

**MINUTES OF A REGULAR MEETING OF THE
BUFFALO GROVE FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES
FEBRUARY 3, 2025**

A regular meeting of the Buffalo Grove Firefighters' Pension Fund Board of Trustees was held on Monday, February 3, 2025 at 8:30 a.m. in the Buffalo Grove Village Hall located at 50 Raupp Boulevard, Buffalo Grove, Illinois 60089, pursuant to notice.

CALL TO ORDER: President Dan Pasquarella called the meeting to order at 8:32 a.m.

ROLL CALL:

PRESENT: Trustees Dan Pasquarella, Josh Himmelspach, Thomas Gough, Larry Stanley and Chris Black

ABSENT: None

ALSO PRESENT: Attorney Carolyn Clifford, Ottosen; John Falduto, Sawyer Falduto Asset Management, LLC (SFAM); Village Manager Dane Bragg and Trustee Denise Bocek, Village of Buffalo Grove; Molly Barker and Erica Dominguez, Lauterbach & Amen, LLP (L&A)

APPROVAL OF REMOTE ATTENDANCE AND FULL PARTICIPATION BY CERTAIN TRUSTEES (IF ANY): The Board noted that there were no Trustees attending remotely.

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 28, 2024 Regular Meeting:* The Board reviewed the October 28, 2024, regular meeting minutes. A motion was made by Trustee Stanley and seconded by Trustee Gough to approve the October 28, 2024, regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting log. A motion was made by Trustee Himmelspach and seconded by Trustee Stanley to keep the closed session meeting minutes closed at this time as the need for confidentiality still exists. Motion carried unanimously by voice vote.

FINANCIAL/INVESTMENT REPORTS: *Monthly Financial Reports from Lauterbach & Amen (September, October, November and December 2024):* The Board reviewed the Monthly Financial Report for the nine-month period ending September 30, 2024, prepared by L&A. As of September 30, 2024, the net position held in trust for pension benefits is \$90,460,186.26 for a change in position of \$9,550,485.50. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report and Quarterly Transfer Report.

The Board also reviewed the Monthly Financial Report for the ten-month period ending October 31, 2024, prepared by L&A. As of October 31, 2024, the net position held in trust for pension benefits is \$87,967,646.43 for a change in position of \$7,057,945.67. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report and Quarterly Transfer Report.

The Board also reviewed the Monthly Financial Report for the eleven-month period ending November 30, 2024, prepared by L&A. As of November 30, 2024, the net position held in trust for pension benefits is \$89,947,968.66 for a change in position of \$9,038,267.90. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report, Quarterly Transfer Report and the Quarterly Disbursement Report for the period September 1, 2024, through November 30, 2024, for total disbursements of \$52,419.21. The ending balance in the BMO account for this period is \$12,289.81, which is above the Board's target cash balance (\$10,000) but below the transfer threshold (\$25,000) set by the Board for this account.

A motion was made by Trustee Himmelspach and seconded by Trustee Stanley to accept the Monthly Financial Reports as presented and to approve the disbursements shown on the Quarterly Disbursement Report in the amount of \$52,419.21. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

Additional Bills, if any: There were no additional bills presented for approval.

Review – Cash Balances of Local Accounts – BMO Bank Statement and Current Balance Status: The Board reviewed the current balance of the BMO Bank operating account and discussed upcoming cash needs. No changes are needed at this time.

Schwab Statement, Current Balance Status and Quarterly Report – Sawyer Falduto: Mr. Falduto presented the Investment Performance Report for the period ending December 31, 2024. As of December 31, 2024, the ending market value held in the Schwab money market account is \$100,769, which is above the Board's target cash balance (\$100,000) but below the transfer threshold (\$200,000) set by the Board for this account. A motion was made by Trustee Stanley and seconded by Trustee Gough to accept the Sawyer Falduto Quarterly Report as presented. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

Review of Cash Projections and Cash Needed: The Board discussed the current cash projections and cash needs and determined that no action was needed at this time.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2025 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Himmelspach and seconded by Trustee Gough to approve the 2025 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

Review/Approval – FPIF Statements of Results (September, October, November and December 2024): The Board reviewed the FPIF Statements of Results for the periods September 30, 2024, October 31, 2024, November 30, 2024 and December 31, 2024. As of December 31, 2024, the Fund's ending Net Asset Value (NAV) in FPIF is \$87,360,730.88 which is 0.92% ownership in FPIF. The year-to-date net return of the Fund's total assets is 10.91% and the one-month net return for December 2024 is (2.35%).

Review/Approval – FPIF Monthly Investments Summaries (September, October, November and December 2024): The Board reviewed the FPIF Monthly Investments Summaries for the periods September 2024, October 31, 2024, November 30, 2024 and December 31, 2024. As of December 31, 2024, the one-month total net return is (2.3%) vs. the FPIF policy benchmark of (2.3%) and the calendar year-to-date total net return is 11.0% vs. the FPIF policy benchmark of 10.5% for an ending market value of \$9,495,594,016. The current asset allocation is as follows: Equity at 65%, Fixed Income at 28.3%, Alternatives at 5.6%, Cash at 1.1% and Transition and Member Funds at 0.0%. A motion was made by Trustee Stanley and seconded by Trustee Himmelspach to accept the FPIF Statements of Results and FPIF Monthly Investments Summaries as presented. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners in December 2024 and a due date of January 13, 2025. To date, 8 affidavits remain outstanding. L&A mailed second request affidavits to the outstanding pensioners and status updates will be provided to the Board as they become available.

Statements of Economic Interest: The Board noted that the List of Filers was submitted to the County by the Village by February 1, 2025. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2025.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS/QILDROS: *Approve Regular Retirement Benefits – Jeffery Morris:* The Board reviewed the regular retirement benefit calculation for Jeffery Morris prepared by L&A. Lieutenant Morris had an entry date of April 23, 1990, retirement date of March 4, 2025, effective date of pension of March 5, 2025, 64 years of age at date of retirement, 34 years and 10 months of creditable service, applicable salary of \$141,443.68, applicable pension percentage of 75%, amount of originally granted monthly pension of \$8,840.23 and amount of originally granted annual pension of \$106,082.76. A motion was made by Trustee Gough and seconded by Trustee Stanley to approve Jeffery Morris' regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

Application for Disability Benefits – Steven Dorsey and Review/Approval – Appointment of IME Physicians: The Board discussed the application for disability benefits submitted by Steven Dorsey. A motion was made by Trustee Gough and seconded by Trustee Pasquarella to authorize INSPE to select the independent medical examining physicians for Steven Dorsey. Motion carried by roll call vote.

AYES: Trustees Pasquarella, Himmelspach, Gough, Stanley and Black
NAYS: None
ABSENT: None

Status of Dorsey QILDRO: Attorney Clifford apprised the Board that there are no updates on the status of the Dorsey QILDRO. Updates will be provided to the Board as they become available.

Status of Jason QILDRO: Attorney Clifford apprised the Board that there are no updates on the status of the Jason QILDRO. Updates will be provided to the Board as they become available.

Status of Gatto QILDRO: Attorney Clifford apprised the Board that there are no updates on the status of the Gatto QILDRO. Updates will be provided to the Board as they become available.

OLD BUSINESS: *Fiduciary Liability Insurance Renewal (Gallagher):* The Board noted that the fiduciary liability insurance renewal has been completed through Gallagher Insurance and discussed the current coverage and possible future coverage. Further discussion will be held at the next regular meeting.

NEW BUSINESS: *Review/Approve – RFQ for Insurance Brokers:* The Board discussed submitting a Request for Quotes to potential fiduciary liability insurance brokers. Further discussion will be held at the next regular meeting.

Mr. Bragg left the meeting at 10:10 a.m.

Review Trustee Term Expirations and Election Procedures: The Board noted that there are no trustee terms expiring in 2025.

ATTORNEY'S REPORT – OTTOSEN: *Pension Insights (First Quarter 2024) (New Case Law):* The Board was provided the First Quarter 2025 Pension Insights on new legislation prepared by Ottosen, which Attorney Clifford reviewed with the Board.

Board Insights (January 2025) (Updates to Unclaimed Property Act); Fiduciary Insights (January 2025) (Who Is The Client When Representing An Organization); IAFFPD Fire Call Pension Pointers (Fall 2024) (Illinois Judges Challenge Pension Reform Law): Attorney Clifford reviewed with the Board the following training presentations: Board Insights (January 2025) (Updates to Unclaimed Property Act); Fiduciary Insights (January 2025) (Who Is The Client When Representing An Organization) and IAFFPD Fire Call Pension Pointers (Fall 2024) (Illinois Judges Challenge Pension Reform Law).

TRUSTEE TRAINING UPDATES: *Approval of Trustee Training Registration Fees and Reimbursable Expenses:* There were no trustee registration fees or reimbursable expenses presented for approval.

Acknowledgement of Training Time from Meeting: The Board acknowledged one hour of Trustee Training from the February 3, 2025, regular meeting.

Certification of Trustee Training Hours: This item was not discussed.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Stanley and seconded by Trustee Gough to adjourn the meeting at 10:22 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 12, 2025, at 8:30 a.m.

Board Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Molly Barker, Professional Services Administrator, Lauterbach & Amen, LLP