



**MINUTES OF A REGULAR MEETING OF THE
OSWEGO FPD FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
MAY 26, 2020**



A regular meeting of the Oswego FPD Firefighters' Pension Fund Board of Trustees was held on Tuesday, May 26, 2020 at 8:30 a.m. via videoconference in accordance with Section 6 of Governor Pritzker's Executive Order 2020-33 (COVID-19 Order No. 31), pursuant to notice.

CALL TO ORDER: Trustee Cornish called the meeting to order at 8:33 a.m.

ROLL CALL:

PRESENT: Trustees Bradley Clement, John Cornish, Matthew Tinker and Ken Holmstrom
ABSENT: Trustee Craig Evans
ALSO PRESENT: Attorney Shawn Flaherty, Ottosen; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Molly Weslow and Alex Michael, Lauterbach & Amen, LLP (L&A); Greg Kieswetter, Cook Castle Associates

PUBLIC COMMENT: There was no public comment.

NEW BUSINESS: *Fiduciary Liability Insurance Renewal:* Greg Kieswetter reviewed the fiduciary liability insurance renewal provided by Hudson Insurance Company through Cook Castle with the Board. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve payment of the fiduciary liability insurance renewal effective June 1, 2020 through June 1, 2021 in the amount of \$3,993. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

Mr. Kieswetter left the meeting at 8:43 a.m.

APPROVAL OF MEETING MINUTES: *February 24, 2020 Regular Meeting:* The Board reviewed the February 24, 2020 regular meeting minutes. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to approve the February 24, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

April 29, 2020 Special Meeting: The Board reviewed the April 29, 2020 special meeting minutes. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve the April 29, 2020 special meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

April 29, 2020 Closed Session Meeting: The Board reviewed the April 29, 2020 closed session meeting minutes. A motion was made by Trustee Tinker and Seconded by Trustee Holmstrom to approve the April 29, 2020 closed session meeting minutes as written and to keep them closed. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the twelve-month period ending April 30, 2020 prepared by L&A. As of April 30, 2020, the net position held in trust for pension benefits is \$22,012,075.95 for a change in position of \$1,891,724.89. 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 February 1, 2020 through April 30, 2020 for total disbursements of \$43,963.65. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$43,963.65. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice was received. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve payment of the IDOI Compliance Fee in the amount of \$4,025.93. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

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, 2020. As of March 31, 2020, the first quarter net return is (11.27%) versus the first quarter account benchmark of (12.25%). The investment return for the quarter is (\$2,510,587) for an ending market value of \$19,952,719. The current asset allocation is as follows: fixed income at 43.2%, equities at 56.4% and cash equivalent at 0.4%. Mr. Sawyer 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 Tinker and seconded by Trustee Holmstrom to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

Review/Update Investment Policy: The Board reviewed the current investment policy. Mr. Falduto provided proposed language to update the policy to comply with the Illinois Sustainable Investment Act along with adjustments to allowable benchmarks. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to accept the changes to the investment policy and allow Sawyer Falduto Asset Management, LLC to implement the changes immediately. An updated investment policy will be available for signature at the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Application for Membership – Thomas Taylor:* The Board reviewed the Application for Membership submitted by Thomas Taylor. A motion was made by Trustee Tinker and seconded by Trustee Clement to accept Thomas Taylor into the Oswego FPD Firefighters' Pension Fund effective January 6, 2020, as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Non-Duty Disability Benefit – Roberto Flores:* The Board held a special meeting on April 29, 2020 and conducted an interim hearing regarding non-duty disability pension benefits for Roberto Flores. The Board granted an interim non-duty disability benefit to Roberto Flores and will continue the hearing for a date to be determined, in order to resolve the line of duty and occupational disease benefit application that is still pending.

The Board reviewed the non-duty disability benefit calculation for Roberto Flores prepared by L&A. Firefighter Flores had an entry date of June 1, 2008, disability date of February 2, 2019, effective date of pension of March 12, 2020, 45 years of age at date of disability, 10 years and 8 months of creditable service, applicable salary of \$90,250.00, applicable pension percentage of 50%, amount of originally granted monthly pension of \$3,760.42 and amount of originally granted annual pension of \$45,125.04. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve Robert Flores's non-duty disability benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

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.

OLD BUSINESS: *Disability Status Update – David Sackett:* The Board noted that no correspondence has been received from Mr. Sackett in regards to his contribution refund. Further discussion will be held at the next regular meeting.

NEW BUSINESS (CONTINUED): *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 Oswego FPD Firefighters' Pension Fund Board of Trustees. Matt Tinker ran unopposed and was reelected for the active member position and Craig Evans ran unopposed and was reelected for the retired member position. Both positions are for three-year terms expiring April 30, 2023. A motion was made by Trustee Clement and seconded by Trustee Holmstrom to certify the active and retired member election results. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

Appointed Member Term Expirations – John Cornish and Ken Holmstrom: The Board noted that Trustees Cornish and Holmstrom were reappointed to the Oswego FPD Firefighters' Pension Fund Board of Trustees. A motion was made by Trustee Tinker and seconded by Trustee Clement to accept the reappointment of Trustees Cornish and Holmstrom. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

Board Officer Elections – President and Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: John Cornish as President and Matt Tinker as Secretary. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Evans

FOIA Officer and OMA Designee: The Board discussed maintaining the Executive Assistant, Wendy Held as the FOIA Officer and the OMA Designee.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1, 2020.

Affidavits of Continued Eligibility: The Board noted that due to the health and safety concerns associated with COVID-19, L&A did not issue Affidavits of Continued Eligibility to pensioners with the April payroll cycle. L&A informed the Board that they will continue to monitor the ongoing situation and maintain communication with the Board, in order to issue Affidavits of Continued Eligibility as soon as reasonable possible. A status update will be provided to the Board as more information becomes available.

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

CLOSED SESSION: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Tinker and seconded by Trustee Clement to adjourn the meeting at 9:28 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 24, 2020 at 8:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Alex Michael, Pension Services Administrator, Lauterbach & Amen, LLP