

**MINUTES OF A REGULAR MEETING OF
THE ST. CHARLES FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES
DECEMBER 6, 2023**

A regular meeting of the St. Charles Firefighters' Pension Fund Board of Trustees was held on Wednesday, December 6, 2023 at 8:30 a.m. in the City Hall, Den A located at 2 East Main Street, St. Charles, IL 60174, pursuant to notice.

CALL TO ORDER: Trustee Wilton called the meeting to order at 8:40 a.m.

ROLL CALL:

PRESENT: Trustees Brad Wilton, Andrew Kidd, Bill Hannah and Leo Veseling
ABSENT: Trustee Scott Swanson
ALSO PRESENT: Greg Kiesewetter, Cook Castle Associates, LLC; Keri Spencer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *September 6, 2023 Regular Meeting:* The Board reviewed the September 6, 2023 regular meeting minutes. A motion was made by Trustee Wilton and seconded by Trustee Kidd to approve the September 6, 2023 regular meeting minutes as written. Motion carried unanimously by voice vote.

Review/Approve – Destruction of Remote Meeting Recordings: The Board noted that there are no remote open meeting recordings to destroy.

CITY TREASURER'S REPORT: *Quarterly Financial Report:* The Board reviewed the Quarterly Financial Report for the period ending October 31, 2023 prepared by the City of St. Charles. As of October 31, 2023, the net position held in trust for pension benefits is \$48,475,256.69. The Board also reviewed the Expenditure Approval List for the period September 1, 2023 through November 30, 2023 with expenditures totaling \$177,058.59. A motion was made by Trustee Veseling and seconded by Trustee Kidd to accept the Quarterly Financial Report and Expenditure Approval List as presented. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling

NAYS: None

ABSENT: Trustee Swanson

Discussion/Possible Action – Cash Management Policy: The Board discussed the cash management policy and determined no changes were necessary at this time.

GCM Recurring Withdrawal Instructions for 2024: The Board reviewed the GCM Recurring Withdrawal Instructions for 2024. A motion was made by Trustee Wilton and seconded by Trustee Kidd to set the 2024 monthly recurring deposits at \$268,000 from FPIF. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling

NAYS: None

ABSENT: Trustee Swanson

INVESTMENT REPORTS: *FPIF – Marquette Associates:* The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending September 30, 2023. As of September 30, 2023, the one-month total net return is (3.6%) and the year-to-date total net return is 5.3% for an ending market value of \$7,663,206,756. The current asset allocation is as follows: Total Equity at 66.0%, Fixed Income at 28.4%, Real Estate at 4.9% and Cash 0.8%.

FPIF – Statement of Results: The Board reviewed the FPIF Statement of Results for the periods ending August 31, 2023, September 30, 2023 and October 31, 2023. As of October 31, 2023 the beginning value was \$47,485,392.27, the ending value was \$47,276,427.43 and the net return was (2.74%). The Fund's ownership in FPIF is 0.63%.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners in the fourth quarter. Further discussion will be held at the next regular meeting.

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

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: The Board discussed Trustee Kidd attending IPPFA online certified trustee training. A motion was made by Trustee Hannah and seconded by Trustee Wilton to approve registration fees of \$550 for Trustee Kidd to attend IPPFA online certified trustee training. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling

NAYS: None

ABSENT: Trustee Swanson

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Andrew Cichon and Ryan Thomas:* The Board reviewed the Application for Membership submitted by Andrew Cichon. A motion was made by Trustee Wilton and seconded by Trustee Kidd to accept Andrew Cichon effective July 16, 2018 as a Tier II participant into the St. Charles Firefighters' Pension Fund. Motion carried unanimously by voice vote.

The Board noted that Ryan Thomas's Application for Membership has not been received to date. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Kelly Malone:* The Board reviewed the regular retirement benefit calculation for Kelly Malone. Kelly Malone had an entry date of November 10, 2003, retirement date of November 25, 2023, effective date of pension of November 26, 2023, 20 years of creditable service, applicable salary of \$117,869.53, applicable pension percentage of 50%, amount of originally granted monthly pension of \$4,911.23 and amount of originally granted annual pension of \$58,934.77. A motion was made by

Trustee Kidd and seconded by Trustee Hannah to approve Kelly Malone's regular retirement benefit. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling
NAYS: None
ABSENT: Trustee Swanson

OLD BUSINESS: Reciprocity Updates – Michael Compton, Daniel Kray, Derek Mortensen and Ryan Thomas: The Board noted that one deduction of \$57.12 and 1% is being withheld from Michael Compton's salary with the St. Charles Fire Department and notification has been made to the Freeport Firefighters' Pension Fund of his intentions to complete reciprocity. Updates will be provided as they become available.

The Board noted that Daniel Kray has paid the Bloomington Firefighter's Pension Fund in full and his reciprocity is complete. No further action is required.

The Board noted that Derek Mortensen has paid the Algonquin Lake In The Hills FPD Firefighters' Pension Fund in full and his reciprocity is complete. No further action is required.

The Board also noted that 1% is being withheld from Ryan Thomas's salary with the St. Charles Fire Department and Mr. Thomas will need to notify the Geneva Firefighters' Pension Fund of his intentions to complete reciprocity. Updates will be provided as they become available.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement has been filed with the Illinois Department of Insurance prior to the October 31, 2023 deadline. No further action is necessary.

NEW BUSINESS: Review/Approve – Annual Audit and Financial Report: The Board reviewed the annual audit and financial report for the St. Charles Firefighters' Pension Fund prepared by Sikich. A motion was made by Trustee Wilton and seconded by Trustee Veseling to approve the annual audit and financial report as presented. Motion carried unanimously by voice vote.

Review/Approve – Fiduciary Liability Insurance Renewal: The Board reviewed the Fiduciary Liability Insurance renewal provided by Hudson Insurance Company through Cook Castle Associates, LLC. A motion was made by Trustee Wilton and seconded by Trustee Veseling to approve payment of the fiduciary liability insurance renewal effective January 1, 2024 through January 1, 2025 in the amount of \$7,953 and to add Finance Senior Administrative Assistant Carylie Forte and Senior Accountant Jill Ghiotto as additional insurers. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling
NAYS: None
ABSENT: Trustee Swanson

Review/Approve – Fidelity Bond/Crime Insurance Renewal: The Board reviewed the Fidelity Bond/Crime Insurance Renewal provided by Hudson Insurance Company through Cook Castle Associates, LLC. A motion was made by Trustee Wilton and seconded by Trustee Hannah to approve payment of the Fidelity Bond/Crime Insurance Renewal effective January 1, 2024 through January 1, 2027 in the amount of \$2,313. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling
NAYS: None
ABSENT: Trustee Swanson

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2024 Cost of Living Adjustments calculated by the City of St. Charles. A motion was made by Trustee Wilton and seconded by Trustee Hannah to approve the 2024 Cost of Living Adjustments as required by statute and calculated by the City of St. Charles. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah and Veseling
NAYS: None
ABSENT: Trustee Swanson

Discussion – Tier 2 Contribution Cap: The Board discussed the Tier 2 salary cap and the process of terminating contributions for Tier 2 members that hit the cap during that fiscal year. No further action is needed at this time.

Establish 2024 Board Meeting Dates: The Board discussed establishing the 2024 Board meeting dates as March 6, 2024; June 5, 2024; September 4, 2024; and December 4, 2024 at 8:30 a.m. in the St. Charles City Hall, Den A, located at 2 East Main Street, St. Charles, IL 60174. A motion was made by Trustee Hannah and seconded by Trustee Wilton to establish the 2024 Board meeting dates as stated. Motion carried unanimously by voice vote.

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

ADJOURNMENT: A motion was made by Trustee Wilton and seconded by Trustee Kidd to adjourn the meeting at 9:18 a.m. Motion carried unanimously by voice vote.

The next regular meeting will be held March 6, 2024 at 8:30 a.m.

AL K
Board President or Secretary

Minutes approved by the Board of Trustees on 3/6/24

Minutes prepared by Keri Spencer, Pension Services Administrator, Lauterbach & Amen, LLP