



**MINUTES OF A REGULAR MEETING OF THE
OSWEGO FPD FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 28, 2022**



A regular meeting of the Oswego FPD Firefighters' Pension Fund Board of Trustees was on Monday, February 28, 2022 at 8:30 a.m. in Fire Station #1 located at 3511 Woolley Road, Oswego, Illinois 60543, 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, Ken Holmstrom, Matthew Tinker and Craig Evans

ABSENT: None

ALSO PRESENT: Attorney Meganne Trela, Ottosen; John Falduto, Sawyer Falduto Asset Management, LLC; Alex Michael and Jessica Foust, Lauterbach & Amen, LLP (L&A); Member of the Public, Scott Pugsley

PUBLIC COMMENT: Mr. Scott Pugsley addressed the Board and inquired on when the agendas and minutes will be posted to the District website. Trustee Cornish informed him that the website is currently being updated but they will make sure moving forward that the agendas and minutes are accessible to the public.

APPROVAL OF MEETING MINUTES: *November 22, 2021 Regular Meeting:* The Board reviewed the November 22, 2021 regular meeting minutes. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve the November 22, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to keep the closed session meeting minutes closed due to pending matters. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eight-month period ending December 31, 2021 prepared by L&A. As of December 31, 2021, the net position held in trust for pension benefits is \$32,647,863.65 for a change in position of \$2,745,009.92. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Tinker and seconded by Trustee Evans to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period October 1, 2021 through December 31, 2021 for total disbursements of \$17,009.20. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve the disbursements shown on the Vendor Check Report in the amount of \$17,009.20. Motion carried by roll call vote.

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

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

Review/Update – Cash Management Policy: Mr. Falduto informed the Board that there is currently around \$1,900,000 in the Schwab account. A motion was made by Trustee Clement and seconded by Trustee Tinker to maintain a balance of \$175,000 in the Schwab account and transfer all dollars in excess of \$175,000 to the BMO Harris account to be deposited to IFPIF. Motion carried by roll call vote.

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

The Board discussed excess funds in the Schwab account. A motion was made by Trustee Tinker and seconded by Trustee Evans to direct Sawyer Falduto once the Schwab account balance reaches \$225,000 or more to transfer the excess funds exceeding \$175,000 to the BMO Harris account to deposit to IFPF for investment purposes. Motion carried by roll call vote.

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

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Falduto presented the Investment Performance Report for the period ending December 31, 2021. As of December 31, 2021 the year-to-date investment return is \$2,036,693. Post transfer of the Fund's assets to IFPIF, the ending market value held in the Schwab money market account is \$1,188,696. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to accept the Investment Performance Review as presented. Motion carried unanimously by voice vote.

Investment Policy – Review and Update as Needed: The Board noted that their current investment policy with Sawyer Falduto Asset Management, LLC is no longer valid.

Post Consolidation Services Proposal: The Board noted that this item was approved at the November meeting.

Consolidation Related Matters: This item was not discussed.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Contribution Refund – Michael Veseling:* The Board reviewed the contribution refund request submitted by Michael Veseling. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve Michael Veseling's contribution refund in the amount of \$112,364.56 paid in a direct rollover issued on December 31, 2021. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Duty Disability Benefit – Roberto Flores:* The Board reviewed the duty disability benefit calculation for Roberto Flores prepared by L&A. Firefighter Flores had an entry date of June 1, 2008, disability date of October 1, 2019, effective date of pension of October 2, 2019, 45 years of age at date of disability, 11 years and 4 months of creditable service, applicable salary of \$90,250, application pension percentage of 65%, amount of originally granted monthly pension of \$4,888.54 and amount of originally granted annual pension of \$58,662.48. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve Roberto Flores' duty disability benefit, the two monthly dependent calculations and the retro payment in the amount of \$52,732.21 for the dates of October 2, 2019 through January 31, 2022 as calculated by L&A, Motion carried by roll call vote.

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

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 IPPFA MidAmerican Pension Conference. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve the registration fees for those Trustees interested in attending the event and to direct L&A to register Trustees Clement, Cornish and Tinker for the event. Motion carried by roll call vote.

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

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Discussion/Possible Action – Lauterbach and Amen, LLP Engagement Letter – Actuarial Services:* The Board reviewed the L&A three-year engagement letter for actuarial services. A motion was made by Trustee Tinker and seconded by Trustee Holmstrom to engage L&A in the annual amounts as follows: \$5,540 for the year ended April 30, 2022; \$5,710 for the year ended April 30, 2023; and \$5,880 for the year ended April 30, 2024. Motion carried by roll call vote.

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

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Clement is expiring in April 2022. Trustee Clement expressed his interest

to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions. The Board also noted that the appointed member position held by Trustee Cornish is expiring in April 2022 and he is interested in remaining on the Board. The Board will contact the District and seek reappointment of Trustee Cornish to the Board.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was submitted to the County by the District prior to February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

ATTORNEY'S REPORT – OTTOSEN: *Review, Adopt and Publish Decision and Order – Roberto Flores:* The Board reviewed the Decision and Order prepared by Ottosen. A motion was made by Trustee Tinker and seconded by Trustee Clement to approve, adopt and publish the Decision and Order for Roberto Flores as presented. Motion carried by roll call vote.

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

Legal Updates: Attorney Trela 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 9:27 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 23, 2022 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