# MINUTES OF A REGULAR MEETING OF THE WHEELING FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES SEPTEMBER 24, 2021

A regular meeting of the Wheeling Firefighters' Pension Fund Board of Trustees was held on Friday, September 24, 2021 at 9:00 a.m. in Fire Station 24 located at 499 S. Milwaukee Avenue, Wheeling, Illinois 60090, pursuant to notice.

**CALL TO ORDER:** Trustee Cremins called the meeting to order at 9:02 a.m.

**ROLL CALL:**

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| PRESENT: | Trustees Matt Cremins, Dan Caruso, Emmett Gribbens, Michael Kaplan and Keith MacIsaac |
| ABSENT: | None |
| ALSO PRESENT: | John Falduto and Ed Lavin, Sawyer Falduto Asset Management, LLC; Janet Arrieta, Katie Fredericks, Trinette Gardner and Lora Murphy, Lauterbach & Amen, LLP (L&A); Deputy Director of Finance Brian Smith, Village of Wheeling; Deputy Chief Steven Mella *(arrived at 9:07 a.m.),* Chief Mike McGreal *(arrived at 9:14 a.m.),* Wheeling Fire Department |

**PUBLIC COMMENT:** There was no public comment.

**NEW BUSINESS:** *Certify Special Election Results – Retired Member Position:* L&A conducted a special election for the retired member position on the Wheeling Firefighters' Pension Fund Board of Trustees that was previously held by Mike Burns. Emmett Gribbens ran unopposed and was elected for the unexpired three-year term expiring April 30, 2024. A motion was made by Trustee MacIsaac and seconded by Trustee Kaplan to certify the retired member special election results. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |
| ABSTAIN: | Trustee Gribbens |

**APPROVAL OF MEETING MINUTES:** *June 4, 2021 Regular Meeting:* The Board reviewed the June 4, 2021 regular meeting minutes. A motion was made by Trustee MacIsaac and seconded by Trustee Kaplan to approve the June 4, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* There were no closed session meeting minutes for review.

**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 August 31, 2021 prepared by L&A. As of August 31, 2021, the net position held in trust for pension benefits is $58,222,884.16 for a change in position of $5,223,443.93. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period June 1, 2021 through August 31, 2021 for total disbursements of $150,223.39. A motion was made by Trustee MacIsaac and seconded by Trustee Caruso to accept the August 31, 2021 Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of $150,223.39. Motion carried unanimously by voice vote.

*Cash Analysis Projection:* The Board noted that the Cash Analysis Projection will be reviewed later in the meeting.

*Deputy Chief Mella arrived at 9:07 a.m.*

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

*Chief McGreal arrived at 9:14 a.m.*

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending June 30, 2021. As of June 30, 2021, the second quarter net return is 5.2% versus the second quarter account benchmark of 5.1%. The investment return for the quarter is $2,833,267 for an ending market value of $57,207,179. The current asset allocation is as follows: Fixed Income at 38.5%, Equities at 61.4% and Cash Equivalents at 0.1%. Mr. Lavin 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 Cremins and seconded by Trustee Caruso to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

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

*Investment Advisory Agreement – Amendment Notification dated June 30, 2021:* The Board reviewed the Investment Advisory Agreement Amendment to the Fee Calculation and Collection Schedule dated June 30, 2021 provided by Sawyer Falduto Asset Management, LLC. A motion was made by Trustee MacIsaac and seconded by Trustee Cremins to approve the Investment Advisory Agreement Amendment as presented. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |

*Post Consolidation Services:* Mr. Falduto reviewed post consolidation services that Sawyer Falduto Asset Management, LLC have available for the Pension Fund.

**COMMUNICATIONS AND REPORTS:** There were no communications or reports presented.

**TRUSTEE TRAINING UPDATES:** The Board was presented with the upcoming training opportunities and were reminded to provide any training certificates to L&A for recordkeeping.

*Approval of Trustee Training Registration Fees and Reimbursable Expenses*: There were no trustee training registrations or reimbursable expenses presented for approval.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Applications for Membership – Uriel Cantu and Daniel Lark:* The Board reviewed the Application for Membership submitted by Uriel Cantu. A motion was made by Trustee Cremins and seconded by Trustee Caruso to accept Uriel Cantu into the Wheeling Firefighters' Pension Fund effective June 21, 2021 as a Tier II participant. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |

The Board reviewed the Application for Membership submitted by Daniel Lark. A motion was made by Trustee MacIsaac and seconded by Trustee Caruso to accept Daniel Lark into the Wheeling Firefighters' Pension Fund effective July 6, 2021 as a Tier II participant. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Approve Regular Retirement Benefits – John Baumgartner:* The Board reviewed the regular retirement benefit calculation for John Baumgartner. Battalion Chief Baumgartner had an entry date of September 9, 1996, retirement date of September 25, 2021, effective date of pension of September 26, 2021, 58 years of age at date of retirement, 25 years of creditable service, applicable salary of $142,972, applicable pension percentage of 62.50%, amount of originally granted monthly pension of $7,446.46 and amount of originally granted annual pension of $89,357.52. A motion was made by Trustee Gribbens and seconded by Trustee MacIsaac to approve John Baumgartner's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |

**OLD BUSINESS:** *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement was filed with the Illinois Department of Insurance prior to the June 30, 2021 deadline. No further action is necessary

**NEW BUSINESS (CONTINUED):** *Review/Approve – Actuarial Valuation & Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation as prepared by L&A. Based on data and assumptions, the recommended contribution amount is $2,811,089 which is a $250,165 from the prior year contribution. The statutory minimum contribution requirement is $2,365,606. The Board discussed requesting a tax levy in the amount of $2,811,089. A motion was made by Trustee MacIsaac and seconded by Trustee Cremins to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of $2,811,089 from the Village of Wheeling, based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

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| AYES: | Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac |
| NAYS: | None |
| ABSENT: | None |

*Review/Approve – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Cremins and seconded by Trustee MacIsaac to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac
NAYS: None
ABSENT: None

*Acknowledge FPIF Notice of Transfer Date, Adopt Resolution of Notice and Execute Exhibits:* The Board acknowledged the FPIF Notice of Transfer Date as January 4, 2022. A motion was made by Trustee MacIsaac and seconded by Trustee Cremins to acknowledge the transfer date, adopt the Resolution of Notice and authorize Trustees Cremins and Kaplan to execute the associated exhibits on behalf of the Fund. Motion carried by roll call vote.
AYES: Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac
NAYS: None
ABSENT: None

The Board discussed having the authorized agents, on behalf of the Fund, execute all future FPIF consolidation documents and authorizing the service providers (L&A and/or Sawyer Falduto Asset Management, LLC), based on Board direction, to submit the necessary documents to FPIF and/or the existing and/or new custodian on behalf of the Fund. A motion was made by Trustee MacIsaac and seconded by Trustee Cremins to have the Fund's authorized agents execute all future FPIF consolidation documents and authorize L&A and/or Sawyer Falduto Asset Management, LLC, per Board direction, to submit the completed documents to the designated parties on behalf of the Fund, as discussed. Motion carried by roll call vote.
AYES: Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac
NAYS: None
ABSENT: None

*Review/Possible Action – FPIF Custodial Account Letter of Direction:* The Board reviewed the Letter of Direction issued by FPIF and authorized L&A to submit the completed document to FPIF, Schwab and Sawyer Falduto Asset Management, LLC.

*Discussion/Approval – Interim Cash Management Policy:* The Board reviewed the cash analysis projection prepared by L&A and discussed an interim cash requisite for the purpose of remitting pension benefits and expenses for December 2021 regular payroll and the sixty-day period subsequent to the January 4, 2022 tranche date and agreed to maintain an interim transition cash balance of $1,400,000.

*Post Meeting Note: The $1,400,000 is to be maintained in the Schwab money market account.*

*Discussion/Approval – Cash Reserve Balance:* The Board determined that this matter will be discussed at the next regular meeting.

*Review/Possible Action – Local Account Collateralization:* The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard $250,000 FDIC insurance coverage and authorized Trustee Kaplan to execute the tri-party pledgee depository agreement on behalf of the Fund.

*Discussion/Possible Action – Designation of Additional FPIF Account Representatives – Global Cash Movement Authorization:* The Board determined that this matter will be discussed at the next regular meeting.

**ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC:** *Legal Updates:* The Board was provided with the Reimer Dobrovolny & LaBardi PC *Legal and Legislative Update* quarterly newsletter.

*Annual Independent Medical Examination – Paul Lisowski:* The Board noted that Paul Lisowski attended his annual independent medical examination and it was determined that he remains disabled at this time. A motion was made by Trustee Cremins and seconded by Trustee Gribbens to continue the disability benefits of Paul Lisowski based on a finding that he remains disabled and subject to further annual examinations until age 50. Motion carried by roll call vote.

AYES: Trustees Cremins, Caruso, Gribbens, Kaplan and MacIsaac
NAYS: None
ABSENT: None

**CLOSED SESSION, IF NEEDED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee Cremins and seconded by Trustee Caruso to adjourn the meeting at 10:54 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for December 17, 2021 at 9:00 a.m.

Board President    Board Secretary

Minutes approved by the Board of Trustees on 12/17/2021

*Minutes prepared by Lora Murphy, Pension Services Administrator, Lauterbach & Amen, LLP*