

# 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 BOARD MINUTES OF REGULAR MEETING WEDNESDAY, NOVEMBER 9, 2016 – 9:00 AM**

A regular meeting of the Addison Firefighters' Pension Board was called to order by President Timothy Scott at 9:02 a.m. on Wednesday, November 9, 2016, at the Addison Fire Protection District #1 Headquarters, 10 S. Addison Road, Addison, Illinois, for the purpose of conducting regular business.

### **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, Sawyer Falduto Asset Management; Derek Flessner and Allie Rysell, Lauterbach & Amen, LLP

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

**APPROVAL OF MINUTES:** *August 10, 2016 – Regular Meeting:* The minutes from the August 10, 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 August 10, 2016 regular meeting as written. Motion carried unanimously by voice vote.

*Special Meeting – November 1, 2016:* The Board tabled the review of the minutes from the November 1, 2016 special meeting until the next regular meeting.

**INVESTMENT REPORTS:** *Sawyer Falduto Asset Management, LLC:* Mr. Falduto presented the Investment Report for the period ending September 30, 2016. As of 09/30/16, the ending market value of the Fund is \$44,420,406 with an investment return for the quarter of 2.62% net of fees, outperforming the policy benchmark of 2.43%. The investment return for the year is \$2,503,135. The current portfolio allocation is 50.9% in Equities, 47.9% in Fixed Income and 1.2% in Cash and Equivalents. All questions were answered by Mr. Falduto.

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

**TREASURER'S REPORT:** *Monthly Financial Report – Lauterbach & Amen, LLP:* Mr. Flessner presented the Monthly Financial Report for the period ended September 30, 2016. As of 09/30/16, the plan net held in trust for pension benefits is \$44,727,777.45, with a net change in position for the four month period of \$2,389,693.37. 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 07/01/16 through 09/30/16, showing total disbursement of \$78,938.33. A motion was made by Trustee Schlicher and seconded by Trustee Rice to approve the payment of the disbursements shown on the Vendor Checks Report in the amount of \$78,938.33. 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 invoices for review at this time.

A motion was made by Trustee Rice and seconded by Trustee Schlicher to accept the Sawyer Falduto Investment Report and Lauterbach & Amen Monthly Financial Report as presented. Motion carried unanimously by voice vote.

**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.

*Affidavits of Continued Eligibility:* Lauterbach & Amen informed the Board that the 2016 Annual Affidavits of Continued Eligibility are complete and presented the originals to the Board for recordkeeping.

*Active Member File Maintenance:* Lauterbach & Amen informed the Board that the file maintenance letters were sent to the station in September for distribution to all active members requesting any additional Pension Fund documents as required by the Illinois Department of Insurance. Lauterbach & Amen presented member file updates to the Board for filing.

**APPLICATIONS FOR ADMISSIONS/WITHDRAWALS FROM FUND:** *Application for Membership – Philip Orchell:* The Board reviewed Philip Orchell's Application for Membership. Firefighter Orchell's date of hire was August 22, 2016 as a Tier II participant. A motion was made by Trustee Schlicher and seconded by Trustee Super to admit Philip Orchell into the Addison Firefighters' Pension Fund effective 08/22/16 as a Tier II participant. Motion carried unanimously by voice vote.

*Contribution Refund – Daniel Cromp:* The Board reviewed Daniel Cromp's contribution refund request paperwork. Firefighter Cromp's date of hire was February 9, 2007 and his last day worked was August 24, 2012, for a total contribution amount of \$33,834.53. A motion was made by Trustee Super and seconded by Trustee Schlicher to approve and issue Daniel Cromp's contribution refund in the amount of \$33,834.53, less the 20% Federal Tax Withholding amount. Motion carried by roll call vote.

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

**APPLICATIONS FOR RETIREMENT OR DISABILITY BENEFITS:** *Duty Disability Application Update – Donald Markowski:* The Board will review the non-duty disability calculation for Donald E. Markowski prepared by Lauterbach & Amen at the special meeting today, November 9, 2016 at 10:00 a.m.

**OLD BUSINESS:** There were no outstanding matters to discuss.

**NEW BUSINESS:** *Status Update/Review and Possible Approval – Illinois Department of Insurance Annual Statement and Certification Form:* Lauterbach & Amen informed the Board that the Illinois Department of Insurance Annual Statement has been submitted to the IDOI. The Board will complete and submit the Certification Form to the IDOI.

*Discussion/Possible Action – Actuarial Valuation, Tax Levy Request and Municipal Compliance Report:* Mr. Flessner reviewed the Actuarial Valuation, GASB 67/68 Report and Municipal Compliance Report with the Board, as prepared by Lauterbach & Amen. Based on the data and assumptions used to prepare the final reports, the recommended contribution amount is \$2,434,889 and the statutory minimum contribution amount is \$1,716,909. A motion was made by Trustee Rice and seconded by Trustee Super to adopt the Lauterbach & Amen Actuarial Valuation as presented and request a contribution from the Addison Fire Protection District in the amount of \$2,434,889. Motion carried by roll call vote.

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

A motion was made by Trustee Rice and seconded by Trustee Super to approve the Municipal Compliance Report as prepared by Lauterbach & Amen. Motion carried unanimously by voice vote.

The Board President and Secretary signed the Municipal Compliance Report. Board Counsel will submit the tax levy request letter, Municipal Compliance Report and Actuarial Valuation to the Addison Fire Protection District, on behalf of the Addison Firefighters' Pension Fund.

*Storage/Destruction of old Pension Fund Accounting Records:* Mr. Flessner informed the Board that Lauterbach & Amen is in the process of digitalizing all of their records to further streamline their services. Lauterbach & Amen is seeking the Board's direction regarding boxes containing copies of bank and financial statements for the Pension Fund. The Board directed Lauterbach & Amen to return all physical boxes containing records for the Pension Fund and the Board will assume possession.

*Establish 2017 Regular Board Meeting Dates:* The Board established the 2017 regular Board meeting dates as February 8<sup>th</sup>, May 10<sup>th</sup>, August 9<sup>th</sup> and November 8<sup>th</sup> at 10:00 a.m. at the Addison Fire Protection District #1 Headquarters, 10 S. Addison Road, Addison, Illinois.

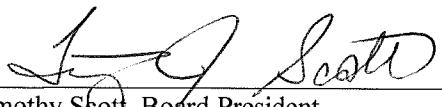
**CLOSED SESSION:** There was no need for closed session.

**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 Super to adjourn the meeting at 9:40 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Addison Firefighters' Pension Fund will be 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.

Respectfully submitted,

  
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Timothy Scott, Board President

Date 2-8-17