

# 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 APRIL 8, 2019

A regular meeting of the Lombard Police Pension Fund Board of Trustees was held on Monday, April 8, 2019 at 1:30 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 1:30 p.m.

#### **ROLL CALL:**

**PRESENT:** Trustees Benny Ranallo, Richard Spika, Tom Wirsing and Dan Brink  
**ABSENT:** Trustee Jerry Peterson  
**ALSO PRESENT:** Attorney Charles Atwell, Atwell & Atwell; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Village Accountant Michael Whaley, Village of Lombard; Michelle Rice and Shiela Schimka, Lauterbach & Amen, LLP (L&A); Disability Applicant Francis Vivo, Lombard Police Department

**APPLICATION FOR RETIREMENT/DISABILITY BENEFITS:** *Disability Application Status Update – Officer Francis Vivo:* Attorney Atwell apprised the Board on the status of Officer Francis Vivo's disability application. Attorney Atwell noted that exhibits will be provided to the Board for review and dates to schedule a hearing were discussed. Further discussion will be held at the next regular meeting.

*Francis Vivo left the meeting at 1:37 p.m.*

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

**APPROVAL OF MEETING MINUTES:** *January 14, 2019 Regular Meeting:* The Board reviewed the January 14, 2019 regular meeting minutes. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve the January 14, 2019 regular meeting minutes as written. Motion carried by roll call vote.

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

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the two-month period ending February 28, 2019 prepared by L&A. As of February 28, 2019, the net position held in trust for pension benefits is \$67,893,665.19 for a change in position of \$3,295,604.93. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal and the Vendor Check Report for the period December 1, 2018 through February 28, 2019 for total disbursements of \$210,514.62. A motion was made by Trustee Spika and seconded by Trustee Brink to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$210,514.62. Motion carried by roll call vote.

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

*Additional Bills, if any – Illinois Department of Insurance Compliance Fee:* The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued and payment is due by June 30, 2019. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve payment of the IDOI Compliance Fee upon receipt of the invoice. Motion carried by roll call vote.

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

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending March 31, 2019. As of March 31, 2019, the first quarter net return is 7.76% versus the first quarter account benchmark 7.72%. The investment return for the quarter is \$4,941,100 for an ending market value of \$68,144,165. The current asset allocation is as follows: Fixed Income at 48.9%, Equities at 50.7% and Cash Equivalents at 0.5%. Mr. Sawyer 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 Wirsing and seconded by Trustee Brink to accept the Quarterly Investment Performance Report as. Motion carried by roll call vote.

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

*Review/Update Investment Policy:* The Board discussed the Investment Policy and noted an updated version will be available for review and approval at the next regular meeting.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Contribution Refund – Alex S. Rojas:* The Board noted that L&A sent correspondence to Alex S. Rojas outlining his options for a contribution refund, but no response has been received to date. Further discussion will be held at the next regular meeting.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS (CONTINUED):** *Approve Regular Retirement Benefits – Angela N. Lawson:* The Board reviewed the regular retirement benefit calculation for Angela N. Lawson prepared by L&A. Officer Lawson had an entry date of January 22, 1991, retirement date of January 22, 2019, effective date of pension of January 23, 2019, 50 years of age at date of retirement, 28 years of creditable service, applicable salary of \$103,908.86, applicable pension percentage of 70%, amount of originally granted monthly pension of \$6,061.35 and amount of originally granted annual pension of \$72,736.20. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve Angela N. Lawson's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

*Approve Regular Retirement Benefits – Daniel R. Marciniak:* The Board reviewed the regular retirement benefit calculation for Daniel R. Marciniak prepared by L&A. Officer Marciniak had an entry date of April 16, 1990, retirement date of March 19, 2019, effective date of pension of March

20, 2019, 51 years of age at date of retirement, 28 years of creditable service, applicable salary of \$103,908.93, applicable pension percentage of 70%, amount of originally granted monthly pension of \$6,061.35 and amount of originally granted annual pension of \$72,736.20. A motion was made by Trustee Spika and seconded by Trustee Wirsing to approve Daniel R. Marciniak's regular retirement benefit as calculated by L&A. Motion carried by roll call vote.

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

*Approve Regular Retirement Benefit – Cynthia Velazquez:* The Board reviewed the regular retirement benefit calculation for Cynthia Velazquez prepared by L&A. Deputy Chief Velazquez had an entry date of April 16, 1990, retirement date of April 16, 2019, effective date of pension of April 20, 2019, 52 years of age at date of retirement, 29 years of creditable service, applicable salary of \$137,589.14, applicable pension percentage of 72.50%, amount of originally granted monthly pension of \$8,312.68 and amount of originally granted annual pension of \$99,752.16. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve Cynthia Velazquez's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

*Deceased Pensioner – Allen F. Mertz:* The Board noted that pensioner Allen F. Mertz passed away February 2, 2019 and his pension benefits have ceased. A motion was made by Trustee Spika and seconded by Trustee Brink to recognize the termination of pension benefits for Allen F. Merz. Motion carried by roll call vote.

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

**TRUSTEE TRAINING UPDATES:** The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. All 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 registrations or reimbursable expenses presented for approval.

**OLD BUSINESS:** *Discussion/Hearing – Pensionable Salary Chief Raymond Byrne:* Attorney Atwell apprised the Board that Chief Raymond Bryne was provided with notice of his pensionable salary hearing on March 21, 2019. Attorney Atwell submitted into evidence seven exhibits for the Board's review. A motion was made by Trustee Wirsing and seconded by Trustee Spika to accept the exhibits as presented. Motion carried by roll call vote.

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

The Board discussed not including the \$1,500 Department Head stipend in Chief Raymond Byrne's final pensionable salary based on the IDOI Advisory Opinion. A motion was made by Trustee Wirsing and seconded by Trustee Brink to deny the inclusion of the \$1,500 Department Head stipend

and to continue paying Chief Raymond Byrne's benefit as previously approved. Motion carried by roll call vote.

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

*IDOI Annual Statement:* L&A noted that a draft of the IDOI Annual Statement was sent to the Board for review. The final report will be filed with the IDOI prior to the June 30, 2019 deadline.

**NEW BUSINESS:** *QILDRO – Daniel J. Belanger:* The Board noted that the \$50 processing fee for Daniel J. Belanger's QILDRO has been received and alternate payee benefits began with the February payroll. No further action is required.

*Portability – Abigail Lauer:* The Board noted that L&A mailed correspondence to Abigail Lauer regarding her request to transfer time from the Hanover Park Police Pension Fund to the Lombard Police Pension Fund, but no response has been received to date. Further discussion will be held at the next scheduled meeting.

*Certify Board Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the Lombard Police Pension Fund Board of Trustees. The Board noted that 34 ballots were received and 34 ballots were counted. The active member election results are as follows: 34 votes for Tom Wirsing with no write in candidates being submitted. Tom Wirsing was reelected for one of the two active member positions on the Board of Trustees for a two-year term expiring April 30, 2021. A motion was made by Trustee Spika and seconded by Trustee Brink to certify the active member results. Motion carried by roll call vote.

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

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due May 1, 2019.

*Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the June payroll cycle. A status update will be provided at the next scheduled meeting.

**ATTORNEY'S REPORT:** *Legal Updates:* Attorney Atwell apprised the Board on recent legislative news pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

*Request for Review – Terry J. Olson:* Attorney Atwell apprised the Board that Terry J. Olson filed an appeal to the second district appellate court. Updates will be provided to the Board as they become available.


**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 2:10 p.m. Motion carried by roll call vote.

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

The next regular meeting is scheduled for July 15, 2019 at 1:30 p.m.

  
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Board President or Secretary

Minutes approved by the Board of Trustees on 7/15/19

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