

**MINUTES OF A REGULAR MEETING OF
THE ST. CHARLES FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES
MARCH 1, 2023**

A regular meeting of the St. Charles Firefighters' Pension Fund Board of Trustees was held on Wednesday, March 1, 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 8:31 a.m.

ROLL CALL:

PRESENT: Trustees Brad Wilton, Andrew Kidd, Bill Hannah, Leo Veseling and Scott Swanson
ABSENT: None
ALSO PRESENT: Keri Spencer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *December 7, 2022 Regular Meeting:* The Board reviewed the December 7, 2022 regular meeting minutes. A motion was made by Trustee Swanson and seconded by Trustee Veseling to approve the December 7, 2022 regular meeting minutes as written. Motion carried by roll call vote.

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

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

CITY TREASURER'S REPORT – Quarterly Financial Report: The Board reviewed the Quarterly Financial Report prepared by the City of St. Charles. As of January 31, 2023, the net position held in trust for pension benefits is \$49,252,027.41. A motion was made by Trustee Wilton and seconded by Trustee Kidd to accept the Quarterly Financial Report as presented. Motion carried by roll call vote.

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

Discussion/Possible Action – Cash Management Policy: The Board discussed the cash management policy and noted there were no changes necessary. Further discussion will be held at the next regular meeting.

INVESTMENT REPORT: FPIF –Marquette Associates: The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending December 31, 2022. As of December 31, 2022, the one-month total net return is (2.6%) and the year-to-date total net return is (15.4%) for an ending market value of \$7,213,321,713. The current asset allocation is as follows: Total Equity at 64.2%, Fixed Income at 29.8%, Real Estate at 5.0% and Cash 1.0%.

FPIF – Statement of Results: The Board reviewed the FPIF Statement of Results for the period ending January 31, 2023. The beginning value was \$45,121,133.37 and the ending value was \$47,705,560.16. The net return was 5.73%. The Fund's ownership in FPIF is 0.62%.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2022 Affidavits of Continued Eligibility have been received by L&A. The originals were provided to the Board for their recordkeeping.

Statements of Economic Interest: The Board noted that the List of Filers was to be submitted to the County by the City by February 1, 2023. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2023.

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: There were no trustee training registration fees or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – Daniel Kray:* The Board reviewed the Application for Membership submitted by Daniel Kray. A motion was made by Trustee Veseling and seconded by Trustee Hannah to accept Daniel Kray into the St. Charles Firefighters' Pension Fund effective November 7, 2022, as a Tier II participant. Motion carried by roll call vote.

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

Contribution Refund – Dustin Baniqued: The Board reviewed the contribution refund request submitted by Dustin Baniqued. A motion was made by Trustee Kidd and seconded by Trustee Wilton to approve Dustin Baniqued's contribution refund in the amount of \$789.33 paid directly to himself issued on November 30, 2022. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement of disability benefits.

OLD BUSINESS: *Reciprocity Update – Daniel Kray:* The Board noted that a request has been received from Daniel Kray to combine service under reciprocity. Further discussion will be held at the next regular meeting.

Reciprocity Update – Derek Mortensen: The Board noted that a request has been received from Derek Mortensen to combine service under reciprocity. Further discussion will be held at the next regular meeting.

Discussion/Possible Action – Cyber Risk Insurance Coverage: The Board discussed cyber insurance coverage and noted the Pension Fund is covered under the City's cyber insurance policy. No Board action is required at this time.

FOIA Officer and OMA Designee: The Board discussed the FOIA Officer and OMA Designee. Further discussion will be held at the next regular meeting.

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 Veseling and seconded by Trustee Kidd to approve the annual audit and financial report as presented. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah, Veseling and Swanson

NAYS: None

ABSENT: None

Approval/Ratification – Updated Collateral Agreement: The Board reviewed the updated collateralization agreement from The Bank of New York Mellon to continue collateralization of the BMO Harris Bank account. A motion was made by Trustee Veseling and seconded by Trustee Kidd to authorize Trustee William Hannah to execute the updated tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote.

AYES: Trustees Wilton, Kidd, Hannah, Veseling and Swanson

NAYS: None

ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Wilton is expiring in April 2023 and he is no longer interested in remaining on the Board. L&A will conduct an election on behalf of the Board for one of the two active member positions. The Board also noted that the appointed member positions held by Trustee Hannah and Scott are expiring in April 2023 and they are interested in remaining on the Board. The Board will contact the City and seek reappointment of Trustees Hannah and Scott to the Board.

Discussion/Possible Action to be Taken on All FPIF Requests Pertaining to Consolidation: The Board noted that there was no discussion or action to be taken as it relates to consolidation.

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

ADJOURNMENT: A motion was made by Trustee Kidd and seconded by Trustee Veseling to adjourn the meeting at 8:52 a.m. Motion carried unanimously by voice vote.

The next regular meeting will be held June 7, 2023 at 8:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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

**St. Charles Fire Pension Fund
Statement of Net Position**

	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Assets												
Cash & Short-Term Investments												
BMO Harris	615,069.79	1,656,120.62	1,509,963.18	1,354,669.46	1,914,774.84	2,089,561.96	1,908,220.41	1,743,122.71	1,532,708.01	1,328,900.77	1,120,424.09	923,774.92
Illinois Funds	2,800.51	2,803.09	2,806.92	2,812.12	2,817.95	2,825.26	2,825.26	2,843.06	2,853.25	2,863.06	2,874.48	2,885.97
Investments, at Fair Value												
Illinois Pension Investment Fund	47,752,344.63	44,804,110.81	47,124,985.18	45,691,186.82	42,224,762.11	43,651,970.69	46,356,612.30	45,121,133.37	47,705,560.16	46,463,046.69	47,416,480.17	47,917,159.45
Receivables												
Accounts Receivable	-	-	-	-	-	-	-	-	10,905.99	10,905.99	10,905.99	10,905.99
Total Assets	48,370,214.93	46,463,034.52	48,637,755.28	47,048,668.40	44,142,354.90	45,744,357.91	48,267,657.97	46,867,099.14	49,252,027.41	47,805,716.51	48,550,684.73	48,854,726.33
Liabilities												
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Net Position Restricted For Pension Benefits	48,370,214.93	46,463,034.52	48,637,755.28	47,048,668.40	44,142,354.90	45,744,357.91	48,267,657.97	46,867,099.14	49,252,027.41	47,805,716.51	48,550,684.73	48,854,726.33

**St. Charles Fire Pension Fund
Statement of Change in Net Position**

	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Year-To-Date 2022/2023
Additions													
Contributions													
Employer	146,932.64	1,211,009.21	23,999.21	34,024.04	763,910.31	372,223.84	13,319.99	15,876.26	-	-	-	-	2,581,295.50
Employee	40,964.98	42,570.01	63,982.50	39,561.95	40,973.90	38,606.88	41,800.20	66,028.08	41,867.93	40,609.47	40,134.30	41,941.87	539,042.07
Other	-	-	-	50.00	-	-	-	-	-	-	-	-	50.00
Total Contributions	187,897.62	1,253,579.22	87,981.71	73,635.99	804,884.21	410,830.72	55,120.19	81,904.34	41,867.93	40,609.47	40,134.30	41,941.87	3,120,387.57
Investment Income													
Net Appreciation (Depreciation) in the Fair Value of Investments	121,905.10	(2,982,204.38)	2,292,694.90	(1,465,252.56)	(3,496,108.22)	1,406,479.17	2,665,322.36	(1,266,434.47)	2,561,018.31	(1,276,066.35)	886,298.38	439,315.62	(113,032.14)
Interest, Dividends & Capital Gains	36,893.44	34,348.51	29,883.17	39,174.90	36,720.05	25,470.18	42,151.25	39,308.23	26,584.51	40,071.92	73,438.19	63,727.94	487,772.29
Total Investment Income	158,798.54	(2,947,855.87)	2,322,578.07	(1,426,077.66)	(3,459,388.17)	1,431,949.35	2,707,473.61	(1,227,126.24)	2,587,602.82	(1,235,994.43)	959,736.57	503,043.56	374,740.15
Less Investment Expense	(306.15)	(26.61)	(730.49)	(6,592.14)	(5,638.28)	(3,101.26)	(828.61)	(6,843.13)	(1,690.54)	(5,224.00)	(5,016.08)	(1,262.76)	(37,260.05)
Net Investment Income	158,492.39	(2,947,882.48)	2,321,847.58	(1,432,669.80)	(3,465,026.45)	1,428,848.09	2,706,645.00	(1,233,969.37)	2,585,912.28	(1,241,218.43)	954,720.49	501,780.80	337,480.10
Total Additions	346,390.01	(1,694,303.26)	2,409,829.29	(1,359,033.81)	(2,660,142.24)	1,839,678.81	2,761,765.19	(1,152,065.03)	2,627,780.21	(1,200,608.96)	994,854.79	543,722.67	3,457,867.67
Deductions													
Pension Benefits & Refunds	212,877.15	212,877.15	235,108.53	229,703.07	244,851.26	237,675.80	238,465.13	237,675.80	242,851.94	242,851.94	248,936.57	237,781.07	2,821,655.41
Administrative Expenses	-	-	-	350.00	1,320.00	-	-	10,818.00	-	2,850.00	950.00	1,900.00	18,188.00
Total Deductions	212,877.15	212,877.15	235,108.53	230,053.07	246,171.26	237,675.80	238,465.13	248,493.80	242,851.94	245,701.94	249,886.57	239,681.07	2,839,843.41
Net Increase (Decrease)	133,512.86	(1,907,180.41)	2,174,720.76	(1,589,086.88)	(2,906,313.50)	1,602,003.01	2,523,300.06	(1,400,558.83)	2,384,928.27	(1,446,310.90)	744,968.22	304,041.60	618,024.26
Beginning Net Position	48,236,702.07	48,370,214.93	46,463,034.52	48,637,755.28	47,048,668.40	44,142,354.90	45,744,357.91	48,267,657.97	46,867,099.14	49,252,027.41	47,805,716.51	48,550,684.73	48,236,702.07
Ending Net Position	48,370,214.93	46,463,034.52	48,637,755.28	47,048,668.40	44,142,354.90	45,744,357.91	48,267,657.97	46,867,099.14	49,252,027.41	47,805,716.51	48,550,684.73	48,854,726.33	48,854,726.33