MINUTES OF A REGULAR MEETING OF THE BUFFALO GROVE FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES JULY 26, 2022

A regular meeting of the Buffalo Grove Firefighters' Pension Fund Board of Trustees was held on Tuesday, July 26, 2022 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 8:31 a.m.

ROLL CALL:

PRESENT:	Trustees Dan Pasquarella, Josh Himmelspach, Thomas Gough, Art Malinowski and Larry Stanley
ABSENT:	None
ALSO PRESENT:	Attorney Carolyn Clifford, Ottosen; John Falduto and Ed Lavin, Sawyer Falduto Asset Management, LLC (SFAM); Finance Director Chris Black, Village of Buffalo Grove; Molly Weslow, Lauterbach & Amen, LLP (L&A); Fire Chief Mike Baker, Buffalo Grove Fire Department

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 25, 2022 Regular Meeting:* The Board reviewed the April 25, 2022 regular meeting minutes. A motion was made by Trustee Stanley and seconded by Trustee Malinowski to approve the April 25, 2022 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 minute log. A motion was made by Trustee Malinowski and seconded by Trustee Stanley to destroy the recording from the March 23, 2018 closed session meeting and to keep all closed session meeting minutes closed due to the need for confidentiality still exists. Motion carried by roll call vote.

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

FINANCIAL/INVESTMENT REPORTS: *Monthly Financial Reports from Lauterbach & Amen (March, April and May 2022):* The Board reviewed the Monthly Financial Report for the three-month period ending March 31, 2022 prepared by L&A. As of March 31, 2022, the net position held in trust for pension benefits is $81,859,053.98 for a change in position of ($4,550,395.13). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

The Board also reviewed the Monthly Financial Report for the four-month period ending April 30, 2022 prepared by L&A. As of April 30, 2022, the net position held in trust for pension benefits is $76,726,360.45 for a change in position of ($9,672,217.66). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

The Board also reviewed the Monthly Financial Report for the five-month period ending May 31, 2022 prepared by L&A. As of May 31, 2022, the net position held in trust for pension benefits is $76,749,586.95 for a change in position of ($9,648,991.16). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period March 1, 2022 through May 31, 2022 for total disbursements of $411,845.68. A motion was made by Trustee Stanley and seconded by Trustee Himmelspach to accept the Monthly Financial Reports as presented and to approve the disbursements shown on the Vendor Check Report in the amount of $411,845.68. Motion carried by roll call vote.

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

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

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

Illinois Department of Insurance Compliance Fee: The Board noted that there will not be an IDOI Compliance Fee invoice issued to the Buffalo Grove Firefighters' Pension Fund.

Review – Cash Balances of Local Accounts – BMO Harris Bank Statement and Current Balance Status: The Board reviewed the current balance of the BMO Harris operating account and discussed upcoming cash needs. A motion was made by Trustee Stanley and seconded by Trustee Gough to transfer any funds in the BMO Harris operating account in excess of $10,000 to FPIF for investing. Motion carried by roll call vote.

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

Schwab Statement, Current Balance Status and Quarterly Report – Sawyer Falduto: Mr. Falduto presented the Investment Performance Report for the period ending June 30, 2022. As of June 30, 2022, the ending market value held in the Schwab money market account is $400,000. A motion was made by Trustee Malinowski and seconded by Trustee Himmelspach to accept the Investment Performance Report as presented. Motion carried by roll call vote.

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

Review/Update – Cash Management Procedures, Cash Projections and Cash Needs: The Board reviewed the Cash Analysis Projection prepared by L&A and discussed the balance in the Schwab account.

Review/Approval – GCM Recurring Withdrawal Instructions for Deposits on 14th of Month: The Board discussed the FPIF Global Cash Movement Recurring Withdrawal Instructions. A motion was made by Trustee Stanley and seconded by Trustee Malinowski to set the monthly recurring withdrawal amount at $380,000 to be sent in cash from FPIF with a start date of August 14, 2022. Motion carried by roll call vote.

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

Review/Approval – FPIF Statements of Results (March, April and May 2022): The Board reviewed the FPIF Statements of Results for the periods March 31, 2022, April 30, 2022 and May 31, 2022. A motion was made by Trustee Himmelspach and seconded by Trustee Stanley to accept the FPIF Statements of Results as presented. Motion carried by roll call vote.

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

Review/Approval – FPIF Monthly Investments Summaries (March, April and May 2022): The Board reviewed the FPIF Monthly Investment Summaries for the periods of March 31, 2022, April 30, 2022 and May 31, 2022. A motion was made by Trustee Himmelspach and seconded by Trustee Stanley to accept the FPIF Investment Monthly Summaries as presented. Motion carried by roll call vote.

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

The Board took a brief recess at 9:49 a.m. and reconvened at 9:56 a.m.

Fire Chief Baker and Mr. Lavin left the meeting at 9:50 a.m.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that third request Affidavits of Continued Eligibility were mailed to the outstanding pensioners via certified mail. To date, one affidavit remains outstanding. A motion was made by Trustee Himmelspach and seconded by Trustee Stanley to suspend Lawrence Andres' direct deposit and convert his benefits to a live check to be held at the offices of Lauterbach & Amen beginning with the August payroll cycle until a completed affidavit is received. Motion carried by roll call vote.

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

Post-meeting note: Lawrence Andres' affidavit was received prior to the August payroll cycle.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

Fiduciary and Cyber Liability Insurance Renewal Presentation (Gallagher): The Board discussed sending Request for Proposals for fiduciary liability insurance. A motion was made by Trustee Stanley and seconded by Trustee Gough to solicit proposals from brokers for fiduciary liability insurance from Gallagher Insurance, Cook Castle Associates, LLC and Mesirow Insurance Services, Inc. Motion carried by roll call vote.

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Reciprocity Update – Shawn Collins:* The Board noted that Shawn Collins submitted a request to calculate the amount of money due to the Buffalo Grove Firefighters' Pension Fund to combine service under reciprocity and calculations are currently in process. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approval – Regular Retirement Benefits for Ronald Two Bulls:* The Board noted that the regular retirement benefit calculation for Ronald Two Bulls is in process and will be reviewed at the next regular meeting.

Review/Approval – Regular Retirement Benefits for Mark Oeltgen: The Board noted that the regular retirement benefit calculation for Mark Oeltgen is in process and will be reviewed at the next regular meeting.

OLD BUSINESS: *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 IDOI Annual Statement: The Board noted that the IDOI Annual Statement has been completed and submitted to the Department of Insurance prior to the June 30, 2022 deadline. A motion was made by Trustee Stanley and seconded by Trustee Himmelspach to approve the Annual Statement submission to the Department of Insurance. Motion carried by roll call vote.
AYES: Trustees Pasquarella, Himmelspach, Gough, Malinowski and Stanley
NAYS: None
ABSENT: None

Status of Village Audit: Finance Director Chris Black noted that the Village audit is completed. No further action is needed at this time.

NEW BUSINESS: *Actuarial Study Presentation and Discussion:* Trustee Stanley reviewed the actuarial study presentation with the Board.

Review/Approve – Actuarial Valuation and Tax Levy Request: The Board reviewed the finalized Actuarial Valuation as prepared by L&A. Based on data and assumptions, the recommended contribution amount is $1,872,940 which is a $551,145 decrease from the prior year contribution. The statutory minimum contribution requirement is $971,246. A motion was made by Trustee Gough and seconded by Trustee Stanley to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of $1,872,940 from the Village of Buffalo Grove, based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.
AYES: Trustees Pasquarella, Himmelspach, Gough, Malinowski and Stanley
NAYS: None
ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board noted that the Municipal Compliance Report is in process and will be reviewed at the next regular meeting.

Board Officer Elections – President and Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Pasquarella as President and Trustee Himmelspach as Secretary. A motion was made by Trustee Gough and seconded by Trustee Malinowski to elect the slate of Officers as stated. Motion carried by roll call vote.
AYES: Trustees Pasquarella, Himmelspach, Gough, Malinowski and Stanley
NAYS: None
ABSENT: None

The Board noted that Trustees Malinowski and Stanley were reappointed to the Buffalo Grove Firefighters' Pension Fund Board of Trustees by the Mayor of Buffalo Grove for a one-year term effective May 1, 2022 through May 1, 2023.

FOIA Officer and OMA Designee: The Board will maintain Trustee Malinowski as the FOIA Officer and OMA Designee.

ATTORNEY'S REPORT – OTTOSEN: *Status of Arlington Heights PPF v. Pritzker:* Attorney Clifford provided the Board with an update of the *Arlington Heights PPF v. Pritzker* lawsuit. Further updates will be provided as they become available.

Pension Insights Third Quarter 2022, IAFPD Fire Call Pension Pointers, IL CPA Society Conference – Illinois Public Safety Pension: An Overview of Asset Consolidation (May 2022), IGFOA Academy – Illinois Public Pension: What to Know About Firefighter and Police Pension Funds (April 2022), NAPPA Conference – Who Qualifies as a Public Safety Employee? (June 2022): Attorney Clifford reviewed the Third Quarter *Pension Insights* prepared by Ottosen and discussed recent legislation as well as general pension matters.

TRUSTEE TRAINING UPDATES: *Status of Trustee Training Hours and Upcoming Training Opportunities:* The Board discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

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

ADJOURNMENT: A motion was made by Trustee Stanley and seconded by Trustee Himmelspach to adjourn the meeting at 10:58 a.m. Motion carried by roll call vote.

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

The next regular meeting is scheduled for October 31, 2022 at 8:30 a.m.

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Board Secretary

Minutes approved by the Board of Trustees on ____________________

Minutes prepared by Molly Weslow, Pension Services Administrator, Lauterbach & Amen, LLP