



WESTCHESTER POLICE PENSION FUND

10300 Roosevelt Road, Westchester, Illinois | 708-345-0060

Keith Suchy
President

Bruce Lill
Vice President

Joe Manna
Secretary

Phil Grollo
Asst. Secretary

Bruce Horek
Trustee

MINUTES OF A REGULAR MEETING OF THE WESTCHESTER POLICE PENSION FUND BOARD OF TRUSTEES OCTOBER 15, 2019

A regular meeting of the Westchester Police Pension Fund Board of Trustees was held on Tuesday, October 15, 2019 at 6:00 p.m. at the Westchester Police Department, located at 10300 West Roosevelt Road, Westchester, Illinois 60154, pursuant to notice.

CALL TO ORDER: Trustee Suchy called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE: The Board stood and recited the Pledge of Allegiance.

ROLL CALL:

PRESENT: Trustees Keith Suchy, Joe Manna, Phil Grollo, Bruce Lill and Bruce Horek

ABSENT: None

ALSO PRESENT: Tom McShane, Graystone Consulting; Attorney Brian LaBardi, Reimer & Dobrovolsky PC (R&D); Treasurer Barb Brandt, Village of Westchester; Jim Ritchie and Sam Meyer, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *July 16, 2019 Regular Meeting and August 22, 2019 Special Meeting Minutes:* The Board reviewed the July 16, 2019 regular meeting and the August 22, 2019 special meeting minutes. A motion was made by Trustee Grollo and seconded by Trustee Manna to approve the July 16, 2019 regular meeting and the August 22, 2019 special meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *IDOI Annual Statement:* The Board noted that L&A has not received a finalized audit. L&A noted they will file the IDOI Annual Statement with numbers provided by the Fund's draft audit to be in compliance with the IDOI's deadline of October 31, 2019. A motion was made by Trustee Horek and seconded by Trustee Manna to approve filing of the IDOI Annual statement with the draft audit and to designate Trustee Manna as the authorize signatory. Motion carried unanimously by voice vote.

Monthly Financial Report: The Board reviewed the Monthly Financial Report for the five-month period ending September 30, 2019 prepared by L&A. As of September 30, 2019, the net position held in trust for pension benefits is \$27,710,802.50 for a change in position of \$97,803.82. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Horek and seconded by Trustee Lill to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period July 1, 2019 through September 30, 2019 for total disbursements of \$128,901.62. A motion was made by Trustee

Manna and seconded by Trustee Grollo to approve the disbursements shown on the Vendor Check Report in the amount of \$128,901.62. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

Additional Bills, if any: Mrs. Brandt presented the Board with an IPPFA invoice in the amount of \$795.00 for 2020 membership dues. A motion was made by Trustee Manna and seconded by Trustee Grollo to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

NEW BUSINESS: *Fiduciary Liability Insurance Renewal:* The Board noted that their fiduciary liability insurance expires November 1, 2019. A motion was made by Trustee Grollo and seconded by Trustee Manna to approve payment of the fiduciary liability insurance renewal effective November 1, 2019 through November 1, 2020 in an amount not to exceed \$7,000. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

TREASURER'S REPORT – BARB BRANDT: *Village Financial Report:* Ms. Brandt reviewed the Village of Westchester Financial Report for the period March 31, 2019 through June 30, 2019 and June 30, 2019 to September 30. As of June 30, 2019, the balance in the BMO Harris Bank Money Market Account was \$38,464.31 and the balance of the NOW Account was \$16,336.09. As of September 30, 2019, the balance in the Money Market Account is \$386,312.83 and the NOW Account is \$26,145.93. A motion was made by Trustee Lill and seconded by Trustee Grollo to accept the Village Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

Review/Approve Disbursement Log: Ms. Brandt reviewed the Village of Westchester Disbursement Log for the period March 30, 2019 and June 25, 2019, as well as the period of June 25, 2019 and September 25, 2019. For the period between March 31, 2019 and June 25, 2019 the total disbursements were in the amount of \$30,970.32. The Board also reviewed the disbursement log for the time period of June 25, 2019 through September 25, 2019 showing total disbursement of \$40,190.16. A motion was made by Trustee Manna and seconded by Trustee Lill to approve the Disbursement Logs totaling \$71,160.48 as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

Status Update – Annual Audit Report: This item was discussed under the IDOI Annual statement.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Purchase/Sale of Investment Securities, Hiring or Termination of Investment Managers, and/or Rebalancing of Assets, if needed:* The Board discussed authorizing Ms. Brandt to instruct Graystone Consulting to liquidate \$400,000 from the Board's

Cash Management account and reallocate the proceeds into the Boards NOW account for the purpose of paying first quarter pension benefits. A motion was made by Trustee Horek and seconded by Trustee Lill to reallocate the funds as discussed. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Manna, Lill and Horek

NAYS: None

ABSENT: None

Quarterly Investment Report: Mr. McShane presented the Quarterly Investment Report for the period ending September 30, 2019. As of September 30, 2019, the quarter-to-date net return is 0.61%, the year-to-date net return is 12.12% and the ending market value is \$27,296,635.89. The current asset allocation is as follows: fixed income at 33.27%, equities at 62.76% and cash management at 3.98%.

Discussion/Possible Action – Opportunistic Strategy in Market Weakness/Strength: Mr. McShane reviewed the Fund's Opportunistic Strategy and noted that no changes are needed at this time.

Review/Update Investment Policy: Mr. McShane presented the Board with an updated Investment Policy. This item was tabled until the next regular meeting.

A motion was made by Trustee Grollo and seconded by Trustee Manna to approve the Investment Report as presented. Motion carried unanimously by voice vote.

Request for Proposals for Investment Services: The Board discussed sending out requests for proposals for investment services. A motion was made by Trustee Grollo and seconded by Trustee Lill to authorize Ms. Brandt to solicit proposals for investment services on behalf of the Board. Motion carried unanimously by voice vote.

COMMUNICATIONS AND REPORTS: The Board noted that all 2019 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Membership – Michael Goorsky, Andrew Hyland and Yaditza Ramos:* The Board reviewed the Applications for Membership submitted by Michael Goorsky, Andrew Hyland and Yaditza Ramos. A motion was made by Trustee Grollo and seconded by Trustee Horek to accept Michael Goorsky effective September 3, 2019, and Andrew Hyland and Yaditza Ramos effective September 16, 2019 into the Westchester Police Pension Fund as Tier II participants. Motion carried unanimously by voice vote.

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

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 Fees and Reimbursable Expenses: There were no trustee training fees or reimbursable expenses submitted for approval.

OLD BUSINESS: *Review/Approval of Repayment – Neil Borkowski:* L&A informed the Board that pensioner Neil Borkowski has repaid the Fund the \$37.95 for his missed contributions. A motion was

made by Trustee Grollo and seconded by Trustee Lill to accept his payment of \$37.95 as paid in full and to restore his 2 day break in service. Motion carried unanimously by voice vote.

L&A also noted that they have sent correspondence to Jason Krejci, Russell Newton and Kristina Tountas regarding their breaks in service and no response has been received to date.

Trustee Manna left the meeting at 7:15 p.m.

NEW BUSINESS (CONTINUED): Review/Approve – Actuarial Valuation & Tax Levy Request: L&A reviewed the draft audit with the Board. The Board also reviewed the finalized Actuarial Valuation as prepared by L&A. Based on draft data and assumptions, the recommended contribution amount is \$1,617,985 which is a \$61,302 increase from the prior year contribution. A motion was made by Trustee Lill and seconded by Trustee Grollo to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$1,617,985. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Lill and Horek

NAYS: None

ABSENT: Trustee Manna

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Lill and seconded by Trustee Horek to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

Establish 2020 Board Meeting Dates: The Board discussed establishing the 2020 Board meeting dates as January 21, 2020; April 21, 2020; July 21, 2020; and October 20, 2020 at 6:00 p.m. at the Westchester Police Department located at 10300 West Roosevelt Road, Westchester, Illinois 60154. A motion was made by Trustee Lill and seconded by Trustee Grollo to establish the 2020 Board meeting dates as stated. Motion carried unanimously by voice vote.

Review/Adopt – Resolution Regarding Pension Consolidation: The Board reviewed the Resolution Regarding Consolidation of Pension Funds provided by Attorney LaBardi. A motion was made by Trustee Horek and seconded by Trustee Lill to adopt the Resolution as presented and to authorize signatures by the Board President and Assistant Secretary. Motion carried by roll call vote.

AYES: Trustees Suchy, Grollo, Lill and Horek

NAYS: None

ABSENT: Trustee Manna

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney LaBardi discussed recent court cases and decisions, as well as general pension matters with the Board.

QILDRO – Jason Krejci: Attorney LaBardi informed the Board that the \$50.00 processing fee has been received by the pension Fund. A motion was made by Trustee Grollo and seconded by Trustee Lill to approve the QILDRO order submitted by Jason Krejci. Motion carried unanimously by voice vote.

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

ADJOURNMENT: A motion was made by Trustee Lill and seconded by Trustee Grollo to adjourn the meeting at 7:47 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for January 21, 2020 at 6:00 p.m.

Board President or Secretary

Approved by the Board of Trustees on _____

Minutes prepared by Sam Meyer, Pension Services Administrator, Lauterbach & Amen, LLP