

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES  
OF THE CARPENTERSVILLE FIREFIGHTERS' PENSION FUND  
FEBRUARY 19, 2019**

A regular meeting of the Board of Trustees of the Carpentersville Firefighters' Pension Fund was held on Tuesday, February 19, 2019 at 1:00 p.m. at Fire Station #91 located at 213 N. Spring St., Carpentersville, IL 60110 for the purpose of conducting regular business.

**CALL TO ORDER:** Secretary Tracy called the meeting to order at 1:01 p.m.

**ROLL CALL:**

**PRESENT:** President Matt Jackson, Secretary Matthew Tracy, Trustees Nate Spain and Steve Roesslein

**ABSENT:** Trustee Michael Kilbourne

**ALSO PRESENT:** Amanda Secor, Lauterbach & Amen, LLP (L&A); John Falduto and Dave Harrington, Sawyer Falduto Asset Management; Board Attorney Cary Collins, Collins & Radja

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

**APPROVAL OF MEETING MINUTES:** *November 13, 2018 Regular Meeting Minutes:* The Board reviewed the minutes from the November 13, 2018 regular meeting. A motion was made by Trustee Spain and seconded by Trustee Roesslein to approve the November 13, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board discussed the closed session meeting minutes in summary and will not release them at this time due to pending matters.

**VILLAGE TREASURER'S REPORT:** There was no Treasurer's Report presented.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* Lauterbach & Amen, LLP presented the Monthly Financial Report for the period ended December 31, 2018. The net position held in trust for pension benefits is \$22,510,229.22 with a change in position of \$(632,241.77) for the twelve-month period ending December 31, 2018. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and the Payroll Journal. A motion was made by Trustee Tracy and seconded by Trustee Roesslein 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 of 10/01/2018 through 12/31/2018 listing total disbursements in the amount of \$65,147.57. A motion was made by Trustee Spain and seconded by Trustee Tracy to approve the disbursements listed on the Vendor Check Report in the amount of \$65,147.57. Motion carried by roll call vote.

**AYES:** Trustees Jackson, Spain, Tracy and Roesslein

**NAYS:** None

**ABSENT:** Trustee Kilbourne

*Additional Bills, if any:* There were no additional bill submitted for approval.

**COMMUNICATIONS OR REPORTS:** *Statements of Economic Interest:* The Board noted that the List of Filers was to be submitted to the County by the Village by February 1, 2019. Statements of

Economic Interest will be sent to all registered filers, who will need to respond by the deadline of May 1, 2019.

**TRUSTEE TRAINING UPDATES:** The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Application for Membership – Daniel Streich:* The Board reviewed the Application for Membership submitted by Daniel Streich. A motion was made by Trustee Tracy and seconded by Trustee Spain to accept Daniel Streich into the Carpentersville Firefighters' Pension Fund effective January 3, 2019, as a Tier II participant. Motion carried unanimously by voice vote.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Application for Duty Disability Benefits – Kimberly DuCasse:* Board Attorney Collins informed the Board that Firefighter DuCasse has submitted an application for duty disability benefits and that all medical records have been received. A motion was made by Trustee Spain and seconded by Trustee Tracy to accept the duty disability application of Kimberly DuCasse. Motion carried unanimously by voice vote.

**OLD BUSINESS:** There was no old business to discuss.

**NEW BUSINESS:** *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2019 Cost of Living Adjustments (see attached) as calculated by L&A. A motion was made by Trustee Tracy and seconded by Trustee Spain to approve the 2019 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Jackson, Spain, Tracy and Roesslein

NAYS: None

ABSENT: Trustee Kilbourne

*Review/Approve Fiduciary Liability Insurance Renewal:* The Board noted that the current fiduciary liability insurance renewal expires August 11, 2019. L&A will obtain quotes from Cook Castle Associates, LLC and Mesirow Insurance Services, Inc. to compare to the current policy provided by Neis Insurance Agency, Inc. A status update will be provided at the next regular meeting.

*Review Trustee Term Expirations and Election Procedures:* The Board noted that the active member term currently held by Trustee Jackson and the retired member term currently held by Trustee Roesslein are expiring in April 2019. Trustee Jackson expressed his wish to remain on the Board, if nominated. Trustee Roesslein will inform the Board if he will seek reelection at a later date. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions and the retired member Trustee position. The Board also noted that the appointed member Trustee position held by Trustee Spain is expiring in April 2019 and he informed the Board that he will decide if he will seek reappointment at a later date. The Board will contact the Village to seek reappointment of Trustee Spain to the Board or a replacement Trustee, upon confirmation of Trustee Spain's interest in maintaining his Trustee position.

*IDOI Annual Statement:* The Board noted that the IDOI Annual Statement is currently in process. Updates will be provided to the Board as they become available.

*Discussion/Approval – Foster & Foster Engagement Letter for Actuarial Services:* The Board reviewed the Foster & Foster engagement letter for actuarial services. A motion was made by Trustee Tracy and seconded by Trustee Roesslein to engage Foster & Foster pursuant to the terms outlined in the agreement in the total amount of \$6,000 for the preparation of the January 1, 2019 tax levy report and the GASB 67/68 statements. Motion carried by roll call vote.

AYES: Trustees Jackson, Spain, Tracy and Roesslein

NAYS: None

ABSENT: Trustee Kilbourne

**ATTORNEY'S REPORT:** *Legal Updates:* Board Attorney Collins discussed current pension reform including discussion regarding consolidation and answered all questions from the Board.

*Annual Independent Medical Examination – Robert Dunn:* The Board discussed sending Robert Dunn for his annual independent medical examination. Further discussion will be held at the next scheduled meeting.

*Status of Information Requested from Village – Copy of Surety Bond:* The Board noted that a surety bond will be issued once a new Village Treasurer is in office. A status update will be provided at the next regular meeting.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending December 31, 2018. As of December 31, 2018, the quarter-to-date total net return is (6.96)% for an investment return of \$(1,669,889) and an ending market value of \$22,519,557. The current asset allocation is as follows: Fixed Income at 49.5% and Equities at 50.4%. Mr. Harrington reviewed the Market Commentary, Equity Portfolio, Fixed Income Portfolio and Transaction Ledger Report with the Board. Mr. Falduto recommended the addition of investment grade corporate bonds within the range of 0-30% of the Fixed Income portion of the portfolio as defined in the current Investment Policy. A motion was made by Trustee Spain and seconded by Trustee Roesslein to authorize the addition of investment grade corporate bonds to the current Fixed Income allocation as discussed. Motion carried unanimously by voice vote.

*Trustee Tracy left the meeting at 1:57 p.m.*

A motion was made by Trustee Spain and seconded by Trustee Roesslein to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* The Board reviewed the current Investment Policy and determined that no changes are necessary.

**CLOSED SESSION, IF NEEDED:** There were no items to be discussed in closed session.

**ADJOURNMENT:** A motion was made by Trustee Jackson and seconded by Trustee Roesslein to adjourn the meeting at 2:01 p.m. Motion carried unanimously by voice vote.

*Respectfully Submitted,*

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Matthew Tracy, Board Secretary

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***The next regular meeting is scheduled for May 14, 2019 at 1:00 p.m.***

*Minutes prepared by Amanda Secor, Pension Services Administrator*