

Board of Trustees  
ELMHURST FIREFIGHTERS' PENSION FUND  
REGULAR MEETING MINUTES

May 9, 2018

**I. Meeting Called to Order**

Dick Dufort, President, called the meeting to order at 8:35 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. Also present at the meeting was Sawyer Falduto Representative Tom Sawyer, Jake Walters and John Falduto.

**III. Public Comments**

There were no public comments.

**IV. Approval of minutes for February 7, 2017 meeting**

The Board reviewed the minutes from February 7, 2017 and a motion was made by Trustee Hallberg to approve the minutes. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

**V. Fiduciary Liability Insurance Renewal**

Greg Kiesewetter of Cook Castle presented the Board with the 2018 Fiduciary Liability Insurance policy. Mr. Kiesewetter stated the June 1, 2018 renewal policy is underwritten by the same company as in prior years and reviewed the policy terms such as the Aggregate Limit of \$1,000,000, Trustee Claim Expenses coverage of \$250,000, Benefit Overpayment coverage of \$50,000 and Cyber coverage of \$100,000. The retention (deductible) for this policy is \$0, not inclusive of Benefit Overpayment of \$10,000. The renewal premium is \$4,796, Trustee Burda inquired on the increase amount for the past three years; Mr. Kiesewetter stated the 2015 policy was \$4,627. Mr. Kiesewetter stated the underwriters look at the funding ratios of the municipality to determine premium; Elmhurst's funding is very good.

**VI. Pension Services Administration**

Barb Utterbeck presented a proposal from Lauterbach & Amen, LLP for pension services administration for the Elmhurst Firefighter's Pension Fund. Lauterbach & Amen's services include board meeting attendance, preparation and maintenance of Trustee binder as well as maintaining files for active members. PSA would produce an annual Active Member Statement and register Trustees for compliance training. Bill payment would still be handled in-house and financial statements from the City of Elmhurst and Sawyer Falduto would be uploaded to a optional portal. The proposal for services on an annual basis is \$8,400 without portal access and \$9,900 with portal access. To establish Pension Services Administration there is a one-time setup cost of \$1,400. The Board thanked Ms. Utterbeck for her time.

## **VII. Approval of Treasurer's Report**

The Board reviewed the Treasurer's Report as of April 30, 2018; a motion was made by Trustee Hallberg to approve the report. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

## **VIII. Report from Investment Manager**

John Falduto of Sawyer Falduto informed the Pension Board of proposed legislation that would allow pension boards to change their asset allocation; given the size of the Elmhurst Firefighter's Pension Fund that legislation would not affect Elmhurst. Mr. Falduto stated the January 1, 2018 beginning market value for the fund was \$43,116,706 and the ending market value is \$42,246,110 with an investment return of -\$225,159. The account return was -0.54% with the benchmark at -0.82%. Since account inception the long-term account return is 6.51% (6.3% of investment growth) as compared to the benchmark of 6.16%.

Tom Sawyer stated the recent international political developments have shown the market is indifferent. The recent income tax breaks for large corporations may show longer implications for earnings and the tariff rhetoric, which is considered inflammatory, has caused short-term volatility in the markets. The portfolio allocation is 56.1% in equities and 43.9% in fixed income with the necessary 0.1% held in cash. Mr. Sawyer stated that overall the portfolio has performed well.

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

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

## **X. Presentation of Bills**

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

The Board reviewed the bill from IPFA for the spring seminar. A motion was made by Trustee Hallberg to approve as presented. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

The Board reviewed the two bills from Inspe Associates for deposition costs relating to the Hedman disability hearing. A motion was made by Trustee Hallberg to approve as presented. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

## **XI. Pension Affidavit Status**

President Dufort stated all affidavits have been received.

## **XII. Application for Pension Benefits**

The Board reviewed the pension applications for Firefighters Brian Pedersen and Jacob Richard. A motion was made by Trustee Hallberg to approve the pension benefit application as received. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

**XIII. Approval of Pension Benefits**

The Board reviewed the pension benefits for Firefighter Edward Siuzdak who retired on February 28, 2018. A motion was made by Trustee Hallberg to approve the pension benefit application as received. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

**XIV. Election Results for Trustee Positions**

President Dufort stated the elections for a Retiree Trustee and an Active Member Trustee have been completed and President Dufort and Trustee Burda both won their respective elections.

**XV. Executive Session Matters**

There were no executive session matters.

**XVI. Adjournment**

A motion was made by Trustee Wallace to adjourn the meeting at 9:05 a.m. The motion was seconded by Trustee Hallberg. A voice vote followed. Motion carried.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "M. Caccitolo".

Mike Caccitolo  
Secretary