



**MINUTES OF A REGULAR MEETING OF THE
OSWEGO FPD FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 27, 2023**



A regular meeting of the Oswego FPD Firefighters' Pension Fund Board of Trustees was on Monday, February 27, 2023 at 8:30 a.m. in Fire Station #1 located at 3511 Woolley Road, Oswego, Illinois 60543, pursuant to notice.

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

ROLL CALL:

PRESENT: Trustees Bradley Clement (*arrived at 8:31 a.m.*), Craig Evans, Ken Holmstrom and Matthew Tinker
ABSENT: Trustee John Cornish
ALSO PRESENT: Attorney Shawn Flaherty, Ottosen; Tom Sawyer, Sawyer Falduto Asset Management, LLC; Alex Michael, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

Trustee Clement arrived at 8:31 a.m.

APPROVAL OF MEETING MINUTES: *November 28, 2022 Regular Meeting:* The Board reviewed the November 28, 2022 regular meeting minutes. A motion was made by Trustee Holmstrom and seconded by Trustee Evans to approve the November 28, 2022 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 Clement 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 Tinker, Evans, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Cornish

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eight-month period ending December 31, 2022 prepared by L&A. As of December 31, 2022, the net position held in trust for pension benefits is \$29,384,622.88 for a change in position of (\$512,323.09). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period October 1, 2022 through December 31, 2022 for total disbursements of \$715,820.57. A motion was made by Trustee Clement and seconded by Trustee Evans to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$715,820.57. Motion carried by roll call vote.

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

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

Discussion/Possible Action – Cash Management Policy: The Board discussed the current Cash Management Policy and determined no updates are needed at this time.

INVESTMENT REPORT: *Sawyer Falduto – Investment Report:* Mr. Sawyer presented the Investment Performance 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 \$204,844. Mr. Sawyer reviewed the market commentary. A motion was made by Trustee Clement and seconded by Trustee Evans to accept the Investment Performance Review as presented. Motion carried unanimously by voice vote.

FPIF – Marquette Associates: The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending 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 1.4%.

Statement of Results: The Board reviewed the FPIF Statement of Results for the period ending December 31, 2022. The beginning value was \$29,687,444.06 and the ending value was \$28,985,173.11. The net return was (2.66%).

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND: There were no applications for membership or withdrawals from the Fund.

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

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 Spring Conference. A motion was made by Trustee Clement and seconded by Trustee Holmstrom to approve the registration fees for Trustee Tinker to attend the conference. Motion carried by roll call vote.

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

OLD BUSINESS: *Discussion/Possible Action – Cyber Risk Insurance Coverage:* The Board tabled this item until the next regular meeting.

NEW BUSINESS: *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2023 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Clement and seconded by Trustee Holmstrom 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 Tinker, Evans, Holmstrom and Clement
NAYS: None
ABSENT: Trustee Cornish

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Tinker and the retired member term currently held by Trustee Evans are expiring in April 2023. Trustee Tinker 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 and the retired member position. The Board also noted that the appointed member position held by Trustee Holmstrom is

expiring April 2023 and he is interested in remaining on the Board. The Board will contact the District and seek reappointment of Trustee Holmston to the Board.

Review/Approve – Updated Local Account Collateralization Agreement: 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 Clement and seconded by Trustee Holmstrom to authorize Trustees Cornish and Tinker to execute the updated tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote.

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

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was 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.

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.

Review/Approve – Jeff Warren – QILDRO: The Board noted that QILDRO documentation has been received for Jeff Warren and placed on file for execution upon his retirement. A motion was made by Trustee Clement and seconded by Trustee Holmstrom to accept the QILDRO documents. Motion carried unanimously by voice vote.

Annual Independent Medical Examination – Roberto Flores: Attorney Flaherty informed the Board that Roberto Flores attended his annual independent medical examination and it was determined that he remains disabled.

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 8:56 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 22, 2023 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