

Rochelle Fire Department Pension Meeting
Fire Department Basement
Tuesday, April 23rd 2019
9:30am

Board Members – Position – Term Expiration

Zach Prewett – Active Trustee / President - 05/2020
Jason Underwood – Active Trustee / Secretary - 05/2019
Chris Cardott – Appointed Trustee / Treasurer - 05/2021
Sue Messer – Appointed Trustee - 05/2020
Brian Johnson – Retired Trustee - 05/2021

Minutes

1. Call to Order
 - Meeting called to order at 9:31
2. Roll Call
 - Members present: Zach Prewett, Chris Cardott, Sue Messer
 - Members absent: Jason Underwood, Brian Johnson
 - Others present: Board Attorney Brian Labardi, Board Financial Advisor John Falduto, Mayor Chet Olson
3. Approval of Minutes
 - Board reviewed January 22, 2019 Meeting Minutes. Minutes corrected to reflect proper date. Board discussed using complete names of board members throughout minutes and including further detail.
 - Concerning the Rob Workman Decision and Order in the Communications section, Brian Labardi stated that a Decision and Order is not typically provided in the case of Refund and no further action is necessary.
 - Motion to approve the January 22, 2019 Fire Pension Meeting Minutes as corrected made by Sue Messer and second by Chris Cardott. Motion carried with 3 voting yes and 0 voting no.
4. Public Comments
 - Mayor Olson expressed his gratitude to the Board and its Attorney and Financial Advisor for the work performed. Mayor Olson's term expires next month. Board expressed gratitude for the Mayor's interest and support of the Fire Pension Board and Fund over the years.
5. Treasurer's Report
 - Report attached
 - Chris Cardott reported that the City of Rochelle approved a measure to provide additional funding to the Fire and Police Pension Funds through local gaming revenue. The revenue is expected to be approximately \$75,000 for each fund and will be in addition to the annual tax levy.
 - Chris Cardott reported on the status of the independent audit. She requested additional training certificates be sent to her. Board discussed training requirements and agreed that Trustee Training Update be included as an agenda item at each regular meeting. Zach Prewett will contact Brian Johnson and Jason Underwood regarding the status of

their required training. Board agreed to include trustee terms on each meeting's agenda and minutes.

- Motion to accept the Treasurer's Report made by Sue Messer and second by Zach Prewett. Motion carried with 3 voting yes and 0 voting no.
6. Investment Manager's Report
 - Report attached
 - John Falduto reported that no statutory changes had been made affecting investment fund. Sawyer Falduto is working on updated Investment Policy language regarding Fixed Income allocation and will present the update next meeting.
 - Brian Labardi advised that reporting period is an important consideration when comparing annual fund performance. This is pertinent since the City of Rochelle has adopted a January 1 – December 31 fiscal year.
 - Motion to accept the Investment Report made by Chris Cardott and second by Sue Messer. Motion carried with 3 voting yes and 0 voting no.
 7. Review and/ or update Investment Policy
 - Board has no changes at this time.
 8. Reallocation, distribution, and/or sale of fund assets
 - John Falduto advised that the Annuity held by the Fund should be reviewed at the next meeting.
 9. Attorney's Report
 - Legal and Legislative Update attached
 - Brian Labardi presented the Legal and Legislative Update. He drew attention to cases concerning Line-of-Duty Disability case (p. 3) and Survivor Benefit case (p. 7). He also stated that several considerations regarding pension consolidation are being entertained by the State of Illinois but no bills have been introduced.
 - Zach Prewett stated that several fund participants are interested in learning more about the plan. John Falduto stated that he has participated in informational meetings coordinated by Lauterbach & Amen to educate participants. Brian Labardi stated that in addition to the meeting, IPPFA has handbooks available for order. Zach Prewett to query the active and retired participants regarding interest in a meeting. He will also contact Lauterbach & Amen regarding pricing.
 - Motion to accept the Attorney's Report made by Sue Messer and second by Chris Cardott. Motion carried with 3 voting yes and 0 voting no.
 10. Communications
 - None
 11. Approval of Disbursements
 - List of disbursement attached
 - Chris Cardott presented disbursements to Reimer & Dobrovolny of \$43.75 and \$750.
 - Motion to approve the disbursements made by Zach Prewett and second by Sue Messer. Roll call vote; Chris Cardott – yes, Sue Messer – yes, Zach Prewett – yes.
 12. Applications for Membership
 - None
 13. Applications for Benefits
 - None
 14. Applications for Refund
 - None
 15. Old Business

- None
16. New Business
- Approve Decision and Order for Daniel Miller
 - i. Brian Labardi presented the prepared Decision and Order for Dan Miller. Trustees present signed. Zach Prewett to collect signatures, retain Board portion, and mail Dan Miller's portion.
 - Approve Election of Active Trustee
 - i. Zach Prewett presented that two nominations – Jason Underwood and Tyler Christopherson - were filed. Election held and the ballots tallied. Jason Underwood received 9 votes and Tyler Christopherson received 1.
 - ii. Motion to certify the election results and recognize that Jason Underwood was elected to a 3 year term expiring in 05/2022 made by Sue Messer and second by Chris Cardott. Motion carried with 3 voting yes and 0 voting no.
 - iii. Chris Cardott reported that Mayor Olson appointed her to the board for a 2-year term.
 - iv. Motion to recognize the appointment of Chris Cardott to a 2 year term expiring in 05/2021 made by Zach Prewett and second by Sue Messer. Motion carried with 3 voting yes and 0 voting no.
 - Status of asset allocation to conform with statutory limits
 - i. Brian Labardi advised that this agenda item be moved to the 4th quarter regular meeting to coincide with fiscal year.
 - Authorize preparation of annual Department of Insurance Report
 - i. Brian Labardi advised that this agenda item be moved to the 4th quarter regular meeting to coincide with fiscal year.
 - Authorize payment of annual Department of Insurance Compliance Fee
 - i. Brian Labardi advised that this fee is statutorily assessed based on a percentage of the fund. Statement has not been received but will be due prior to the next regular meeting.
 - ii. Motion to authorize payment of the Department of Insurance Compliance Fee upon receipt made by Chris Cardott and second by Sue Messer. Roll call vote; Chris Cardott – yes, Sue Messer – yes, Zach Prewett – yes.
 - Status of independent audit report
 - i. Chris Cardott had reported on the status of the audit in the Treasurer's Report section of the meeting. No further discussion.
 - Review and/or modification of Board's Administrative Rules and Regulations
 - i. Board has no changes at this time.
 - Annual filing of statement of economic interest for each Trustee

- i. All trustees present had filed the annual statement. Zach Prewett to confirm that Jason Underwood and Brian Johnson have filed as well.

17. Executive/Closed Session

- None

18. Adjournment

- Motion to adjourn made by Chris Cardott and second by Sue Messer. Motion carried with 3 voting yes and 0 voting no.