



WESTCHESTER POLICE PENSION FUND

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

Keith Suchy
President

Bruce Lill
Vice President

Jeff Battaglia
Secretary

Andrew Hyland
Asst. Secretary

Bruce Horek
Trustee

MINUTES OF A REGULAR MEETING OF THE WESTCHESTER POLICE PENSION FUND BOARD OF TRUSTEES APRIL 20, 2021

A regular meeting of the Westchester Police Pension Fund Board of Trustees was held on Tuesday, April 20, 2021 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 6:06 p.m.

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

ROLL CALL:

PRESENT: Trustees Keith Suchy, Jeff Battaglia, Andrew Hyland and Bruce Lill

ABSENT: Trustee Bruce Horek

ALSO PRESENT: Attorney Brian LaBardi, Reimer Dobrovolny & LaBardi PC; Tom McShane, Graystone Consulting; Treasurer Barb Brandt, Village of Westchester; Kevin Cavanaugh and Amanda Secor, Lauterbach & Amen, LLP (L&A)

The Board observed a moment of silence to honor the men and women of law enforcement that have passed in 2021.

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *January 9, 2021 Regular Meeting Minutes:* The Board reviewed the January 9, 2021 regular meeting minutes. A motion was made by Trustee Battaglia and seconded by Trustee Hyland to approve the January 9, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

February 1, 2021 Special Meeting Minutes: The Board reviewed the February 1, 2021 special meeting minutes. A motion was made by Trustee Lill and seconded by Trustee Hyland to approve the February 1, 2021 special meeting minutes as written. Motion carried unanimously by voice vote.

TREASURER'S REPORT – BARB BRANDT: *Village Financial Report:* Mrs. Brandt reviewed the Village of Westchester Financial Report for the period of December 31, 2020 through March 31, 2021. As of March 31, 2021, the balance in the BMO Harris Bank Money Market Account is \$543,506.47. As of March 31, 2021, the balance in the NOW Account is \$13,918.47. A motion was made by Trustee Lill and seconded by Trustee Hyland to accept the Village Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland

NAYS: None

ABSENT: Trustee Horek

Review/Approve Disbursement Log: The Board reviewed the Village of Westchester Disbursement Log for the period December 31, 2020 through March 31, 2021, showing total disbursements in the amount of

\$36,662.82. A motion was made by Trustee Lill and seconded by Trustee Battaglia to approve the Disbursement Log in the amount of \$36,662.82 as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland
NAYS: None
ABSENT: Trustee Horek

ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the ten-month period ending 3/31 prepared by L&A. As of February 28, 2021, the net position held in trust for pension benefits is \$31,070,075.95 for a change in position of \$4,843,723.30. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period December 1, 2020 through February 28, 2021 for total disbursements of \$142,017.90. A motion was made by Trustee Hyland and seconded by Trustee Battaglia to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$142,017.90. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland
NAYS: None
ABSENT: Trustee Horek

Additional Bills, if any – Illinois Department of Insurance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Hyland and seconded by Trustee Lill to approve payment of the IDOI Compliance Fee in an amount not to exceed \$6,500, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland
NAYS: None
ABSENT: Trustee Horek

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Mr. McShane presented the Quarterly Performance Report for the period ending March 31, 2021. As of March 31, 2021, the quarter-to-date net return is 2.92%, the year-to-date net return is 2.92% and the ending market value is \$31,369,735.01. The current asset allocation is as follows: fixed income at 31.29% equities at 68.46%, and cash management at 0.26%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Purchase/Sale of Investment Securities, Hiring or Termination of Investment Managers, and/or Rebalancing of Assets, if needed: The Board discussed rebalancing the investment portfolio. A motion was made by Trustee Lill and seconded by Trustee Battaglia to transfer \$200,000 from midcap equities and \$400,000 from international equities and reallocate the proceeds of \$600,000 to the Morgan Stanley cash account. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland
NAYS: None
ABSENT: Trustee Horek

A motion was made by Trustee Battaglia and seconded by Trustee Hyland to transfer \$200,000 from small cap and \$400,000 from large cap equities and to reallocate the proceeds of \$600,000 to the Weaver Barksdale fixed income account. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland
NAYS: None
ABSENT: Trustee Horek

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required at this time.

A motion was made by Trustee Battaglia and seconded by Trustee Hyland to accept the Quarterly Performance Report as presented. Motion carried unanimously voice vote.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that Affidavits of Continued Eligibility will be mailed to all pensioners with the April payroll cycle. A status update will be provided at the next regular meeting.

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest are due by May 1, 2021.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – Kamil Czerwonka:* The Board reviewed the Application for Membership submitted by Kamil Cerwonka. A motion was made by Trustee Hyland and seconded by Trustee Lill to accept Kamil Cerwonka into the Westchester Police Pension Fund effective March 1, 2021, as a Tier II participant. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve Regular Retirement Benefit – Vincent La Manna:* The Board reviewed the regular retirement benefit calculation for Vincent La Manna prepared by L&A. Sergeant La Manna had an entry date of September 30, 1994, retirement date of May 3, 2021, effective date of pension of May 4, 2021, 64 years of age at date of retirement, 26 years of creditable service, applicable salary of \$113,033.34, applicable pension percentage of 65%, amount of originally granted monthly pension of \$6,112.64 and amount of originally granted annual pension of \$73,471.68. A motion was made by Trustee Hyland and seconded by Trustee Lill to approve Vincent La Manna's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland

NAYS: None

ABSENT: Trustee Horek

TRUSTEE TRAINING UPDATES: The Board discussed upcoming training opportunities and 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 registration fees or reimbursable expenses presented for approval.

OLD BUSINESS: *Discussion/Possible Action on Authorization to Request Comptroller Intercept of Funds Pursuant to Section 3-125 of the Pension Code:* The Board discussed the potential intercept of funds pursuant to Section 3-125 of the Pension Code. The Board reviewed the shortfall of municipal contributions for fiscal years ending 2018, 2019 and 2020. L&A will prepare updated data for the Board's review at the next regular meeting. Trustee Suchy stated he will contact the Village, to determine if the Village intends to take action.

Service Purchase – Jackie Rogers: The Board discussed correspondence prepared by L&A regarding Jackie Rogers's request to reinstate creditable service for missed employee contributions for 31 various dates during the period April 15, 2002 and August 31, 2013. Officer Rogers repaid the missed employee contributions in the amount of \$405.41 in full and the service during the period referenced is now creditable toward Officer Rogers's future pension benefit.

Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letters: The Board reviewed the L&A three-year engagement letter in the annual amounts as follows: \$27,835 for the year ended April 30, 2021; \$28,585 for the year ended April 30, 2022; and \$29,330 for the year ended April 30, 2023.

The Board reviewed the L&A three-year engagement letter for actuarial services in the annual amounts as follows: \$4,450 for the year ended April 30, 2020; \$4,590 for the year ended April 30, 2021; and \$4,730 for the year ended April 30, 2022.

A motion was made by Trustee Battaglia and seconded by Trustee Hyland to engage L&A pursuant to the terms presented in the engagement letters. Motion carried by roll call vote.

AYES: Trustees Suchy, Battaglia, Lill and Hyland

NAYS: None

ABSENT: Trustee Horek

NEW BUSINESS: *Certify Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the Westchester Police Pension Fund Board of Trustees. Andrew Hyland ran unopposed and was reelected for a two-year term expiring May 9, 2023. A motion was made by Trustee Battaglia and seconded by Trustee Lill to certify the active member election results. Motion carried unanimously by voice vote.

Discussion/Possible Action – HELPS Program: The Board discussed the HELPS Program. The Board requested that L&A include literature regarding the program for the Board’s review at the next regular meeting.

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

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

ADJOURNMENT: A motion was made by Trustee Lill and seconded by Trustee Hyland to adjourn the meeting at 7:24 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for July 20, 2021 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