



BOARD OF TRUSTEES OF FIREFIGHTERS' PENSION FUND

LARGE CONFERENCE ROOM

OF FIRE STATION 1

234 N. OAK AVENUE

BARTLETT, IL 60103

630-837-3701

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF TRUSTEES OF THE
BARTLETT FIREFIGHTERS' PENSION FUND
OCTOBER 18, 2018**

A regular meeting of the Board of Trustees of the Bartlett Firefighters' Pension Fund was held on Thursday October 18, 2018 at 7:00 p.m., at the Bartlett Fire Protection District Station 1, Large Conference room, located at 234 N. Oak Avenue, Bartlett, IL 60103, pursuant to notice, to conduct regular business.

CALL TO ORDER: President Scumaci called the meeting to order at 19:10.

ROLL CALL:

PRESENT: President Andrew Scumaci, Secretary Brian Becker, Trustees Jim McCarthy, and Joe Carr

ABSENT: Trustee Frank Giovannelli

ALSO PRESENT: Treasurer Jay Langfelder; Craig Larsen, AHC Advisors, Inc.; James Ritchie, Lauterbach & Amen, entered at 19:24; Jeremy Lane; Ralph Defreese

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: July 19, 2018 – Regular Meeting Minutes: The minutes of the July 19, 2018 regular meeting were reviewed by the Board. President Scumaci requested an amendment of the meeting minutes to correct a spelling error. A motion was made by Trustee McCarthy and seconded by President Scumaci to approve the July 19, 2018 regular meeting minutes as amended. Motion carried unanimously by voice vote.

August 07, 2018 – Special Meeting Minutes: The minutes of the August 07, 2018 special meeting were reviewed by the Board. A motion was made by President Scumaci and seconded by Trustee McCarthy to approve the August 07, 2018 special meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORT – AHC ADVISORS, INC: Mr. Larsen reported the fund balance up approximately \$722,707, overall the quarter is up about 1.5%. The YTD return is approximately 4.18%. Sawyer Falduto was flat for the quarter and overall down approximately .85% for the year. Mr. Larsen mentioned that international returns are consistent with US market numbers. The Fed is on target to continue raising rates and economic growth remains strong. The



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economy is much stronger than it's been in the past. Unemployment reached a 50-year low. Market sell off is a market correction, typically a correction of 1 standard deviation occurs two times per year. Fund allocations are close to target amounts since we moved cash last quarter.

No investment actions were taken.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: Monthly Financial Report: Mr. Ritchie reviewed the monthly financial report for the month ended September 30, 2018. The net position is just over \$20,000,000. 87.6% of the tax levy had been collected to this point. To date the fund is up approximately \$1.1 million or roughly 5.5%. Mr. Ritchie reminded the board to have upcoming retirees update their beneficiaries 30 days ahead of retirement. A motion was made by Trustee McCarthy and seconded by Trustee Carr to accept the monthly financial report. Motion carried by roll call vote.

AYES: Trustees Scumaci, Becker, Carr, McCarthy

NAYS: None

ABSENT: Trustee Giovannelli

Mr. Ritchie presented the 2018 auditor proposals to the board. A question was raised about the different divisions of Lauterbach and Amen. Mr. Ritchie explained the separation of the accounting and auditing divisions. The board held a discussion about the proposals. A motion was made by Trustee McCarthy and seconded by Secretary Becker to accept the proposal from Karrison LLC. for \$4050. Motion carried by roll call vote.

AYES: Trustees Scumaci, Becker, Carr, McCarthy

NAYS: None

ABSENT: Trustee Giovannelli

Mr. Ritchie presented an updated letter of engagement to the board. Mr. Ritchie discussed the areas which had been updated. A motion was made by Secretary Becker and seconded by Trustee McCarthy to accept the updated letter of engagement. Motion carried unanimously by voice vote.

A discussion about Actuarially Determined Contributions (ADC) was held. A question was asked about lowering the rate from 7.25% to 7% was asked. Kevin Kavanaugh will provide updated figures within the next few weeks. The discussion was tabled until the January 2019 meeting.

The 2019 meeting dates were discussed. The 2019 meeting schedule presented was January 17, 2019; April 18, 2019; July 18, 2019; October 17, 2019. A motion was made by President Scumaci and seconded by Trustee McCarthy to approve the meeting schedule. Motion carried unanimously by voice vote.



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APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: No applications received during this quarter.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: No applications received during this quarter.

TRUSTEE TRAINING UPDATES: Trustees Carr and Scumaci have a class at the end of the month. Trustee McCarthy has completed his training requirements. Secretary Becker has another class in November.

OLD BUSINESS: No old business was discussed.

NEW BUSINESS: No updates to be discussed regarding the disability applicant and hearing dates. No updates to be discussed regarding a disabled member's medical status.

COMMUNICATIONS AND REPORTS: A motion was made by Secretary Becker and seconded by President Scumaci to approve a bill from IPAAC for \$125 for Trustee McCarthy's continuing education. Motion carried by roll call vote.

AYES: Trustees Scumaci, Becker, Carr

NAYS: None

ABSTAIN: Trustee McCarthy

ABSENT: Trustee Giovannelli

A motion was made by Trustee McCarthy and seconded by Trustee Carr to approve the 4th quarter invoice for AHC Advisors, INC. in the amount of \$5047. Motion carried by roll call vote.

AYES: Trustees Scumaci, Becker, Carr, McCarthy

NAYS: None

ABSENT: Trustee Giovannelli

CLOSED SESSION, if needed: A motion was made by Trustee McCarthy and seconded by President Scumaci to enter into closed session to discuss hearing dates for a disability applicant at 2021. Motion carried unanimously by voice vote.

ROLL CALL:

PRESENT: President Andrew Scumaci, Secretary Brian Becker, Trustees Jim McCarthy, and Joe Carr

ABSENT: Trustee Frank Giovannelli

A motion was made by President Scumaci and seconded by Trustee McCarthy to return to open session at 2030. Motion carried unanimously by voice vote.



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A motion was made by President Scumaci and seconded by Secretary Becker to adjourn at 2031. Motion carried unanimously by voice vote.

Respectfully Submitted,

Brian Becker, Board Secretary

Date Approved