

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**

Vacant
Trustee

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MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES FEBRUARY 16, 2023

A regular meeting of the South Elgin Countryside FPD Firefighters' Pension Fund Board of Trustees was held on Thursday, February 16, 2023 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: None

ALSO PRESENT: Attorney Jeff Goodloe, Puchalski Goodloe LLC; John Falduto, Sawyer Falduto Asset Management, LLC; Cristina Argumedo, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *November 4, 2022 Regular Meeting:* The Board reviewed the November 4, 2022 regular meeting minutes. A motion was made by Trustee Van Winkle and seconded by Trustee Etheridge to approve the November 4, 2022 regular meeting minutes as amended. Motion carried by roll call vote.

AYES: Trustees Luchsinger, Etheridge, Van Winkle and Cox

NAYS: None

ABSENT: None

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Luchsinger and seconded by Trustee Van Winkle 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: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the six-month period ending November 30, 2022 prepared by L&A. As of November 30, 2022, the net position held in trust for pension benefits is \$20,814,722.39 for a change in position of (\$241,206.05). 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 September 1, 2022 through November 30, 2022 for total disbursements of \$420,660.81. 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 \$420,660.81. Motion carried by roll call vote.

A YES: Trustees Luchsinger, Etheridge, Van Winkle and Cox
NAYS: None
ABSENT: None

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

- Puchalski Goodloe LLC invoice #318 in the amount of \$1,200 for miscellaneous Attorney Services.

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

A YES: Trustees Luchsinger, Etheridge, Van Winkle and Cox
NAYS: None
ABSENT: None

Discussion/Possible Action – Cash Management Policy: The Board discussed the target balance for the BMO Harris account after all monthly benefits and expenses have been paid. A motion was made by Trustee Luchsinger and seconded by Trustee Van Winkle to set the minimum balance at \$10,000 with a maximum balance at \$25,000 and direct L&A to deposit the proceeds in excess of \$25,000 to FPIF for investment purposes. Motion carried by roll call vote.

A YES: Trustees Luchsinger, Etheridge, Van Winkle and Cox
NAYS: None
ABSENT: None

PRESIDENT'S REPORT: There was no President's Report presented.

INVESTMENT REPORTS: *Sawyer Falduto Asset Management, LLC – Quarterly Report:* Mr. Falduto presented the Quarterly Report for the period ending December 31, 2022. Post transfer of the Fund's assets to FPIF, the ending market value held in the Schwab money market account is \$85,515. Mr. Falduto reviewed the market commentary. A motion was made by Trustee Etheridge and seconded by Trustee Cox to accept the Quarterly Report as presented. Motion carried unanimously by voice vote.

FPIF – Statement of Results: The Board reviewed the FPIF Statement of Results for the periods ending October 31, 2022, November 30, 2022 and December 31, 2022. The beginning value for the period ending December 31, 2022 was \$20,574,294.99, the ending value was \$19,979,542.71 and the net return was (2.66%).

Marquette Associates – FPIF Monthly Summary: The Board reviewed the FPIF Monthly Summaries prepared by Marquette Associates for the periods ending September 30, 2022, October 31, 2022, and November 30, 2022. As of November 30, 2022, the one-month total net return is 6.2% and the year-to-date total net return is (13.1%) for an ending market value of \$7,405,066,296. The current asset allocation is as follows: Total Equity at 64.6%, Fixed Income at 29.2%, Real Estate at 4.9% and Cash at 1.4%.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers were submitted to the County by the District by February 1, 2023. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2023.

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: The Board discussed the upcoming 2023 Spring Illinois Pension Conference. A motion was made by Trustee Luchsinger and

seconded by Trustee Cox to approve the registration fees for trustees interested in attending the 2023 Spring Illinois Pension Conference and to direct L&A to register Trustees Luchsinger, Etheridge, Van Winkle and Cox for the event. Motion carried by roll call vote.

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND: *Applications for Membership – Kevin Henryson, John Jowaski and Colin Rothecker:* The Board reviewed the Applications for Membership submitted by Kevin Henryson, John Jowaski and Colin Rothecker. A motion was made by Trustee Luchsinger and seconded by Trustee Cox to accept Kevin Henryson effective January 16, 2023, John Jowaski effective December 5, 2022 and Colin Rothecker effective December 12, 2022 into the South Elgin-Countryside FPD Firefighters' Pension Fund as Tier II participants. Motion carried by roll call vote.

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

Contribution Refund – Anthony Saccomanno: The Board reviewed the contribution refund request submitted by Anthony Saccomanno. A motion was made by Trustee Luchsinger and seconded by Trustee Etheridge to approve Anthony Saccomanno's contribution refund paid directly to himself. Motion carried by roll call vote.

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

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

ATTORNEY'S REPORT – PUCHALSKI GOODLOE LLC: *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: There were no old business to discuss.

NEW BUSINESS: *Military Buyback – John Jowaski:* The Board noted that L&A mailed correspondence to John Jowaski regarding his request to calculate the amount of money due to the South Elgin-Countryside FPD Firefighters' Pension Fund to purchase 24 months of military service time, but no response has been received to date. Further discussion will be held at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2023 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Van Winkle and seconded by Trustee Etheridge to approve the 2023 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term held by Trustee Luchsinger is now vacant. The Board also noted the South Elgin Fire Protection District has appointed Trustee Luchsinger to the South Elgin-Countryside FPD Firefighters' Pension Fund,

updating his position from an elected active member to an appointed member of the South Elgin-Countryside FPD Firefighters' Pension Fund. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions. Further discussion will be held at the next regular meeting.

Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letter: The Board reviewed the L&A engagement letter and noted it was previously signed and approved.

Discussion/Possible Action – Fiduciary Liability Insurance Renewal: The Board reviewed the fiduciary liability insurance renewal provided by Railside Citrus Insurance Agency through the South Elgin-Countryside Fire Protection District. A motion was made by Trustee Etheridge and seconded by Trustee Cox to approve partial payment of the fiduciary liability insurance renewal effective February 1, 2023 through February 1, 2024 in the amount of \$2,100. Motion carried by roll call vote.

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

Review/Possible Action – Local Account Collateralization Update: The Board reviewed the memorandum prepared by L&A regarding the successor of the third-party custodian from Bank of America to The Bank of New York Mellon to continue collateralization of the BMO Harris Bank operating account. A motion was made by Trustee Cox and seconded by Trustee Etheridge to authorize Trustees Luchsinger and Cox to execute the updated tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote.

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

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

ADJOURNMENT: A motion was made by Trustee Cox and seconded by Trustee Van Winkle to adjourn the meeting at 10:09 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 12, 2023 at 11:00 a.m.


Board President or Secretary

Minutes approved by the Board of Trustees on April 12th 2023.

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