

Addison FPD Firefighters' Pension Fund

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Timothy Scott
President

Scott Walker
Secretary

John Rice
Trustee

Erick Kramer
Trustee

Keven Barnes
Trustee

Bernadette LaRocca
Treasurer

MINUTES OF A REGULAR MEETING OF THE ADDISON FPD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES FEBRUARY 8, 2023

A regular meeting of the Addison FPD Firefighters' Pension Fund Board of Trustees was held on Wednesday, February 8, 2023 at 9:00 a.m. in 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 9:07 a.m.

ROLL CALL:

PRESENT: Trustees Timothy Scott, Scott Walker and Erick Kramer

ABSENT: Trustees John Rice and Keven Barnes

ALSO PRESENT: Attorney Brian LaBardi, Reimer Dobrovolny & LaBardi PC; John Falduto, Sawyer Falduto Asset Management, LLC (SFAM); Megan Snell, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *November 8, 2022 Regular Meeting:* The Board reviewed the November 8, 2022 regular meeting minutes. A motion was made by Trustee Scott and seconded by Trustee Kramer to approve the November 8, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was submitted to the County by the District by February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

Affidavits of Continued Eligibility: The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the April payroll cycle. Further discussion will be held at the next regular meeting.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement of disability benefits.

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

NEW BUSINESS: *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2023 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Kramer and seconded by Trustee Walker to approve the 2023 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the appointed member position held by Trustee Walker is expiring in April 2023 and he is interested in remaining on the Board. The Board will contact the Village and seek reappointment of Trustee Walker to the Board. Further discussion will be held at the next regular meeting.

Review/Approve – Updated Local Account Collateralization Agreement: The Board had significant discussion regarding the memorandum prepared by L&A regarding the successor of the third-party custodian from Bank of America to The Bank of New York Mellon to continue collateralization of the BMO Harris Bank operating account. Updates will be provided to the Board as they become available.

Transfer of Creditable Service – Christopher Edward: The Board noted that L&A mailed correspondence to Christopher Edward's regarding his request to calculate the amount of money due to the Addison Firefighters' Pension Fund to combine service under reciprocity, but no response has been received to date. Further discussion will be held at the next regular meeting.

Discussion/Comparison of Actuarial Reports: The Board reviewed the comparison between the L&A actuarial report and the IFPIF Actuarial report provided by Foster and Foster. Further discussion will be held at the next regular meeting.

Discussion/Possible Action – Rules and Regulations: The Board discussed the current rules and regulations. The Board directed Attorney LaBardi to amend the current rules and regulations. Further discussion will be held at the next regular meeting.

IFPIF UPDATES: *Discussion/Possible Action to be Taken on all FPIF Requests Pertaining to Consolidation:* The Board noted that there are no request requiring action at this time.

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

INVESTMENT REPORTS: *Investment Review – IFPIF:* The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending November 30, 2022. As of November 30, 2022, the one-month total net return is (6.2%) and the year-to-date total net return is (13.1%) for an ending market value of \$7,405,066,296. The current asset allocation is as follows: Total Equity at 64.6%, Fixed Income at 29.2%, Real Estate at 4.9% and Cash 1.4%.

Statements of Results: The Board reviewed the November 2022 and December 2022 Statements of Results provided by Northern Trust. As of December 2022, the ending balance was \$82,976,869.14 for a net return of (2.66%).

Quarterly Investment Performance Report: Mr. Falduto presented the Quarterly Investment Performance Report for the period ending December 31, 2022. As of December 31, 2022, the ending market value held in the Schwab money market is \$456,183. A motion was made by Trustee Kramer and seconded by Trustee Scott to approve the Investment Performance Report as presented. Motion carried by roll call vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and approval of Bills:* The Board reviewed the Monthly Financial Report for the four-month period ending November 30, 2022 prepared by L&A. As of November 30, 2022 the net position held in trust for pension benefits is \$85,401,999.52 for a change in position of (\$4,849,386.01). 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 September 1, 2022 through November 30, 2022 for total disbursements of \$378,750.57. A motion was made by Trustee Scott and seconded by Trustee Barnes to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$378,750.57. Motion carried by roll call vote.

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

Additional Bills, if any: There were no additional bills presented for approval.

Review/Update Cash Management Policy: The Board discussed the balance in the BMO Harris account. A motion was made by Trustee Kramer and seconded by Trustee Scott to maintain a balance of \$15,000 in the BMO Harris account and once the balance reaches \$25,000 transfer the excess funds to FPIF for investing effective March 2023. Motion carried by roll call vote.

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

ADJOURNMENT: A motion was made by Trustee Kramer and seconded by Trustee Scott to adjourn the meeting at 10:27 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 16, 2023 at 9:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 5-16-23

Minutes prepared by Megan Snell, Pension Services Administrator, Lauterbach & Amen, LLP