer Bernadette LaRocca, Addison FPD; Attorney Rick Reimer, Reimer & Dobrovlny PC; Tom Sawyer, Sawyer Falduto Asset Management, LLC; Greg Kiesewetter, Cook Castle Associates LLC; Derek Flessner, Allie Rysell and Sam Meyer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

NEW BUSINESS: *Discussion/Possible Action – Fiduciary Liability Insurance Renewal:* Mr. Kiesewetter presented a proposal for fiduciary liability insurance provided by Euclid Specialty through Cook Castle Associates LLC. A motion was made by Trustee Walker and seconded by Trustee Rice to engage in a contract for fiduciary liability insurance renewal through Cook Castle Associates LLC effective June 1, 2019 through June 1, 2020 in the amount of \$9,838 paid by the District. Motion carried unanimously by voice vote.

Mr. Kiesewetter left the meeting at 9:16 a.m.

APPROVAL OF MEETING MINUTES: *February 19, 2019 Regular Meeting:* The Board reviewed the February 19, 2019 regular meeting minutes. A motion was made by Trustee Rice and seconded by Trustee Walker to approve the February 19, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

March 19, 2019 Special Meeting: The Board reviewed the March 19, 2019 special meeting minutes. A motion was made by Trustee Walker and seconded by Trustee Barnes to approve the March 19, 2019 special meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Review/Update Investment Policy:* Mr. Sawyer reviewed the Fixed Income ranges currently in the Investment Policy and will provide an updated Investment Policy for the Board's review and approval at the next regular meeting.

Quarterly Investment Performance Report: Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending March 31, 2019. As of March 31, 2019, the first quarter net return is 8.50% versus the quarter account benchmark of 8.29%. The investment return for the

quarter is \$3,960,606 for an ending market value of \$50,305,906. The current asset allocation is as follows: Fixed Income at 42.3%, Equities at 56.3% and Cash Equivalents at 1.3%. Mr. Sawyer reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Walker and seconded by Trustee Rice to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eleven-month period ending April 30, 2019 prepared by L&A. As of April 30, 2019, the net position held in trust for pension benefits is \$50,992,244.47 for a change in position of \$2,134,044.04. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Scott and seconded by Trustee Walker to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period February 1, 2019 through April 30, 2019 for total disbursements \$181,659.05. A motion was made by Trustee Scott and seconded by Trustee Walker to approve the disbursements shown on the Vendor Check Report in the amount of \$181,659.05. Motion carried by roll call vote.

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

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice has been issued. A motion was made by Trustee Scott and seconded by Trustee Walker to approve payment of the IDOI Compliance Fee in the amount of \$8,000. Motion carried by roll call vote.

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

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board noted that the Statements of Economic Interest were due by May 1, 2019.

Affidavits of Continued Eligibility: The Board noted that Affidavits of Continued Eligibility will be mailed to all pensioners and QILDRO recipients with the June payroll cycle. A status update will be provided at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Withdrawal from the Fund – Sean J. Kulpa:* The Board noted that Sean J. Kulpa resigned from the Addison FPD Firefighters' Pension Fund effective February 25, 2019. Trustee Walker presented the completed contribution refund request form to L&A. Further discussion will be held at the next regular meeting.

Withdrawal from the Fund – Kevin C. Kronforst: The Board noted that Kevin C. Kronforst resigned from the Addison FPD Firefighters' Pension Fund effective March 22, 2019 and that a contribution refund packet was sent to Kevin C. Kronforst. No reply has been received to date. Updates will be provided as they become available.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Status Update – Disability of Joel C. Arnier Jr.:* The Board noted that a disability hearing was held on March 19, 2019 concerning

the disability application for Joel C. Arnier Jr. The Board awarded FF/PM Arnier Jr. a non-duty disability benefit.

Approve Written Decision & Order and Certificate of Payment – Joel C. Arnier Jr.: Attorney Reimer informed the Board that he is preparing the written decision and order for Joel C. Arnier Jr.'s non-duty disability pension benefits. A special meeting will be held to approve the written decision and order. Further discussion be held at the next regular meeting.

Approve Non-Duty Disability Benefit – Joel C. Arnier, Jr.: The Board reviewed the non-duty disability benefit calculation for Joel C. Arnier Jr. prepared by L&A. FF/PM Joel C. Arnier Jr. had an entry date of September 8, 1999, disability date of March 22, 2019, effective date of pension of March 23, 2019, 61 years of age at date of disability, 19 years and 6 months of creditable service, applicable salary of \$96,999.88, applicable pension percentage of 50%, amount of originally granted monthly pension of \$4,041.66 and it was noted that the prorated March payment was \$1,173.00, his initial increase will be January 1, 2021 and the amount of originally granted annual pension of \$48,499.92. A motion was made by Trustee Walker and seconded by Trustee Rice to approve Joel C. Arnier Jr.'s non-duty disability benefit calculated by L&A, without prejudice to any appeal rights he has once the decision and order comes out denying him a line of duty disability. Motion carried by roll call vote.

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

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

NEW BUSINESS (CONTINUED): *Certify 2019 Board Election Results:* L&A conducted an election for the vacant retired member position on the Addison FPD Firefighters' Pension Fund Board of Trustees. Having received no retired member nominations, the position opened up to all active members of the Addison FPD Firefighters' Pension Fund, per 40 ILCS 5/4-121 of the Illinois Fire Pension Code. Keven Barnes ran unopposed and was elected to fill the retired member position for a three-year term expiring April 30, 2022. A motion was made by Trustee Scott and seconded by Trustee Walker to certify the retired member election results. Motion carried unanimously by voice vote.

Board Officer Elections – President and Secretary: The Board discussed the Board Officer Elections and nominated the slate of Officers as follows: Trustee Scott as President and Trustee Walker as Secretary.

FOIA Officer/OMA Designee: The Board discussed maintaining Trustee Walker as the FOIA Officer and OMA Designee.

A motion was made by Trustee Rice and seconded by Trustee Burnes to elect the slate of Officers and FOIA Officer/OMA Designee as stated. Motion carried unanimously by voice vote.

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney Reimer discussed recent court cases and decisions, as well as general pension matters with the Board.

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

ADJOURNMENT: A motion was made by Trustee Barnes and seconded by Trustee Walker to adjourn the meeting at 10:04 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 7, 2019 at 9:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 8/7/19

Minutes prepared by Sam Meyer, Pension Services Administrator, Lauterbach & Amen, LLP