



**MINUTES OF A REGULAR MEETING OF THE
OSWEGO FPD FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
AUGUST 24, 2020**



A regular meeting of the Oswego FPD Firefighters' Pension Fund Board of Trustees was held on Monday, August 24, 2020 at 8:30 a.m. via videoconference in accordance with Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)), recently amended by Public Act 101-0640 (Government Emergency Administration Act) as a result of the State's disaster declaration regarding the COVID-19 pandemic and the Board President's determination that an in-person meeting is not practical or prudent, 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, Matthew Tinker and Ken Holmstrom
ABSENT: Trustee Craig Evans
ALSO PRESENT: Attorney Shawn Flaherty, Ottosen; Tom Sawyer, Sawyer Falduto Asset Management, LLC; Alex Michael, A.J. Weber and Stephanie Bay, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *May 26, 2020 Regular Meeting:* The Board reviewed the May 26, 2020 regular meeting minutes. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to approve the May 26, 2020 regular meeting minutes as written. Motion carried by roll call vote.

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

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Holmstrom and seconded by Trustee Clement to keep the closed session meeting minutes closed due to pending matters. 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 three-month period ending July 31, 2020 prepared by L&A. As of July 31, 2020, the net position held in trust for pension benefits is \$24,699,845.44 for a change in position of \$2,692,587.66. 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 May 1, 2020 through July 31, 2020 for total disbursements of \$54,689.90. 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 \$54,689.90. Motion carried by roll call vote.

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

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 June 30, 2020. As of June 30, 2020, the second quarter net return is 12.82% versus the second quarter account benchmark of 13.48%. The investment return for the quarter is \$2,618,925 for an ending market value of \$23,161,426. The current asset allocation is as follows: fixed income at 38.8%, equities at 60.7% and cash equivalent at 0.5%. 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 Tinker 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 discussed the amended investment policy that was presented by Sawyer Falduto Asset Management at the May 26, 2020 regular meeting. Trustee Cornish and Trustee Tinker will execute the amended investment policy as discussed and provide it to L&A to upload with the Illinois Department of Insurance within 30 days of execution.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Application for Membership – David Brooker:* The Board reviewed the Application for Membership submitted by David Brooker. A motion was made by Trustee Tinker and seconded by Trustee Clement to accept David Brooker into the Oswego FPD Firefighters' Pension Fund effective June 2, 2020, as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement

NAYS: None

ABSENT: Trustee Evans

Contribution Refunds – Joshua McElroy & Connor Hickey: The Board reviewed the contribution refund requests submitted by Joshua McElroy and Connor Hickey. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to approve Joshua McElroy's contribution refund in the amount of \$76,806.72 paid in a direct rollover issued on June 26, 2020 and Connor Hickey's contribution refund amount of \$11,089.65 paid in a direct rollover issued on July 23, 2020. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement

NAYS: None

ABSENT: Trustee Evans

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve Duty Disability Benefit – David Kaweck:* Trustee Cornish informed the Board that Mr. Kaweck's disability matter is currently in process. Further discussion will be held at 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.

OLD BUSINESS: There was no old business to discuss.

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

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.

COMMUNICATIONS AND REPORTS: *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 Affidavits of Continued eligibility were mailed with the August payroll cycle with a due date of September 30, 2020.

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

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 9:10 a.m. Motion carried by roll call vote.

AYES: Trustees Cornish, Tinker, Holmstrom and Clement

NAYS: None

ABSENT: Trustee Evans

The next regular meeting is scheduled for November 23, 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