

**MINUTES OF A REGULAR MEETING
OF THE CARPENTERSVILLE FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
MAY 14, 2019**

A regular meeting of the Carpentersville Firefighters' Pension Fund Board of Trustees was held on Tuesday, May 14, 2019 at 1:00 p.m. at Fire Station #91 located at 213 North Spring Street, Carpentersville, Illinois 60110 pursuant to notice.

CALL TO ORDER: Trustee Jackson called the meeting to order at 1:01 p.m.

ROLL CALL:

PRESENT: Trustees Matt Jackson, Matthew Tracy, Michael Kilbourne and Nate Spain
ABSENT: Trustee Steve Roesslein
ALSO PRESENT: Amanda Secor, Lauterbach & Amen, LLP (L&A); John Falduto and Tom Sawyer, Sawyer Falduto Asset Management, LLC; Attorney Mike Pryzbylski, Collins & Radja; Heidi Andorfer, Foster & Foster Actuaries and Consultants

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 19, 2019 Regular Meeting:* The Board reviewed the February 19, 2019 regular meeting minutes. A motion was made by Trustee Spain and seconded by Trustee Tracy to approve the February 19, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the three-month period ending March 31, 2019 prepared by L&A. As of March 31, 2019, the net position held in trust for pension benefits is \$24,136,143.15 for a change in position of \$1,623,952.33. 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 of January 1, 2019 through March 31, 2019 for total disbursements of \$70,698.91. A motion was made by Trustee Spain and seconded by Trustee Tracy to accept the Monthly Financial Report as presented and to approve the disbursements listed on the Vendor Check Report in the amount of \$70,698.91. Motion carried by roll call vote.

AYES: Trustees Jackson, Tracy, Kilbourne and Spain
NAYS: None
ABSENT: Trustee Roesslein

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted receipt of the Illinois Department of Insurance Compliance Fee invoice in the amount of \$4,506.86. The invoice was submitted to L&A for payment on behalf of the Fund prior to the July 1, 2019 due date.

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, 2019. As of March 31, 2019, the first quarter net return is 8.29% versus the first quarter benchmark of 8.3%. The investment return for the quarter is \$1,878,100 for an ending market value of \$24,148,204. The current asset allocation is as follows: fixed income at 44.3%, equities at 55.5% and cash at 0.2%. Mr. Sawyer reviewed the Market Commentary, Equity Portfolio, Fixed Income Portfolio and Transaction Ledger Report with the Board. A motion was made by Trustee

Spain and seconded by Trustee Kilbourne 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 in summary and determined that no changes are necessary at this time.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the Statements of Economic Interest were due by May 1, 2019.

Affidavits of Continued Eligibility: The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the June payroll cycle. A status update will be provided at the next regular meeting.

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

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registrations or reimbursable expenses presented for approval.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Application for Duty Disability Benefits – Kimberly DuCasse:* Attorney Przybylski informed the Board that Firefighter DuCasse has attended the three, required independent medical examinations. The Board is awaiting a response from the applicant's attorney in order to schedule a hearing in June. A status update will be provided at the next regular meeting.

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement has been filed by L&A on behalf of the Fund.

Review/Approve Fiduciary Liability Insurance Renewal: The Board noted that the current fiduciary liability insurance renewal expires August 11, 2019. The Board reviewed a quote provided by Mesirow Insurance Services, Inc. and compared it to the current policy provided by Neis Insurance Agency, Inc. The Board also discussed services provided by Cook Castle Associates, LLC. A motion was made by Trustee Tracy and seconded by Trustee Jackson to engage Cook Castle Associates, LLC as the broker for the fiduciary liability insurance policy, with the stipulation that the quote does not exceed \$8,000, and if it does, the Board will engage Mesirow Insurance Services, Inc. Motion carried by roll call vote.

AYES: Trustees Jackson, Tracy, Kilbourne and Spain

NAYS: None

ABSENT: Trustee Roesslein

NEW BUSINESS: *Review Preliminary Actuarial Valuation:* The Board reviewed the preliminary Actuarial Valuation prepared by Foster & Foster Actuaries and Consultants. The final report will be reviewed by the Board at the next regular meeting. A motion was made by Trustee Kilbourne and seconded by Trustee Spain to accept the Actuarial Valuation as prepared. Motion carried unanimously by voice vote.

Certify Board Election Results – Active and Retired Member Positions: L&A conducted an election for one of the active member positions and the retired member position on the Carpentersville Firefighters' Pension Fund Board of Trustees. Trustees Jackson and Roesslein ran unopposed and were reelected for three-year terms expiring April 30, 2022. A motion was made by Trustee Kilbourne and seconded by Trustee Tracy to certify the active and retired member election results. Motion carried unanimously by voice vote.

Appointed Member Term Expiration – Nate Spain: The Board noted that Trustee Spain's appointed term expired April 30, 2019 and reappointment has not been requested. The Board will request a reappointment letter from Mayor Skillman for a term of three years. Further discussion will be held at the next regular meeting.

ATTORNEY'S REPORT – COLLINS & RADJA: *Legal Updates:* Attorney Przybylski provided legislative updates pertaining to Article 4 Pension Funds; including recent court cases and decisions, as well as general pension matters.

Annual Independent Medical Examination – Robert Dunn: The Board noted that Robert Dunn was examined by Dr. Suchy on February 11, 2019 and the examination determined that Robert Dunn remains disabled. Mr. Dunn's disability benefit will continue based on a finding that he remains disabled and subject to further annual examinations until age 50.

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.

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

HB0928 Hearing Loss: Attorney Przybylski discussed HB0928 and informed the Board of the implications that the bill potentially has on Pension Funds, disability proceedings and Workmen's Compensation carriers.

ADJOURNMENT: A motion was made by Trustee Kilbourne and seconded by Trustee Spain to adjourn the meeting at 2:35 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 13, 2019 at 1:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Amanda Secor, Pension Services Administrator, Lauterbach & Amen, LLP