

William Luchsinger
President

South Elgin Firefighters

Allen Etheridge
Trustee

Justin Cox
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 THE BOARD OF TRUSTEES SEPTEMBER 23, 2022

A regular meeting of the South Elgin Countryside FPD Firefighters' Pension Fund Board of Trustees was held on Friday, September 23, 2022 at 9:00 a.m. in the District Fire Station #21 located at 1090 West Spring Street, South Elgin, Illinois 60177, pursuant to notice.

CALL TO ORDER: Trustee Luchsinger called the meeting to order at 9:02 a.m.

ROLL CALL:

PRESENT: Trustees William Luchsinger, Allen Etheridge, Mary Van Winkle and Justin Cox

ABSENT: Trustee Steve Wascher

ALSO PRESENT: Attorney Jeff Goodloe, Puchalski Goodloe LLC; John Falduto, Sawyer Falduto Asset Management, LLC; Ian Irvine and Cristina Argumedo, Lauterbach & Amen, LLP (L&A); Chief Michael Rothecker (*arrived at 9:41 a.m.*), South Elgin Fire Department

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 11, 2022 Regular Meeting:* The Board reviewed the minutes from the April 11, 2022 regular meeting. A motion was made by Trustee Van Winkle and seconded by Trustee Etheridge to approve the April 11, 2022 regular meeting minutes as amended. Motion carried by roll call vote.

AYES: Trustees Luchsinger, Etheridge, Van Winkle and Cox

NAYS: None

ABSENT: Trustee Wascher

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Etheridge and seconded by Trustee Cox to not release the closed session meeting minutes at this time due to pending matters. Motion carried by roll call vote.

AYES: Trustees Luchsinger, Etheridge, Van Winkle and Cox

NAYS: None

ABSENT: Trustee Wascher

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Approval of Bills:* The Board reviewed the Monthly Financial Report for the one-month period ending June 30, 2022 prepared by L&A. As of June 30, 2022, the net position held in trust for pension benefits is \$19,839,536.29 for a change in position of (\$1,216,392.15). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal and Vendor Check Report for the period April 1, 2022 through June 30, 2022 for total disbursements of \$430,240.14. A motion was made by Trustee Cox and seconded by Trustee Van Winkle to accept

the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$430,240.14. Motion carried by roll call vote.

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

Additional Bills, if any: The Board reviewed the following additional bill for approval:

- Puchalski Goodloe LLC invoice #258 in the amount of \$1,257.53 for Miscellaneous Attorney Services.

A motion was made by Trustee Etheridge and seconded by Trustee Van Winkle to approve the additional bill as presented. Motion carried by roll call vote.

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

Discussion/Possible Action – Cash Management Policy: The Board discussed updating the cash management policy. A motion was by Trustee Luchsinger and seconded by Trustee Van Winkle to maintain a balance of \$85,000 in the Schwab account and direct Sawyer Falduto to transfer all dollars in excess of \$120,000 or more to the BMO Harris account and direct L&A to deposit the proceeds to FPIF for investment purposes. Motion carried by roll call vote.

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

Discussion/Possible Action – Global Cash Movement Recurring Withdrawal Instructions for 2023: The Board reviewed the Global Cash Movement Recurring Withdrawal Instructions provided by FPIF and Northern Trust for 2022 and 2023. A motion was made by Trustee Etheridge and seconded by Trustee Luchsinger to authorize signature by Account Representative, Trustee Luchsinger to execute the instructions and to direct FPIF to transfer \$85,000 to the BMO Harris account on a monthly basis, beginning October 14, 2022. Motion carried by roll call vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP (CONTINUED): The Board reviewed the Cash Reserve Guidelines prepared by L&A and discussed the balance in the BMO Harris account. Further discussion will be held at the next regular meeting.

Chief Rothecker arrived at 9:41 a.m.

INVESTMENT REPORTS: *Sawyer Falduto Asset Management, LLC – Quarterly Report:* Mr. Falduto presented the Investment Performance Review for the period ending June 30, 2022. Post transfer of the Fund's assets to FPIF, the ending market value held in the Schwab money market account is \$333,970. Mr. Falduto reviewed the market commentary. A motion was made by Trustee Van Winkle and seconded by Trustee Cox to accept the Investment Performance Review as presented. Motion carried by roll call vote.

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

FPIF – Statement of Results: The Board reviewed the FPIF Statement of Results for the periods ending April 30, 2022, May 31, 2022, June 30, 2022 and July 31, 2022. The beginning value for the period ending July 31, 2022 was \$19,498,647.75, the ending value was \$20,711,963.61 and the net return was 5.18%. A motion was made by Trustee Etheridge and seconded by Trustee Cox to accept the monthly statement reports as presented. Motion carried by roll call vote.

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

Marquette Associates – FPIF Monthly Summary: The Board reviewed the FPIF Monthly Summaries prepared by Marquette Associates for the periods ending March 31, 2022, April 30, 2022, May 31, 2022 and June 30, 2022. As of June 30, 2022, the one-month total net return is (6.2%) and the year-to-date total net return is (16%) for an ending market value of \$6,878,861,209. The current asset allocation is as follows: Total Equity at 63.6%, Fixed Income at 30.4%, Real Estate at 5.2%, Cash 0.5%, Transition 0.3% and Member Funds at 0.1%. A motion was made by Trustee Cox and seconded by Trustee Van Winkle to accept the FPIF Monthly Summary as presented. Motion carried by roll call vote.

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

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2022 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping.

Active Member File Maintenance: The Board noted that L&A has prepared Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

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.

PENSION TRUSTEE TRAINING – SPRING CONFERENCE: *Discussion/Possible Action – Purchase of 40 IPPFA Retirement Guide Booklets:* The Board discussed purchasing 40 IPPFA Retirement Guide Booklets. A motion was made by Trustee Van Winkle and seconded by Trustee Etheridge to purchase 40 IPPFA Retirement Guide Booklets in the amount of \$300. Motion carried by roll call vote.

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND:

Applications for Membership – David Schmidt and James Schoff: The Board reviewed the Application for Membership submitted by James Schoff. A motion was made by Trustee Cox and seconded by Trustee Van Winkle to accept James Schoff into the South Elgin Countryside FPD Firefighters' Pension Fund effective June 20, 2022, as a Tier II participant. Motion carried by roll call vote.

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

The Board also reviewed the Application for Membership submitted by David Schmidt. A motion was made by Trustee Etheridge and seconded by Trustee Cox to accept David Schmidt into the South Elgin Countryside FPD Firefighters' Pension Fund effective September 1, 2022, as a Tier I participant. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Walter Antos and Steven Wascher:* The Board reviewed the regular retirement benefit calculation for Walter Antos prepared by L&A. Firefighter/Paramedic Antos had an entry date of August 22, 2000, retirement date of June 16, 2022, effective date of pension of June 17, 2022, 50 years of age at date of retirement, 21 years of creditable service, applicable salary of \$92,055.52, applicable pension percentage of 54.38%, amount of originally granted monthly pension of \$4,171.27 and amount of originally granted annual pension of \$50,055.24. A motion was made by Trustee Cox and seconded by Trustee Etheridge to approve Walter Antos's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

The Board reviewed the regular retirement benefit calculation for Steven Wascher prepared by L&A. Chief Wascher had an entry date of November 15, 1999, retirement date of June 30, 2022, effective date of pension of July 1, 2022, 53 years of age at date of retirement, 22 years of creditable service, applicable salary of \$149,797, applicable pension percentage of 56.46%, amount of originally granted monthly pension of \$7,047.74 and amount of originally granted annual pension of \$84,572.88. A motion was made by Trustee Etheridge and seconded by Trustee Van Winkle to approve Steven Wascher's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

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 on August 9, 2022 and the examination determined that Jeremy Montgomery remains disabled. A motion was made by Trustee Etheridge and seconded by Trustee Cox to continue Jeremy Montgomery's disability benefits based on a finding that he remains disabled and subject to further annual examinations until age 50. Motion carried by roll call vote.

South Elgin Countryside FPD Firefighters' Pension Fund
Minutes of Meeting – September 23, 2022
Page 5 of 6

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

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.

OLD BUSINESS: *Reciprocity Update – Michael Rothecker:* The Board discussed a repayment plan for the balance due from Michael Rothecker to the South Elgin Countryside FPD Firefighters' Pension Fund to combine service under reciprocity. A motion was made by Trustee Van Winkle and seconded by Trustee Cox to authorize the Board President to execute a reciprocity repayment agreement with Michael Rothecker to combine his creditable service with the South Elgin Countryside FPD Firefighters' Pension Fund and the South Elgin Firefighters' Pension Fund pursuant to 40 ILCS 5/4-109.3 in the principal amount of \$28,121.58 and to authorize a payment plan not to exceed 36 months with 6% interest compounded annually from May 31, 2022 until the balance is paid in full. Motion carried by roll call vote.

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

NEW BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

Review Preliminary Actuarial Valuation: Mr. Irvine reviewed the preliminary Actuarial Valuation prepared by L&A with the Board. The final report will be reviewed by the Board at the next regular meeting.

Discussion – DuPage County Tax Installation: The Board noted that \$712.20 were received in installments from the DuPage County as follows: \$674.29 on June 10, 2022, \$37.88 on August 26, 2022 and \$0.03 on August 26, 2022. No further action is needed.

Discussion/Possible Action – Tax Levy Request from the County: The Board discussed requesting the District Board to approve all future tax levies from the County be received directly to the South Elgin Countryside FPD Firefighters' Pension Fund. Further discussion will be held at the next regular meeting.

BMO Harris Bank Signature Cards and Resolution Update: L&A provided the Board with the necessary forms to update the signers on the BMO Harris Bank account with the current Board members and municipal representative. The Board will obtain signatures and submit the completed forms to L&A to update with BMO Harris Bank. A motion was made by Trustee Etheridge and seconded by Trustee Van Winkle to designate Trustees Luchsinger and Cox and Treasurer Jeffrey Speyers as signers on the BMO Harris Bank account. Motion carried by roll call vote.

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

Discussion/Possible Action – Update Global Cash Movement Maintenance Form: The Board discussed updating the Passport Maintenance Form. Further discussion will be held at the next regular meeting.

Certify Board Election Results – Active Member Position: L&A conducted an election for the active member position on the South Elgin Countryside Firefighters' Pension Fund Board of Trustees. The Board noted that 31 ballots were received and 30 ballots were counted with one ballot being spoiled. The active member election results are as follows: 17 votes for Justin Cox, 6 votes for Ryan Payne and 7 votes for Rich Stumbaugh. Justin Cox was elected as the active member on the Board of Trustees for a three-year term expiring April 30, 2025. A motion was made by Trustee Etheridge and seconded by Trustee Van Winkle to certify the active member election results. Motion carried by roll call vote.

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

Board Officer Election – Secretary: The Board discussed Board Officer Elections and nominated Trustee Cox as Secretary. A motion was made by Trustee Luchsinger and seconded by Trustee Van Winkle to elect Trustee Cox as Secretary. Motion carried by roll call vote.

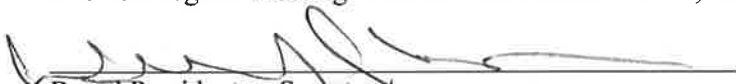
AYES: Trustees Luchsinger, Etheridge, Van Winkle and Cox
NAYS: None
ABSENT: Trustee Wascher

FOIA Officer and OMA Designee: The Board discussed maintaining Office Manager Britta Eggebrecht as the FOIA Officer and OMA Designee. A motion was made by Trustee Luchsinger and seconded by Trustee Etheridge to maintain Office Manager Britta Eggebrecht as the FOIA Officer and OMA Designee. Motion carried unanimously by voice vote.

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

ADJOURNMENT: A motion was made by Trustee Cox and seconded by Trustee Etheridge to adjourn the meeting at 10:50 a.m. Motion carried unanimously by voice vote.

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


Board President or Secretary

Minutes approved by the Board of Trustees on 11/4/2022.

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