



**MINUTES OF A REGULAR MEETING OF THE
OSWEGO FPD FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
NOVEMBER 23, 2020**



A regular meeting of the Oswego FPD Firefighters' Pension Fund Board of Trustees was held via videoconference in accordance with Public Act 101-0640 on Monday, November 23, 2020 at 8:30 a.m., pursuant to notice.

CALL TO ORDER: Trustee Cornish called the meeting to order at 8:30 a.m.

ROLL CALL:

PRESENT: Trustees Bradley Clement, John Cornish, Craig Evans, Ken Holmstrom and Matthew Tinker (*arrived at 8:54 a.m.*)

ABSENT: None

ALSO PRESENT: Attorney Shawn Flaherty, Ottosen; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Alex Michael and A.J. Weber, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

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

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the six-month period ending October 31, 2020 prepared by L&A. As of October 31, 2020, the net position held in trust for pension benefits is \$24,881,369.56 for a change in position of \$2,874,111.78. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Clement and seconded by Trustee Holmstrom to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period August 1, 2020 through October 31, 2020 for total disbursements of \$61,071.35. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to approve the disbursements shown on the Vendor Check Report in the amount of \$61,071.35. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

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

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending September 30, 2020. As of September 30, 2020, the third quarter net return is 5.15% versus the third quarter account benchmark of 4.99%. The investment return for the quarter is \$1,242,475 for an ending market value of \$25,171,339. The current asset allocation is as follows: fixed income at 39.3%, equities at 60.3% 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 Holmstrom and seconded by Trustee Evans to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Membership – Christopher Bockrath and Nicholas Schiradelly:* The Board reviewed the Applications for Membership submitted by Christopher Bockrath and Nicholas Schiradelly. A motion was made by Trustee Clement and seconded by Trustee Holmstrom to accept Christopher Bockrath and Nicholas Schiradelly into the Oswego FPD Firefighters' Pension Fund effective October 1, 2020, as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

Contribution Refund – David Sackett: The Board reviewed the contribution refund request submitted by David Sackett. A motion was made by Trustee Evans and seconded by Trustee Holmstrom to approve David Sackett's contribution refund in the amount of \$48,180.14 paid in a split portion with \$12,000 being paid directly to himself and the remainder in a direct roll over. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve Duty Disability Benefit – David Kaweck:* Attorney Flaherty informed the Board that Mr. Kaweck has attended all three independent medical examinations and a hearing will be scheduled in the next couple of months. Further discussion will be held and the next regular meeting.

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.

Trustee Tinker arrived at 8:54 a.m.

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement has been filed with the Illinois Department of Insurance prior to the October 31, 2020 deadline. No further action is necessary.

NEW BUSINESS: *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 \$1,742,850 which is a \$157,534 increase from the prior year contribution. The statutory minimum contribution requirement is \$1,251,581. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to accept the Actuarial Valuation as prepared and request at tax levy in the amount of \$1,742,850 from the District Board of Trustees based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom, Evans and Clement

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 Clement and seconded by Trustee Holmstrom to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom, Evans and Clement

NAYS: None

ABSENT: None

Establish 2021 Board Meeting Dates: The Board discussed establishing the 2021 Board meeting dates as February 22, 2021; May 24, 2021; August 23, 2021; and November 22, 2021 at 8:30 a.m. at Fire Station #1 located at 3511 Woolley Road, Oswego, Illinois 60543. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to approve the 2021 Board meeting dates as stated. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom, Evans and Clement

NAYS: None

ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A. The originals will be given to the Board for their recordkeeping at the next regular meeting.

Trustee Tinker left the meeting at 9:05 a.m.

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.

Annual Independent Medical Examination – Roberto Flores: The Board discussed sending Roberto Flores for his annual independent medical examination. Further discussion will be held at the next regular meeting.

CLOSED SESSION: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Clement and seconded by Trustee Holmstrom to adjourn the meeting at 9:07 a.m. Motion carried by roll call vote.

AYES: Trustees Cornish, Holmstrom, Evans and Clement

NAYS: None

ABSENT: Trustee Tinker

The next regular meeting is scheduled for February 22, 2021 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