

Board of Trustees  
ELMHURST FIREFIGHTERS' PENSION FUND  
REGULAR MEETING MINUTES

August 8, 2018

**I. Meeting Called to Order**

Dick Dufort, President, called the meeting to order at 8:33 a.m. at Elmhurst City Hall, 209 N. York Street, Elmhurst, IL.

**II. Roll Call**

The following members were present at the meeting: President Dick Dufort, Trustees Craig Burda, Mike Caccitolo, Paul Nolte and Rob Hallberg (present by conference call—though unable to vote). Also present at the meeting was Sawyer Falduto Representative Tom Sawyer and John Falduto.

**III. Public Comments**

There were no public comments.

**IV. Approval of minutes for May 9, 2018 meeting**

The Board reviewed the minutes from May 9, 2018 and a motion was made by Trustee Nolte to approve the minutes. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

**V. Approval of Treasurer's Report**

The Board reviewed the Treasurer's Report for a period covering May 1, 2018 to July 31, 2018; a motion was made by Trustee Nolte to approve the report. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

**VI. Report from Investment Manager**

John Falduto of Sawyer Falduto stated he will email a copy of the Performance Report to Trustee Hallberg. Mr. Falduto stated the asset allocation for the Pension Fund as of June 30, 2018 was 54.8% equities, 45.2% fixed income and 0.1% cash equivalents. Quarter II 2018 beginning balance was \$42,246,110 and the balance on June 30, 2018 was \$43,292,398; over \$548,000 in investment growth. The fund has grown over \$6,800,000 (6.41%) since Sawyer Falduto has maintained the account three years ago.

Tom Sawyer stated the market is disparate, the Feds are targeting interest rates to climb to 3% in the future and corporate earnings are 15-18% higher than in recent years. Mr. Sawyer pointed out the duration of the investments in the portfolio is short due to long term maturity rates remaining low.

John Falduto ran through the recent transactions of the portfolio such as the purchase of the Victory Sycamore equity fund and the sale of the Hennessy Focus matched on the same trading day to keep the money in the market.

#### **VII. Review of Investment Policy and Asset Allocation**

The Board reviewed the investment policy and asset allocation and no changes are warranted at this time.

#### **VIII. Petition to Request Pension Transfer**

President Dufort stated a letter was received from Firefighter Jace Weaver expressing his interest in coupling his pension from Pontiac Fire Department with the Elmhurst Fire Department. The Board acknowledged acceptance of the request from Firefighter Weaver. President Dufort presented to the Board "NOTIFICATION OF INTENT TO RECEIVE BENEFITS PROVIDED UNDER 40 ILCS 5/4-109.3; (EMPLOYEE CREDITABLE SERVICE/BENEFIT-RECIPROCITY)" from the Illinois Department of Insurance. John Falduto initiated a conference call with Allison Barrett of Lauterbach and Amen. Ms. Barrett walked the Pension Board through the process of reciprocity, the implications for both pension boards along with the additional costs on both the requesting Firefighter and the pension boards. By Illinois state statute the Firefighter has 21 months to notify both pension boards along with the IDOI; Firefighter Weaver has been a member of the pension for 17 months. Ms. Barrett stated the estimated cost of a pension valuation would be approximately \$300. Trustee Burda requested President Dufort instruct Firefighter Weaver to submit the IDOI notification immediately, President Dufort stated he would craft a letter to Firefighter Weaver. A motion was by Trustee Nolte to engage Lauterbach and Amen to calculate the reciprocity pension for Firefighter Weaver. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

#### **IX. Presentation of Bills**

The Board reviewed the bill from the Illinois State Treasurer for the 2017 State Pension Funds Compliance Funds. A motion was made by Trustee Nolte to approve as presented. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

The Board reviewed the previously approved bill (May 9, 2018) from Cook Castle for the fiduciary liability insurance in the amount of \$4,796. A motion was made by Trustee Nolte to approve as presented. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

The Board reviewed two bills from Reimer, Dobrovolny & Karlson for matters concerning the Hedman disability hearing. A motion was made by Trustee Burda to approve as presented. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

#### **X. Approval of Pension Benefit Increase**

The Board reviewed the pension benefit increases for retirees Bob Vajdik, Dan Focht and Tim Mahoney. A motion was made by Trustee Caccitolo to approve the pension benefit increases as reviewed. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

**XI. Fall Seminars**

Pension Trustees Burda and Caccitolo indicated they will be attending the fall seminar at the IPFA and Trustees Nolte and Hallberg will be attending the IPPFA seminar.

**XII. Executive Session Matters**

There were no executive session matters.

**XIII. Adjournment**

A motion was made by Trustee Burda to adjourn the meeting at 9:33 a.m. The motion was seconded by Trustee Caccitolo. A voice vote followed. Motion carried.

Respectfully submitted,

Mike Caccitolo  
Secretary