



# 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

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## MINUTES OF A REGULAR MEETING OF THE WESTCHESTER POLICE PENSION FUND BOARD OF TRUSTEES OCTOBER 20, 2020

A regular meeting of the Westchester Police Pension Fund Board of Trustees was held on Tuesday, October 20, 2020 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 6:02 p.m.

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

### ROLL CALL:

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

**ABSENT:** Trustee Bruce Lill

**ALSO PRESENT:** Tom McShane, Graystone Consulting; Attorney Rick Reimer, Reimer & Dobrovolny PC (R&D); Sam Meyer, Lauterbach & Amen, LLP (L&A)

**NEW BUSINESS:** *Certify Special Election Results – Active Member Position:* L&A conducted a special election for one of the active member positions on the Westchester Police Pension Fund Board of Trustees. Andrew Hyland ran unopposed and was elected for a remainder of a two-year term expiring May 10, 2022. A motion was made by Trustee Horek and seconded by Trustee Battaglia to certify the special active member election results. Motion carried unanimously by voice vote.

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *July 21, 2020 Regular Meeting Minutes:* The Board reviewed the July 21, 2020 regular meeting minutes. A motion was made by Trustee Horek and seconded by Trustee Hyland to approve the July 21, 2020 regular 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 June 30, 2020 through September 30, 2020. As of September 20, 2020, the balance in the BMO Harris Bank Money Market Account is \$668,293.29. As of September 30, 2020, the balance in the NOW Account is \$3,529.59. A motion was made by Trustee Battaglia and seconded by Trustee Horek to accept the Village Financial Report as presented. Motion carried by roll call vote.

**AYES:** Trustees Suchy, Horek, Battaglia and Hyland

**NAYS:** None

**ABSENT:** Trustee Lill

*Review/Approve Disbursement Log:* The Board reviewed the Village of Westchester Disbursement Log for the period June 30, 2020 through September 30, 2020, showing total disbursements in the amount of

\$33,959.58. A motion was made by Trustee Horek and seconded by Trustee Battaglia to approve the Disbursement Log in the amount of \$33,959.58 as presented. Motion carried by roll call vote.

AYES: Trustees Suchy, Horek, Battaglia and Hyland

NAYS: None

ABSENT: Trustee Lill

*Additional Bills, if any:* The Board noted that their Fiduciary Liability Insurance expires in November 2020. A motion was made by Trustee Battaglia and seconded by Trustee Battaglia to authorize Village Treasurer Barb Brandt to renew the Board's fiduciary liability insurance in an amount not to exceed \$8,000. Motion carried by roll call vote.

AYES: Trustees Suchy, Horek, Battaglia and Hyland

NAYS: None

ABSENT: Trustee Lill

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the five-month period ending September 30, 2020 prepared by L&A. As of September 30, 2020, the net position held in trust for pension benefits is \$28,698,942.96 for a change in position of \$2,463,590.31. 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 July 1, 2020 through September 30, 2020 for total disbursements of \$138,008.34. A motion was made by Trustee Battaglia and seconded by Trustee Horek to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$138,008.34. Motion carried by roll call vote.

AYES: Trustees Suchy, Horek and Battaglia

NAYS: None

ABSENT: Trustee Lill.

**INVESTMENT REPORT – GRAYSTONE CONSULTING:** Mr. McShane noted that that he received all the necessary paperwork to update the signers on the account, current signers include Keith Suchy, Jeff Battaglia and Barb Brandt.

*Trustee Hyland left the meeting at 6:25 p.m*

*Trustee Hyland Joined the meeting at 6:28 p.m.*

*Quarterly Investment Report:* Mr. McShane presented the Quarterly Performance Report for the period ending September 30, 2020. As of September 30, 2020, the quarter-to-date net return is 4.69%, the year-to-date net return is 1.58% and the ending market value is \$28,020,979. The current asset allocation is as follows: fixed income at 33.67% equities at 65.71%, and cash management at .61%. 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:* McShane recommended the Board reduce the Fund's equity exposure to under 65%. A motion was made by Trustee Horek and seconded by Trustee Battaglia to liquidate \$250,000 from Vanguard SP&500 index fund and reallocate the proceeds into the cash management account held with Morgan Stanley in efforts to reduce the Fund's equity exposure under 65%. Motion carried by roll call vote.

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

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

*Review/Update Investment Policy:* Mr. McShane presented an updated investment policy prepared by Graystone Consulting. The Board discussed the amended policy, which has been updated to include language regarding sustainability consistent with Public Act 101-0473. A motion was made by Trustee Horek and seconded by Trustee Hyland to adopt and execute the updated investment policy as presented, to direct L&A to file the investment policy with the Illinois Department of Insurance within 30 days of execution. Motion carried by roll call vote.

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

**COMMUNICATIONS AND REPORTS:** *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the September payroll cycle and a due date of September 24, 2020. To date, 1 affidavit remain outstanding. L&A will mail a third request affidavit to the outstanding pensioner and status updates will be provided to the Board as they become available.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND:** There were no applications for membership or withdrawals from the Fund.

**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:* The Board discussed the 2020 IPPFA Mid-American Pension Conference. A motion was made by Trustee Horek and seconded by Trustee Battaglia to authorize Barb Brandt to issue payment to IPPFA in the amount of \$485 per trustees for their registration fees that have attended the Mid-American Pension Conference. Motion carried by roll call vote.

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

**OLD BUSINESS:** *Discussion/Possible Action on Authorization to Request Comptroller Intercept of Funds Pursuant to Section 3-125 of the Pension Code:* A motion was made by Trustee Hyland and seconded by Trustee Battaglia to table this item was tabled until the next regular meeting. Motion carried unanimously by voice vote.

**NEW BUSINESS (CONTINUED):** *Review/Approve Actuarial Valuation & 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 \$1,847,618 which is a \$229,663 increase from the prior year contribution.

The Board discussed requesting a tax levy in the amount of \$1,847,618. A motion was made by Trustee Horek and seconded by Trustee Hyland to authorize the request a tax levy in the amount of \$1,847,618 from the Village based on the recommended amount stated in the Actuarial Valuation prepared by L&A subject to pending the audited financials. Motion carried by roll call vote

AYES: Trustees Suchy, Horek, Battaglia and Hyland

NAYS: None

ABSENT: Trustee Lill

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

AYES: Trustees Suchy, Horek, Battaglia and Hyland

NAYS: None

ABSENT: Trustee Lill

**OLD BUSINESS (CONTINUED):** *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement has been completed and will be submitted to the Department of Insurance prior October 31, 2020 deadline.

**NEW BUSINESS:** *Establish 2021 Board Meeting Dates:* The Board established the 2021 Board meeting dates as January 19, 2021; April 20, 2021; July 20, 2021 and October 19, 2021 at 6:00 p.m. located at the Westchester Police Department, located at 10300 West Roosevelt Road, Westchester, Illinois 60154.

**ATTORNEY'S REPORT – REIMER & DOBROVOLNY 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 Horek and seconded by Trustee Battaglia to adjourn the meeting at 7:41 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for January 19, 2021 at 6:00 p.m.

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Board President or Secretary

Approved by the Board of Trustees on \_\_\_\_\_

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