

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 20, 2020

A regular meeting of the Addison FPD Firefighters' Pension Fund Board of Trustees was held on Wednesday, May 20, 2020 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 Walker called the meeting to order at 9:02 a.m.

ROLL CALL:

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

ABSENT: None

ALSO PRESENT: Attorney Richard Reimer, Reimer & Dobrovolny PC; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC (SFAM); Sam Meyer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 19, 2020 Regular Meeting:* The Board reviewed the February 19, 2020 regular meeting minutes. A motion was made by Trustee Super and seconded by Trustee Rice to approve the February 19, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Scott, Walker, Rice, Super and Barnes

NAYS: None

ABSENT: None

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the November 9, 2016 closed session meeting minutes. A motion was made by Trustee Super and seconded by Trustee Barnes to make the minutes public, subject to the finding that the matter no longer remains confidential and to destroy the audio recording. Motion carried by roll call vote.

AYES: Trustees Scott, Walker, Rice, Super and Barnes

NAYS: None

ABSENT: None

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending March 31, 2020. As of March 31, 2020, the first quarter net return is (9.97%) versus the first quarter account benchmark of (10.95%). The investment return for the quarter is (\$5,471,059) for an ending market value of \$49,266,650. The current asset allocation is as follows: Fixed Income at 46.9%, Equities at 52.4% and Cash Equivalents at 0.8%. 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 Scott and seconded by Trustee Barnes to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Scott, Walker, Rice, Super and Barnes

NAYS: None

ABSENT: None

Review/Update Investment Policy: The Board reviewed the current investment policy. Mr. Falduto provided proposed language to update the policy to comply with the Illinois Sustainable Investment Act along with adjustments to allowable benchmarks. A motion was made by Trustee Rice and seconded by Trustee Super to accept changes to the investment policy and allow SFAM to implement the changes immediately. An updated investment policy will be available for signature at the next regular meeting. Motion carried by roll call vote.

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

Mr. Falduto left the meeting at 9:27 a.m.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the ten-month period ending March 31, 2020 prepared by L&A. As of March 31, 2020, the net position held in trust for pension benefits is \$49,267,42.63 for a change in position of (\$469,646.83). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period January 1, 2020 through March 31, 2020 for total disbursements of \$176,872.46. A motion was made by Trustee Rice 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 \$176,872.46. Motion carried by roll call vote.

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

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice was received. A motion was made by Trustee Super and seconded by Trustee Barnes to approve payment of the IDOI Compliance Fee in the amount of \$8,000.00. Motion carried by roll call vote.

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

Trustee Walker noted that fiduciary liability insurance was paid through the District and all Pension Board Trustees are covered under the plan. No Board action is necessary.

Trustee Walker also noted that the District exceeded the amount requested from the requested tax levy prepared by L&A. Trustee Walker noted that he has received two payments totaling \$552,614 made out to the pension fund and they have been deposited in the Board's Schwab account. The Board noted appreciation to the District and their active members for remaining fiscally responsible throughout the fiscal year in efforts to keep costs down.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that due to the health and safety concerns associated with COVID-19, L&A did not issue Affidavits of Continued Eligibility to pensioners with the April payroll cycle. The Board will discuss issuing Affidavits of Continued Eligibility at the next regular meeting.

Statements of Economic Interest: The Board noted that all Trustees have submitted their Statements of Economic Interest by the May 1, 2020 dead line.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no application for membership or withdrawals from the Fund.

APPLICATION FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve Regular Retirement Benefit – Jeff Pluta:* The Board reviewed the regular retirement benefit calculation for Jeff Pluta prepared by L&A. Battalion Chief Pluta had an entry date of March 4, 1996, retirement date of April 30, 2021, effective date of pension of May 1, 2021, 50 years of age at date of retirement, 25 years of creditable service, applicable salary of \$134,965.41, applicable pension percentage of 62.71%, amount of originally granted monthly pension of \$7,052.88 and amount of originally granted annual pension of \$84,634.56. A motion was made by Trustee Barnes and seconded by Trustee Scott to approve Jeff Pluta's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

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

NEW BUSINESS: *Certify Board Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the Addison FPD Firefighters' Pension Fund Board of Trustees. Tim Scott ran unopposed and was reelected for a three-year term expiring April 30, 2023. A motion was made by Trustee Super and seconded by Trustee Walker to certify the active member election results. Motion carried by roll call vote.

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

Review/Approve Surviving Spouse Benefit – Susan Mathias: The Board noted that Lee Mathias passed away on April 13, 2020. The Board reviewed the surviving spouse benefit calculation for Susan Mathias with an effective date of April 14, 2020 for a monthly benefit of \$4,419.12 with no additional increases. A motion was made by Trustee Scott and seconded by Trustee Super to approve the surviving spouse benefit of Susan Mathias calculated by L&A. Motion carried by roll call vote.

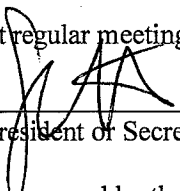
AYES: Trustees Scott, Walker, Rice, Super and Barnes
NAYS: None
ABSENT: None

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 Scott and seconded by Trustee Rice to adjourn the meeting at 9:55 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 19, 2020 at 9:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on

8/19/20