

*South Elgin Firefighters
Pension Fund*

Mike Rothecker
President

Allen Etheridge
Trustee

William Luchsinger
Secretary

1090 WEST SPRING STREET
SOUTH ELGIN, ILLINOIS 60177

Mary Van Winkle
Trustee

Jeff Speyers
Treasurer

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A/C Steve Wascher
Trustee

Pension Board Meeting Minutes of February 18th, 2021

A meeting of the South Elgin Fire Pension Board was called to order at 0902 hrs. by President Mike Rothecker.

Roll Call

Members present: Mike Rothecker, Steve Wascher, Mary Van Winkle, Allen Etheridge and William Luchsinger

Members absent: none

Guest's Present, Jeff Goodloe, Eric from Lauterbach & Amen, John Falduto, Justin Cox, Shannon Harms, and Walter Antos.

President's Report:

Mike welcomed Al to the Board and congratulated him on his election win.

Secretary's Report:

Mary Van Winkle made a motion to accept the minutes from the November 5th 2020 4th quarterly Pension Board Meeting. Steve Wascher 2nd the motion. Motion carried with a 5-0 roll call vote.

Attorneys Report:

Jeff discussed the topic on the Firefighters Consolidated Pension Fund and that the election of the permanent board was completed and they are in place. The board is currently going through rules and policy drafts and implementations. The board award the investment contract to Marquette Investment Company to invest the funds from each fund. That there are still a lot of questions with no answers as of yet. Questions regarding the transfer of funds, the timeline, the process and more, the board is still working through some of those topics and that more to come.

Jeff advised that there is a possible lawsuit coming as a result of the consolidation. Nothing has been filed as of yet, but he will keep an eye out for it and report back to the board in the event of one.

IML introduced legislation to help reduce some of the liability on municipalities but changing the funding ratio and deadline. The proposal would change the current funding requirement of 90% by the year 2040 to 90% by the year 2050. The bill has not been called for vote. Another bill was introduced to allow spilt service between two different funds for Tier II employees. The language would mirror the same as the current language for the Tier I employees who can apply for reciprocity.

Court decisions worth noting was Crownhome vs. Lockport. Two decisions from the same parties emphasized that it is imperative of pension boards to ensure proper payment is calculated at time of retirement and or written decisions as boards can not go back retroactively and reduce awards benefits.

Sawyer & Falduto Quarterly Report:

John gave a presentation on the financials as of December 31st 2020. Overall, the 4th quarter had a net increase of 8.55% on return equal to \$1,589,613. Bringing the year to date increase of the fund to \$2,593,644. Since the partnership with Sawyer Falduto in 2010, the fund has seen an investment return of \$9,185,845.

Mary Van Winkle made a motion to approve the Financial Report, seconded by Steve Wascher. Motion carried with a 5-0 roll call vote.

Treasurer's Report:

Eric gave the current statement of funds, and as of January 31st 2021, the entire fund balance was \$20,002,215.34. Mary Van Winkle made a motion to accept the Treasurer's report with Steve Wascher 2nd the motion. Motion carried with a 5-0 roll call vote.

Correspondence:

None

Old Business

None

New Business

The District hired a new full-time employee, Cory Nickels on January 4th 2021. Cory has no full-time experience prior, no reciprocity and is a Tier II employee. A motion was made by Mary Van Winkle to approve the application to the pension fund by Tier II member Cory Nickels with a hire date of January 4th 2021. Motion seconded by Steve Wascher, motion carried on roll call vote, 5-0.

The District hired a new full-time employee, Sam Heugh on February 7th 2021. Sam has no full-time experience prior, no reciprocity and is a Tier II employee. A motion was made by Mary Van Winkle to approve the application to the pension fund by Tier II member Samantha Heugh with a hire date of February 7th 2021. Motion seconded by Steve Wascher, motion carried on roll call vote, 5-0.

Mike discussed and presented that the Pension Boards shared fiduciary liability insurance policy with the District Board of Trustees is up for renewal. Mike discussed that the Pension board and District board rotate annually the payment of the policy and that it is the Pension Boards year to make payment towards the policy. Mary Van Winkle made a motion to renew the Great American Insurance Group policy for Fiduciary liability insurance renewal in the amount of \$3,600. Motion seconded by Steve Wascher, motion carried on the roll call vote, 5-0.

Mike discussed the Pension Board held an nomination and election process over the month of December 2020 and January 2021 to fill the remaining term vacated by the death of Tom Foster. The term is set expire in 2022. There was two members who accepted their nomination and an election was held in the month of January 2021. Allen Etheridge was elected by the retired members of the pension fund. Steve Wascher made a motion to accept the results of the retired members election. The motion was seconded by Mary Van Winkle, the motion passed by a roll call vote, 5-0.

Discussion was held by the board regarding the annual monthly COLA increases for the retired members. Mary Van Winkle made a motion to accept the COLA increases for the following members with an effective date of January 1st 2021:

○ Cluchey, Joseph	\$276.68
○ Ethridge, Allen	\$0.00
○ Foster, Christine	\$0.00
○ Montgomery, Jeremy	\$0.00
○ Montgomery-Dependent	\$0.64
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○ Oine, Louis	\$239.90
○ Sohn, William	\$279.20
○ Zabran, Arnold	\$153.30

Motion was seconded by Steve Wascher, motion carried on a roll call vote, 5-0.

The pension board received an application for retirement benefits from Delbert Lancaster. A/C Lancaster was a Tier I employee with a hire date of 02/05/1988 and a retirement date of November 30th 2020 and benefits effective 12/01/2020. A/C Lancaster completed 32 years and 9 months of full-time employment. A/C Lancaster's salary at retirement was \$134,261.00 annually and benefits awarded at 75%. Mary Van Winkle made a motion to approve A/C Lancaster's application for retirement benefits as presented. Motion seconded by Steve Wascher, motion carried on a roll call vote, 5-0.

Jeff Goodloe advised the Jeremy Montgomery was due for his annual examination to confirm his disability. The board discussed accepting a letter from his Montgomery's doctor advising his condition has not changed and that in fact he is still disabled in place of sending Montgomery to an annual exam at the cost of the pension fund. Steve Wascher made a motion to accept a letter from Dr. Andrew Schubkegel, Montgomery's doctor proving no change in his condition in place of sending him to an exam. The motion was seconded by Al Ethridge, motion carried on a roll call vote, 5-0.

Bills/Ratification of Bills

William Luchsinger presented a quarterly bill from PGM for services provided by Jeff Goodloe in the amount of \$881.75. Mary Van Winkle made a motion to approve the invoice and make payment. Motion seconded by Steve Wascher, motion carried on a roll call vote, 5-0.

Public comment

None

Mary Van Winkle made a motion to adjourn the meeting at 0947 hours, seconded by Al Etheridge, Motion carried with a 5-0 roll call vote.

Respectfully Submitted,
William Luchsinger