



The Police Pension Fund

VILLAGE OF LOMBARD

235 EAST WILSON AVE. LOMBARD, IL 60148

MINUTES OF A REGULAR MEETING OF THE LOMBARD POLICE PENSION FUND BOARD OF TRUSTEES JULY 18, 2022

A regular meeting of the Lombard Police Pension Fund Board of Trustees was held on Monday, July 18, 2022 at 1:00 p.m. in the Chief's Conference Room located at 235 E. Wilson Avenue, Lombard, Illinois 60148, pursuant to notice.

CALL TO ORDER: Trustee Ranallo called the meeting to order at 1:00 p.m.

ROLL CALL:

PRESENT: Trustees Benny Ranallo, Jerry Peterson, Richard Spika, Dan Brink and Tom Wirsing

ABSENT: None

ALSO PRESENT: Attorney Jeff Goodloe, Puchalski Goodloe LLC; John Falduto, Sawyer Falduto Asset Management, LLC; Finance Director Tim Sexton and Accountant Jessica Nawracaj, Village of Lombard; Michelle Rice, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 18, 2022 Regular Meeting and May 31, 2022 Special Meeting:* The Board reviewed the April 18, 2022 regular meeting minutes and May 31, 2022 special meeting minutes. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve the April 18, 2022 regular meeting minutes and May 31, 2022 special meeting minutes as written. Motion carried unanimously by voice vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the five-month period ending May 31, 2022 prepared by L&A. As of May 31, 2022, the net position held in trust for pension benefits is \$75,796,597.96 for a change in position of (\$11,742,341.43). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Spika and seconded by Trustee Peterson to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing

NAYS: None

ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period March 1, 2022 through May 31, 2022 for total disbursements of \$256,759.08. A motion was made by Trustee Wirsing and seconded by Trustee Brink to approve the disbursements shown on the Vendor Check Report in the amount of \$256,759.08. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing

NAYS: None

ABSENT: None

Additional Bills, if any: The Board reviewed invoice #0000234 from Puchalski Goodloe LLC in the amount of \$2,473 for legal services rendered and noted that the IDOI Compliance Fee invoice was received in the amount of \$8,000. A motion was made by Trustee Wirsing and seconded by Trustee Peterson to approve payment of the additional bills as presented. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending June 30, 2022. As of June 30, 2022, the second quarter net return is (9.7%) versus the second quarter account benchmark of (9.9%). The investment return for the quarter is (\$7,809,682) for an ending market value of \$71,368,201. The current asset allocation is as follows: Fixed Income at 51.9%, Equities at 47.7% and Cash Equivalents at 0.4%. Mr. Falduto reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Peterson and seconded by Trustee Spika to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Matthew Bendicsen:* The Board noted that Matthew Bendicsen submitted retirement paperwork and L&A is in the process of preparing a calculation that will be sent to the Board for review upon completion.

Deceased Pensioner – Charles Kundrot: The Board noted that pensioner Charles Kundrot passed away July 9, 2022 with no surviving spouse and his pension benefit has ceased.

TRUSTEE TRAINING UPDATES: The Board 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 reviewed the following training reimbursement to Trustee Spika in the amount of \$730.15 for 2022 IPPFA Spring Conference expenses:

- Hotel: \$546.56
- Mileage: \$180.29
- Tolls: \$3.30

A motion was made by Trustee Wirsing and seconded by Trustee Brink to approve reimbursement as presented. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

OLD BUSINESS: *Chicago Police to Lombard Police Transfer Request – Cesar Castellanos and Jashuwa Turbe:* The Board noted that Cesar Castellanos and Jashuwa Turbe submitted requests to transfer time from Chicago Police to Lombard Police. L&A will prepare the calculations once the additional

documentation is provided by the members. Updates will be provided to the Board as they become available.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement was filed prior to the June 30, 2022 deadline.

Certify Board Election Results – Retired Member Position: L&A conducted an election on behalf of the Pension Fund for the retired member position. The Board noted that 53 ballots were received and 53 ballots were counted. The election results are as follows: 23 votes for Karl Dillenkoffer and 30 votes for Richard Spika. Richard Spika was re-elected for a two-year term expiring May 14, 2024. A motion was made by Trustee Wirsing and seconded by Trustee Ranallo to certify the retired member election results. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

Appointed Member Term Expiration – Dan Brink and Jerry Peterson: The Board noted that Trustee Brink was re-appointed to the Lombard Police Pension Fund for a one-year term expiring April 2023 and Trustee Peterson was re-appointed to the Lombard Police Pension Fund for a two-year term expiring April 2024.

NEW BUSINESS: *Review/Update – eCFM Portal Access Form and Resolution:* The Board discussed the current eCFM Access Form and Resolution. A motion was made by Trustee Spika and seconded by Trustee Brink to remove Jamie Cunningham and add Treasurer Tim Sexton as an Authorized User on the eCFM Portal and to adopt the corresponding Resolution 2022-03. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

Review/Approve – Actuarial Valuation and Tax Levy Request: The Board reviewed the finalized Actuarial Valuation prepared by Nyhart. Based on data and assumptions, the recommended contribution amount is \$3,243,211. A motion was made by Trustee Wirsing and seconded by Trustee Spika to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$3,243,211 from the Village of Lombard. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

Treasurer Sexton apprised the Board that an additional \$553,000 will be contributed to the Lombard Police Pension Fund by the Village of Lombard through the current waterfall in place.

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

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

Discussion/Possible Action – Return Excess Contributions to Hanover Park/Lauer Portability: The Board reviewed the memorandum prepared by L&A regarding the contributions provided in error from

the Hanover Park Police Pension Fund in the amount of \$512.86. A motion was made by Trustee Wirsing and seconded by Trustee Spika to authorize L&A to issue payment to the Hanover Park Police Pension Fund in the amount of \$512.86 that was erroneously included in Abigail Lauer's portability calculation. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Ranallo as President, Trustee Peterson as Vice President, Trustee Wirsing as Secretary and Trustee Spika as Assistant Secretary. A motion was made by Trustee Spika and seconded by Trustee Brink to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Brink and Wirsing
NAYS: None
ABSENT: None

FOIA Officer and OMA Designee: The Board noted that Trustee Wirsing will remain as the FOIA Officer and OMA Designee.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility – Orin Walker:* The Board noted that Orin Walker has not completed and returned his 2021 Affidavit of Continued Eligibility. The Board will contact Mr. Walker to have him complete his 2021 Affidavit of Continued Eligibility. Further discussion will be held at the next regular meeting.

ATTORNEY'S REPORT – PUCHALSKI GOODLOE LLC: *Independent Medical Examination – Joseph Metallo:* Attorney Goodloe apprised the Board that Joseph Metallo returned his affidavit, and his annual independent medical examination will be scheduled. Further discussion will be held at the next regular meeting.

Legal Updates: Attorney Goodloe discussed recent legislative news pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

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

ADJOURNMENT: A motion was made by Trustee Wirsing and seconded by Trustee Brink to adjourn the meeting at 2:08 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 17, 2022 at 1:00 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 10/17/22

Minutes prepared by Michelle Rice, Pension Services Administrator, Lauterbach & Amen, LLP