

Addison Firefighters' Pension Fund

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

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

ADDISON FIREFIGHTERS PENSION BOARD MINUTES OF REGULAR MEETING WEDNESDAY, NOVEMBER 11, 2015 – 9:00 AM

A Regular Meeting of the Addison Firefighters' Pension Board was called to order by President Timothy Scott at 9:15 am on Wednesday, November 11, 2015, at 10 S. Addison Road, Addison, Illinois, for the purpose of conducting regular business.

ROLL CALL:

Present: Trustees Timothy Scott, Charles Schlicher, John F. Rice and Michael Super
Absent: None
Also Present: Attorney Evan Haim, Reimer Dobrovolny & Karlson; Spencer Klein and Robert Thompson, MB Financial; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management; Bernadette LaRocca, Addison Fire Protection District; Derek Flessner and Cheryl Kessler, Lauterbach & Amen, LLP
Via Videoconference: Donald Markowski

PUBLIC COMMENT: None

NEW BUSINESS: Moved up on the Agenda

Review and Revise Rules and Regulations: Tabled to next meeting.

Pension Fund Credit Card: The Board discussed obtaining a credit card for payment of Trustee expenses. The Board Attorney recommended that the Board not open a credit card in the name of the fund. The Board decided to continue with their current procedure, which is to use the District's credit card.

Trustee Training Update: The Board reviewed the trustee training summary provided in the Board packet. The Trustees were reminded to submit their training certificates to Lauterbach & Amen for recording.

Final Actuarial Evaluation: Lauterbach & Amen reported that they received the Addison Fire Protection District's annual financial report and noted that there were no changes from the draft used by Lauterbach & Amen for the Actuarial Valuation presented at the last Board meeting. The Board reviewed the Actuarial Valuation prepared by Lauterbach & Amen. A motion was made by Trustee Rice and seconded by Trustee Schlicher to adopt the actuarial report as presented.

AYES: Trustees Scott, Schlicher and Rice

NAYS: None

ABSENT: Trustee Super

VIA VIDEOCONFERENCE: Trustee Markowski

Recommended Tax Levy Amount to Fire District/Municipal Compliance Report: The Board reviewed the Municipal Compliance report prepared by Lauterbach & Amen. A motion was made by Trustee Schlicher and seconded by Trustee Rice to adopt the recommended municipal contributions in the amount of \$2,045,213, authorize the execution of the municipal compliance report and to prepare a recommendation of the tax levy to the District in the amount of \$2,045,213 as indicated in the Actuarial Report.

AYES: Trustees Scott, Schlicher and Rice
NAYS: None
ABSENT: Trustees Markowski and Super
VIA VIDEOCONFERENCE: Donald Markowski

Trustee Super arrived at the meeting at 9:25 am

APPROVAL OF MINUTES: August 12, 2015 – Regular Meeting: The Minutes from the August 12, 2015 regular meeting were reviewed by the Board. A motion was made by Trustee Schlicher and seconded by Trustee Super to approve the minutes as written. Motion carried unanimously by voice vote.

September 2, 2015 – Special Meeting: The Minutes from the September 2, 2015 special meeting were reviewed by the Board. A motion was made by Trustee Super and seconded by Trustee Schlicher to approve the minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORTS: *MB Financial:* Robert Thompson and Spencer Klein presented the Performance Report as of September 30, 2015. As of 9/30/2015, the total fund market value was \$26,760,733 with 48.69% in equities, 42.97% in fixed income, 3.66% in alt. strategies and 4.69% in cash and equivalent. The net total earnings for the quarter totaled -\$1,367,289. The total fund performance for the quarter was -4.86% and -3.17% for the fiscal year to date. Mr. Klein reported to the Board the status of the transition to Sawyer Falduto Asset Management. A motion was made by Trustee Super and seconded by Trustee Rice to accept the quarterly MB financial report as presented. Motion carried unanimously by voice vote.

Donald Markowski exited the videoconference at 9:45 am

Sawyer Falduto Asset Management, LLC: John Falduto & Tom Sawyer presented the Investment Report as of November 10, 2015 noting that Sawyer Falduto's performance review is for the period 10/21/2015 to 11/10/2015. As of 11/10/15, the ending market value was \$14,586,100. A motion was made by Trustee Super and seconded by Trustee Schlicher to accept the Sawyer Falduto financial report as presented. Motion carried unanimously by voice vote.

Adopt Revised Investment Policy: The Board discussed proposed revisions to the Investment Policy. A motion was made by Trustee Rice and seconded by Trustee Super to reduce the target equity allocation of the U.S. Large Company Stocks from 70% to 60%. The Board directed Lauterbach & Amen to make the approved revisions to the Investment Policy and transmit the revised policy to Attorney Haim.

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

Bernadette LaRocca left the meeting at 10:15 am

TREASURER'S REPORT: *Monthly Financial Report – Lauterbach & Amen, LLP:* The monthly Financial Report for the period ending September 30, 2015 was presented for the Board's review. The net position held in trust for pension benefits is \$42,268,384.72 a change in position of -\$1,146,713.06. A motion was made by Trustee Rice and seconded by Trustee Schlicher to accept the monthly financial report as presented.

AYES: Trustees Scott, Schlicher, Rice and Super

NAYS: None

ABSENT: Trustee Markowski

Presentation and Approval of Bills: The Board reviewed the Vendor Checks Report provided in the financial report. A motion was made by Trustee Super and seconded by Trustee Schlicher to approve payment of the disbursements shown on the Vendor Checks Report in the amount of \$188,909.88 for the period 7/1/15 through 9/30/15.

AYES: Trustees Scott, Schlicher, Rice and Super

NAYS: None

ABSENT: Trustee Markowski

Additional bills, if any: The Board reviewed Lauterbach & Amen's proposal for GASB 67/68 Reports through May 31, 2018 and discussed IPFA membership dues. Both items were tabled to the next Board meeting.

COMMUNICATIONS OR REPORTS: *Active Member Files Update:* The Board was informed that Lauterbach & Amen sent letters in August to all active members requesting any file updates.

APPLICATIONS FOR ADMISSIONS/WITHDRAWALS FROM FUND: None.

APPLICATIONS FOR RETIREMENT OR DISABILITY BENEFITS: *Jack E. Bremer, Jr. – Retirement Application:* The Board acknowledged an Application for Retirement submitted by Jack E. Bremer, Jr. Mr. Bremer's effective date of pension is 11/27/15, with 30 creditable years of service, with an applicable salary of \$87,995.00. The amount of his monthly benefit is \$5,499.69 which is 75% of his applicable salary and his first COLA increase is scheduled for 12/01/16. A motion was made by Trustee Rice and seconded by Trustee Schlicher to approve the retirement benefit calculation for Jack E. Bremer, Jr.

AYES: Trustees Scott, Schlicher, Rice and Super

NAYS: None

ABSENT: Trustee Markowski

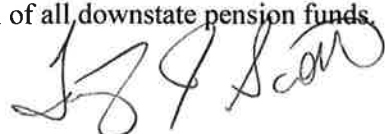
OLD BUSINESS: None.

NEW BUSINESS: *Moved up on the Agenda*

Establish Regular Meeting Dates for 2016: The Board reviewed meeting dates for 2016. A motion was made by Trustee Rice and seconded by Trustee Schlicher to approve the 2016 meeting dates as follows: February 10, May 11, August 10, and November 9 at 9:00 am at 10 S. Addison Road, Addison, Illinois.

POSSIBLE CLOSED SESSION: None.

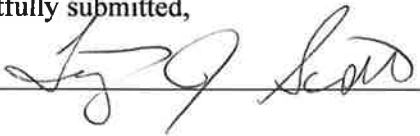
ATTORNEY'S REPORT: Attorney Haim provided his firm's newsletter *Legal and Legislative Update* and an overview of recent discussions relating to consolidation of all downstate pension funds.



ADJOURNMENT: A motion was made by Trustee Super and seconded by Trustee Schlicher to adjourn the meeting at 11:00 am. Motion carried unanimously by voice vote.

The next regular meeting of the Addison Firefighters' Pension Fund will be held on Wednesday, February 10, 2016 at 9:00 am.

Respectfully submitted,



Date 2-10-16

Minutes prepared by Cheryl Kessler, Pension Services Administrator, Lauterbach & Amen, LLP