

A/C Mike Rothecker  
President

## South Elgin Firefighters

Allen Etheridge  
Trustee

William Luchsinger  
Secretary

### Pension Fund

Mary Van Winkle  
Trustee

Jeff Speyers  
Treasurer

1090 WEST SPRING STREET  
SOUTH ELGIN, ILLINOIS 60177

Steve Wascher  
Trustee

Business Phone (847) 741-2141 \* Fax (847) 741-2184

#### MINUTES OF A REGULAR MEETING OF BOARD OF TRUSTEES OCTOBER 15, 2021

A regular meeting of the South Elgin Countryside FPD Firefighters' Pension Fund Board of Trustees was held on Friday, October 15, 2021 at 1:00 p.m. in the District Fire Station #21 located at 1090 West Spring Street, South Elgin, Illinois 60177, pursuant to notice.

**CALL TO ORDER:** Trustee Rothecker called the meeting to order at 1:03 p.m.

#### ROLL CALL:

**PRESENT:** Trustees Michael Rothecker, William Luchsinger, Allen Etheridge, Mary Van Winkle and Steve Wascher

**ABSENT:** None

**ALSO PRESENT:** John Falduto and Dave Harrington, Sawyer Falduto Asset Management, LLC; Attorney Jeff Goodloe, Puchalski Goodloe LLC; Cristina Argumedo, Molly Weslow and Trinette Gardner, Lauterbach & Amen, LLP (L&A)

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

**APPROVAL OF MEETING MINUTES:** *August 20, 2021 Regular Meeting:* The Board reviewed the minutes from the August 20, 2021 regular meeting. A motion was made by Trustee Van Winkle and seconded by Trustee Luchsinger to approve the August 20, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

*September 28, 2021 Special Meeting:* The Board reviewed the minutes from the September 28, 2021 special meeting. A motion was made by Trustee Luchsinger and seconded by Trustee Wascher to approve the September 28, 2021 special meeting minutes as written. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the one-month period ending September 30, 2021 prepared by L&A. As of September 30, 2021, the net position held in trust for pension benefits is \$21,939,156.58 for a change in position of \$476,038.79. 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 July 1, 2021 through September 30, 2021 for total disbursements of \$60,166.74. A motion was made by Trustee Luchsinger and seconded by Trustee Wascher to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$60,166.74. Motion carried unanimously by voice vote.

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

**PRESIDENT'S REPORT:** President Rothecker discussed upcoming consolidation matters and the Board's attendance at the IPPFA MidAmerican Pension Conference.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending September 30, 2021. As of September 30, 2021, the third quarter net return is (0.6%) versus the third quarter account benchmark of (0.3%). The investment return for the quarter is (\$129,309) for an ending market value of \$21,925,172. The current asset allocation is as follows: Fixed Income at 39.3%, Equities at 60.6% and Cash Equivalents at 0.1%. Mr. Harrington reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Wascher and seconded by Trustee Luchsinger to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* The Board discussed the Investment Policy and determined that no changes are required at this time.

**COMMUNICATIONS AND REPORTS:** There were no communications or reports.

**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 registration fees or reimbursable expenses presented for approval.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND:** *Applications for Membership – Bailey Nixon:* The Board reviewed the Application for Membership submitted by Bailey Nixon. A motion was made by Trustee Luchsinger and seconded by Trustee Rothecker to accept Bailey Nixon into the South Elgin Countryside FPD Firefighters' Pension Fund effective September 14, 2021, as a Tier II participant. Motion carried unanimously by voice vote.

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

**OLD BUSINESS:** *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement will be filed with the Illinois Department of Insurance prior to the November 30, 2021 deadline. No further action is necessary.

**NEW BUSINESS:** *Review/Approve – Lauterbach & Amen, LLP Engagement Letter:* The Board reviewed the L&A three-year engagement letter. A motion was made by Trustee Rothecker and seconded by Trustee Luchsinger to engage L&A in the annual amounts as follows: \$5,510 for the year ended May 31, 2021; \$5,630 for the year ended May 31, 2022; and \$5,850 for the year ended May 31, 2023. Motion carried by roll call vote.

AYES: Trustees Rothecker, Luchsinger, Etheridge, Van Winkle and Wascher  
NAYS: None  
ABSENT: None

*Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$1,295,119 which is a \$78,976 decrease from the prior year contribution. The statutory minimum contribution requirement is \$973,258. A motion was made by Trustee Luchsinger and seconded by Trustee Wascher to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$1,295,119 from the South Elgin Fire District. Motion carried by roll call vote.

AYES: Trustees Rothecker, Luchsinger, Etheridge, Van Winkle and Wascher  
NAYS: None  
ABSENT: None

*Review/Adopt – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Rothecker and seconded by Trustee Van Winkle to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

*DuPage County Property Tax 2<sup>nd</sup> Installment:* The Board noted that the second installment of \$33.86 was received from DuPage County. No further action is needed.

*Establish 2022 Board Meeting Dates:* The Board established the 2022 Board meeting dates as February 4, 2022; April 29, 2022; September 23, 2022; and November 4, 2022 at 9:00 a.m. in the District Fire Station #21 located at 1090 West Spring Street, South Elgin, Illinois 60177. A motion was made by Trustee Etheridge and seconded by Trustee Van Winkle. Motion carried unanimously by voice vote.

*Discussion/Approval – Cash Reserve Balance:* The Board discussed the recommendation set forth by FPIF to retain three months of expenses in a local account. A motion was made by Trustee Luchsinger and seconded by Trustee Etheridge to maintain a cash reserve balance of \$150,000 in the Charles Schwab bank account. Motion carried by roll call vote.

AYES: Trustees Rothecker, Luchsinger, Etheridge, Van Winkle and Wascher  
NAYS: None  
ABSENT: None

The Board discussed the current procedure in place for the deposit of employee contributions and the tax levy revenue. Further discussion will be held at the next meeting.

*FPIF Status Update and Discussion/Possible Action to be Taken on all FPIF Requests Pertaining to Consolidation:* The Board reviewed the Resolution Authorizing Account Representatives for the Northern Trust Global Cash Movement Portal prepared by Puchalski Goodloe LLC. A motion was made by Trustee Rothecker and seconded by Trustee Wascher to adopt the Resolution appointing Trustees Michael Rothecker, William Luchsinger and L&A Representative Stephanie Masson as authorized Account Representatives. Motion carried unanimously by voice vote.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC (CONTINUED)** - *Post Consolidation Services Proposal*: Mr. Falduto presented an overview of post-consolidation services offered by Sawyer Falduto Asset Management, LLC. A motion was made by Trustee Luchsinger and seconded by Trustee Rothecker to retain Sawyer Falduto Asset Management, LLC for post-consolidation services at the monthly rate of \$500 on a month-to-month basis. Motion carried by roll call vote.

AYES: Trustees Rothecker, Luchsinger, Etheridge, Van Winkle and Wascher  
NAYS: None  
ABSENT: None

*Discussion/Approval – Interim Cash Management Policy*: The Board noted this item was discussed under Cash Reserve Balance.

*Discussion/Possible Action – Local Collateralization*: The Board noted that the forms for the opportunity to collateralize the BMO Harris Bank were completed and submitted to L&A.

**ATTORNEY'S REPORT – PUCHALSKI GOODLOE LLC: Annual Independent Medical Examination – Jeremy Montgomery**: Attorney Goodloe informed the Board that Jeremy Montgomery was examined by Dr. Schubkegel and the examination determined that Officer Montgomery remains disabled. A motion was made by Trustee Rothecker and seconded by Trustee Van Winkle to continue Jeremy Montgomery's disability benefits based on Dr. Schubkegel's report and subject to further annual examinations until age 50. Motion carried unanimously by voice vote.

*Legal Updates*: Attorney Goodloe provided legislative updates pertaining to Article 4 Pension Funds; including recent court cases and decisions, as well as general pension matters.

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

**ADJOURNMENT**: A motion was made by Trustee Luchsinger and seconded by Trustee Etheridge to adjourn the meeting at 1:52 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for February 4, 2022 at 9:00 a.m.

  
Board President or Secretary

Minutes approved by the Board of Trustees on 2/4/2022.

*Minutes prepared by Cristina Argumedo, Pension Services Administrator, Lauterbach & Amen, LLP*