

Board of Trustees  
ELMHURST FIREFIGHTERS' PENSION FUND  
REGULAR MEETING MINUTES

November 7, 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 and John Falduto.

**III. Public Comments**

There were no public comments.

President Dufort stated Attorney Rick Reimer is awaiting a phone call from the Pension Board regarding agenda items 8 a, b and c. A discussion ensued regarding selecting Rick Reimer as the attorney to represent the pension board for the upcoming Huntinghouse disability hearing. A motion was made by Trustee Caccitolo to retain Rick Reimer as the Elmhurst Firefighter's Pension attorney for Firefighter Huntinghouse disability pension application. The motion was seconded by Trustee Hallberg. A voice vote followed. Motion carried.

President Dufort put Attorney Reimer on a conference call at 8:40 a.m. Attorney Reimer laid out the procedures and processes of a pension disability hearing along with the benefits of an impartial doctor selection service such as Inspee to perform the Independent Medical Examination. The conference call concluded at 8:49 a.m. A motion was made by Trustee Caccitolo to elect Inspee as the doctor selection firm to perform the independent medical examination for Firefighter Huntinghouse's pension application. The motion was seconded by Trustee Hallberg. A voice vote followed. Motion passed.

A motion was made by Trustee Hallberg to acknowledge the receipt of Firefighter Huntinghouse's pension disability pension application. The motion was seconded by Trustee Caccitolo. A voice vote followed. Motion passed.

**IV. Approval of minutes for August 8, 2018 meeting**

The Board reviewed the minutes from August 8, 2018 and a motion was made by Trustee Hallberg 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 August 1, 2018 to October 31, 2018; a motion was made by Trustee Nolte to approve the report. The motion was seconded by Trustee Hallberg. A voice vote followed. Motion carried.

#### **VI. Report from Investment Manager**

John Falduto of Sawyer Falduto stated there were no statutory changes that would warrant a revision to the investment policy. The 3<sup>rd</sup> quarter beginning market value was \$43,292,398 with an investment return of \$841,439. The total net account return was 2.64% with a benchmark of 3.95%. The first nine months of the year, interest rates went up and the bond market decreased.

Tom Sawyer spoke about the long term performance of the portfolio and some of the stocks held in the account such as Amazon, Microsoft and Apple. Changes were made to the small and mid-cap equities that netted positive returns in the 2<sup>nd</sup> quarter. Mr. Sawyer stated October was a volatile month for stocks; coupled with the interest rate rise in September. The tariff and trade policies of the Trump administration have had little impact on the economy this far.

Trustee Hallberg questioned if the portfolio should be holding a cash reserve if there is a catastrophic market correction. Tom Sawyer stated if you hold your cash in reserve awaiting a market correction you will lose; that is the reason the portfolio is diversified and holds securities. A market correction is not a dramatic in the portfolio as it is portrayed in the media.

A motion was made by Trustee Nolte to accept the Investment Management Report. The motion was seconded by Trustee Hallberg. A voice vote followed. Motion carried.

#### **VII. Presentation of Bills**

President Dufort presented the bills for IPFA seminar expense for Trustees Burda and Caccitolo, AFFI seminar expense for President Dufort, the MidAmerican Pension Conference expenses for Trustees Nolte and Hallberg. (As a side note, Trustee Nolte's expenses are split 50-50 between the Fire and Police Pension Funds.) The IPPFA 2018 dues for the Pension Fund. Trustee Burda made a motion to approve the bills as presented. Trustee Caccitolo seconded the motion. A voice vote followed. Motion carried.

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

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

#### **IX. Annual Tax Levy**

The Board reviewed and discussed the annual tax levy. The Board reviewed the Lauterbach & Amen actuarial figures for the pension fund. Trustee Hallberg made a motion to approve the FY 2018 Annual Tax Levy. The motion was seconded by Trustee Nolte. A voice vote followed. Motion carried.

**X. Weaver Pension Reciprocity Request**

President Dufort stated the Pension Board has received the reciprocity valuation figures from Lauterbach and Amen. Firefighter Weaver has requested to combine his credible service between the Pontiac Firefighters' Pension Fund and the Elmhurst Firefighters' Pension Fund. President Dufort stated Firefighter Weaver has elected to make a lump sum payment, through payroll deduction, of \$1,333.57 on December 31, 2018 payroll and commence an additional 1% contribution to the pension fund, making the total pension deduction 10.45%. A motion was by Trustee Nolte to accept the reciprocity agreement for Firefighter Jace Weaver. The motion was seconded by Trustee Burda. A voice vote followed. Motion carried.

**XI. 2019 Meeting Dates**

The Board reviewed the proposed meeting dates for 2019, February 6<sup>th</sup>, May 8<sup>th</sup>, August, 7<sup>th</sup> and November 6<sup>th</sup>. The August 7, 2018 meeting was changed to August 21, 2018. A motion was made by Trustee Hallberg to approve the 2019 meeting dates. The motion was seconded by Trustee Caccitolo. A voice vote followed. Motion carried.

President Dufort reminded the Trustees of the upcoming Special Hearing scheduled for December 17, 2018 at 8:30 a.m. at City Hall for the Hedman disability pension.

**XII. Executive Session Matters**

There were no executive session matters.

**XIII. Adjournment**

A motion was made by Trustee Hallberg to adjourn the meeting at 9:23 a.m. The motion was seconded by Trustee Caccitolo. A voice vote followed. Motion carried.

Respectfully submitted,



Mike Caccitolo  
Secretary