

**WARRENVILLE FIRE PROTECTION DISTRICT  
FIREFIGHTERS' PENSION MEETING  
3S472 Batavia Road, Warrenville, IL 60555  
Minutes of the meeting  
April 15, 2020**

President Capt. Eric Ermer called the meeting to order at 1600 hours via ZOOM videoconferencing (*meeting ID 233 849 433, password 137622*). In attendance were: Secretary Beth Fairbanks, Trustee Marge Leonard and Trustee Terese Krafcheck. Guests were Chief Dennis Rogers Jr., District Trustee President Kate Perkins; John Falduto and Ed Lavin representing Sawyer Falduto Asset Management; and Debbie Crabtree representing Sikich. Absent were Trustee Lt. Joe Levy and Treasurer Ex-officio Denise Pertell.

*\*any action taken during this meeting will be ratified at the next meeting that is held in person.*

**VISTORS' COMMENTS:**

The request to the public for comments or questions was publicized on the agenda/notice of the meeting posted on the Warrenville FPD website and posted at the Warrenville Fire Station. There were no comments or questions submitted.

**MINUTES:**

Leonard moved to accept the minutes from the regular meeting of January 15, 2020 as presented. Krafcheck seconded.

Leonard moved to accept the minutes from the Special meeting of January 30, 2020 as presented. Krafcheck seconded.

4 ayes 1 absent

MOTION CARRIED

**FINANCIAL REPORT:**

John Falduto presented the Quarterly Investment Performance Report submitted by Sawyer Falduto Asset Management, LLC (SFAM) as of April 13, 2020 in order to get the most up to date information on the Pension Fund. The funds have been moved from Fifth Third Bank to SCHWAB. There are some miscellaneous moneys still at Fifth Third - the balance of the checking account and possibly some end of the month interest payments. The funds were held by Fifth Third Bank in January and February; and transferred to SCHWAB during March. The ending Market Value as of April 13, 2020 was \$4,949,091.56. The Portfolio Allocation at the end of the First Quarter was Equities, 39.8%; Fixed Income, 53.7% and Cash Equivalent, 6.6%. Equity target allocations were not fully rebalanced, given the ongoing market volatility. The cash will be used to support operation cash flow needs. After February pension payments the transfer started March 11, 2020.

During the first quarter; primarily during the last month (as a result of the COVID-10 crisis), the stock market decline was drastic, but where opportunity allowed, purchases were made of primarily US equities to modestly increase exposure during the quarter. Most Fixed Income yields decreased, while Corporate Bond yields moved higher as investors sought to reduce risk as economic uncertainty grew.

Falduto introduced Ed Lavin, the Chief Investment Officer. Lavin commented that the fixed income overall portfolio duration is 2.6 years with 60% of the bond portfolio scheduled to mature in 3 years; SFAM will resourcefully add intermediate term bonds to balance the maturity ladder. The portfolio is comprised of approximately 50% U.S. Government Agency bonds and 50% Corporate bonds; they will try to reduce corporate bond exposure to improve overall portfolio quality.

Lavin mention SFAM will start to add U.S. Treasury securities to improve portfolio liquidity and quality; and add Taxable Municipal securities for additional diversification and yield. Fixed income portfolio changes will be implemented over time and in relation to market conditions.

Krafcheck moved to accept the financial report submitted from Sawyer Falduto Asset Management; Leonard seconded.

ROLL CALL

Krafcheck – AYE

Fairbanks – AYE

Ermer – AYE

Leonard – AYE

Levy – ABSENT

MOTION CARRIED

#### **APPROVAL OF BILLS:**

Fairbanks reported that she reimbursed the Pension Fund (\$504.54 ) for payment of hotel room reservations for the 2020 Midwest Pension Conference in Lake Geneva Wisconsin, which was canceled. This is noted in the Disbursement Warrant.

Krafcheck moved that the Disbursement Warrant, noting the disbursements during the previous quarter, be approved and become part of the minutes; Leonard seconded. Roll call is indicated on the Warrant.

4 ayes 1 absent

MOTION CARRIED

Leonard moved to accept the annual engagement letter with Sikich, LLP Accounting Services, dated April 6, 2020; Fairbanks seconded. There was a 3% increase from the 2019 letter.

ROLL CALL

Krafcheck – AYE

Fairbanks – AYE

Ermer – AYE

Leonard – AYE

Levy – ABSENT

MOTION CARRIED

#### **OTHER FINANCE:**

Debbie Crabtree, from Sikich Accounting and John Falduto, explained how the transfer of funds, from SCHWAB to Sikich, is accomplished each month to pay the vendor and pensioners. Both firms have worked together and have a great system in place. Most pensioners have direct deposit, but if there are any live checks, the checks will be printed and sent to the District to be signed by the authorized signers of the account and then mailed to the appropriate place or person.

An Investment Policy was presented by SFAM. The policy governs the investment practices and applies to all financial transaction of the Pension Fund. There was a discussion on the policy. Fairbanks moved to adopt the Warrenville FPD Firefighters Pension Fund Investment Policy; Ermer seconded.

**ROLL CALL**

Krafcheck – AYE

Fairbanks – AYE

Ermer – AYE

Leonard – AYE

Levy – ABSENT

**MOTION CARRIED**

**MEMBERSHIP:**

Affidavits of Eligibility have been mailed; 4 of 5 have been returned. The IME appointment for Jerry Brown will be delayed until after COVID-19 restrictions have been lifted.

Brandon Fairfield (DOH 3/23/2020), Samuel Ruzicka (DOH 3/23/2020), Dylan Schroeder (DOH 3/23/2020) and Frankie Wong (DOH 2/10/2020) have submitted their application to the Pension Fund as Tier 2 Firefighters. Ermer asked Chief Rogers if all applicants had completed their physicals for duty. Chief responded that all physicals are complete. Ermer moved to approve the applications to the Pension Fund of Fairfield, Ruzicka, Schroeder and Wong; Fairbanks seconded.

4 ayes 1 absent

**MOTION CARRIED**

Fairbanks reported there is a modified annual salary maximum for Tier 2 firefighters regarding pension contributions. The maximum salary to collect pension contributions is now \$124,630.30 for 2020. No retroactive contributions are required. For example, the salary cap for prior years increased, but Chief Rogers is not required to pay any retroactive contributions for those prior years.

**UNFINISHED BUSINESS/MISCELLANEOUS BUSINESS:**

Ermer reminded the Trustees to complete and submit the Statement of Economic Interest forms to DuPage County and upload them to TARGET SOLUTIONS.

**NEW BUSINESS:**

There is a 2020 MidAmerican Pension Conference scheduled in Naperville for fall of 2020. This conference will include the 8 hour continuing education training and the 4 hour transition training regarding the new consolidation law. Ermer, Fairbanks, Leonard and Krafcheck indicated they will attend. Fairbanks will register them when registration is available. Fairbanks will find out if Levy will be able to attend.

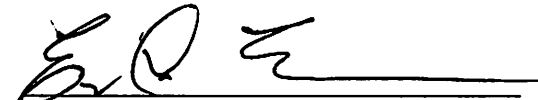
**ADJOURNMENT:**

Krafcheck moved to adjourn the meeting at 16:48 hours. Fairbanks seconded.

4 ayes 1 absent

**MOTION CARRIED**

Those present at the end of the meeting were Eric Ermer, Beth Fairbanks, Marge Leonard, Terese Krafcheck, Chief Dennis Rogers Jr., Kate Perkins, John Falduto, Ed Lavin and Debbie Crabtree.



Eric Ermer  
President



Beth Fairbanks  
Secretary

**Warrenville Fire Protection District Firefighter's Pension Fund  
Disbursement Warrant  
Presented at the April 15, 2020 Board Meeting  
Disbursements for the Time Period January 1, 2020 - March 31, 2020**

Note: Checks #4, 5 and 1005 were issued to a pensioner. Checks #1000 - 1002 were voided due to a printing error.

Check Date	Bank	Check #	Payee	Description	Account	Amount
01/23/2020	MM 5/3	0(E)	FIFTH THIRD BANK	INVESTMENT MGR/ADVISOR FEES	0-0-5190.001	\$ 2,504.59
01/31/2020	Ckg 5/3	1	OTTOSEN DINOLFO HASENBALG&CASTALDO	LEGAL SERVICES	0-0-5170.005	34.07
01/31/2020	Ckg 5/3	2	SIKICH LLP	ACCOUNTING & BOOKKEEPING SERV	0-0-5170.003	839.00
01/31/2020	Ckg 5/3	3	LAUTERBACH & AMEN, LLP	ACCOUNTING & BOOKKEEPING SERV	0-0-5170.003	375.00
02/04/2020	MM 5/3	N/A	HOTEL REIMBURSEMENT	TRAVEL EXPENSE	0-0-5290.027	(504.54)
03/09/2020	MM 5/3	N/A	FIFTH THIRD BANK	INVESTMENT MGR/ADVISOR FEES	0-0-5190.001	1,563.87
03/31/2020	SCWB	1003	OTTOSEN DINOLFO HASENBALG&CASTALDO	LEGAL SERVICES	0-0-5170.005	765.00
03/31/2020	SCWB	1004	SIKICH LLP	ACCOUNTING & BOOKKEEPING SERV	0-0-5170.003	4,017.00
<b>Total</b>						<b>\$ 9,593.99</b>

Pursuant to Section 4-132 of the Illinois Pension Code (40 ILCS 5/4-132), the attached payments to be made by the treasurer of the Warrenville Fire Protection District Firefighter's Pension Fund have been approved by the Board of Trustees of the Fund at a meeting of the Board as set forth below.

Date of Board Meeting: 4/15/2020

Date of Warrant: 4/15/2020

APPROVED this 15 day of April, 2020, by a roll call vote as follows:

AYES: 4

ABSENT: 1

ABSTAIN: 0

  
\_\_\_\_\_  
President, Board of Trustees, Warrenville Fire Protection District Firefighter's Pension Fund

ATTEST:  
  
\_\_\_\_\_  
Secretary, Board of Trustees, Warrenville Fire Protection District Firefighter's Pension Fund