



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 20, 2020

A regular meeting of the Lombard Police Pension Fund Board of Trustees was held on Monday, April 20, 2020 at 1:30 p.m. via teleconference in accordance with Section 5 of Governor Pritzker's Executive Order 2020-18 (COVID-19 Executive Order No. 16), pursuant to notice.

CALL TO ORDER: Trustee Ranallo called the meeting to order at 1:30 p.m.

ROLL CALL:

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

ABSENT: None

ALSO PRESENT: Attorney Charles Atwell, Atwell & Atwell; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Assistant Director of Finance Jamie Cunningham and Accountant Janice Karney, Village of Lombard; Michelle Rice, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *January 13, 2020 Regular Meeting:* The Board reviewed the January 13, 2020 regular meeting minutes. A motion was made by Trustee Spika and seconded by Trustee Wirsing to approve the January 13, 2020 regular meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the three-month period ending March 31, 2020 prepared by L&A. As of March 31, 2020, the net position held in trust for pension benefits is \$66,259,220.53 for a change in position of (\$7,579,418.53). 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 January 1, 2020 through March 31, 2020 for total disbursements of \$242,668.78. A motion was made by Trustee Wirsing and seconded by Trustee Peterson to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$242,668.78. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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. A motion was made by Trustee Peterson 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, Peterson, Spika, Wirsing and Brink

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 March 31, 2020. As of March 31, 2020, the first quarter net return is (8.69%) versus the first quarter account benchmark of (9.64%). The investment return for the quarter is (\$6,290,310) for an ending market value of \$66,127,802. The current asset allocation is as follows: Fixed Income at 52.9%, Equities at 46.7% and Cash Equivalents at 0.3%. 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 Peterson and seconded by Trustee Wirsing to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

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

Review/Update Investment Policy: Mr. Falduto presented an updated investment policy prepared by Sawyer Falduto Asset Management. The Board reviewed and discussed the amended policy, which has been updated to include language regarding sustainability consistent with Public Act 101-0473 and adjustments to allowable benchmarks. A motion was made by Trustee Spika and seconded by Trustee Brink to adopt and executive the updated investment policy as prepared. Motion carried by roll call vote.

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Chadwick Kennedy and Santiago Muratalla:* The Board reviewed the Applications for Membership submitted by Chadwick Kennedy and Santiago Muratalla. A motion was made by Trustee Wirsing and seconded by Trustee Peterson to accept Chadwick Kennedy effective October 28, 2019 and Santiago Muratalla effective September 9, 2019 into the Lombard 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 discussed the 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: There were no trustee training registrations or reimbursable expenses presented for approval.

OLD BUSINESS: *Request for Proposals for Vendors:* The Board will reschedule the special meeting to conduct interviews for legal counsel once the “Stay at Home” order issued by Governor Pritzker is lifted.

Status Update on Francis Vivo Matter: Attorney Atwell apprised the Board that a hearing to discuss the Francis Vivo matter will be scheduled and exhibits will be distributed to the Board for their review. Further discussion will be held at the next regular meeting.

IDOI Annual Statement: The Board discussed the draft IDOI Annual Statement prepared by L&A. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve filing of the IDOI Annual Statement. Motion carried by roll call vote.

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

NEW BUSINESS: *Certify Board Election Results – Active and Retired Member Positions:* The Board noted there is an ongoing election in process for the active and retired member positions and a status update will be provided at the next regular meeting.

Appointed Member Term Expiration – Jerry Peterson: The Board noted that Trustee Peterson’s appointed term expires April 30, 2020 and reappointment will be requested. Further discussion will be held at the next regular meeting.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due by May 1, 2020.

ATTORNEY’S REPORT – ATWELL & ATWELL: *Request for Review – Terry J. Olson:* Attorney Atwell informed the Board that the second district appellate court sustained the Board’s decision on the Terry J. Olson matter and a copy of the decision will be provided to the Board. No further action is required.

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.

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


ADJOURNMENT: A motion was made by Trustee Spika and seconded by Trustee Wirsing to adjourn the meeting at 2:21 p.m. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

The next regular meeting is scheduled for July 20, 2020 at 1:30 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on _____

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