



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 JANUARY 11, 2021

A regular meeting of the Lombard Police Pension Fund Board of Trustees was held on Monday, January 11, 2021 at 12:00 p.m. in the Village Hall Board Room located at 255 E. Wilson Avenue, Lombard, Illinois 60148, pursuant to notice.

CALL TO ORDER: Trustee Ranallo called the meeting to order at 12:00 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 Marzullo LLP; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Accounting Coordinator Jessica Nawracaj and Accountant Phuong Uhlir, Village of Lombard; Michelle Rice, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 19, 2020 Regular Meeting:* The Board reviewed the October 19, 2020 regular meeting minutes. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve the October 19, 2020 regular meeting minutes as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

November 17, 2020 Special Meeting: The Board reviewed the minutes from the November 17, 2020 special meeting. A motion was made by Trustee Spika and seconded by Trustee Peterson to approve the November 17, 2020 special meeting minutes as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes from August 12, 2020 and September 14, 2020. A motion was made by Trustee Ranallo and seconded by Trustee Wirsing to not release the closed session minutes at this time due to pending matters. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eleven-month period ending November 30, 2020 prepared by L&A. As of November 30, 2020, the net position held in trust for pension benefits is \$80,157,321.25 for a change in position of \$6,318,682.19. 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 September 1, 2020 through November 30, 2020 for total disbursements of \$249,115.65. A motion was made by Trustee Peterson and seconded by Trustee Spika to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$249,115.65. 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 the invoice for fiduciary liability insurance in the amount of \$6,461, payable to the Village of Lombard and the Puchalski Goodloe Marzullo, LLP invoice in the amount of \$1,429.50 for legal services rendered. 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 December 31, 2020. As of December 31, 2020, the fourth quarter net return is 7.29% versus the fourth quarter account benchmark of 8.15%. The investment return for the quarter is \$5,570,687 for an ending market value of \$81,460,313. The current asset allocation is as follows: Fixed Income at 48.9%, Equities at 50.3% and Cash Equivalents at 0.8%. 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, Brink and Wirsing
NAYS: None
ABSENT: None

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM 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 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: There were no trustee training registrations or reimbursable expenses presented for approval.

OLD BUSINESS: *Military Service Purchase – Thomas McElroy:* The Board noted that L&A completed a calculation for Thomas McElroy to purchase up to 24 months of military service time, but no response has been received to date. Updates will be provided to the Board as they become available.

NEW BUSINESS: *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2021 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee

Ranallo and seconded by Trustee Spika to approve the 2021 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustees Wirsing is expiring in May 2021 and he is interested in remaining on the Board if nominated. A motion was made by Trustee Spika and seconded by Trustee Ranallo to direct L&A to conduct an election on behalf of the Pension Fund for one of the two active member Trustees positions and to approve acceptance of acclamation results. Motion carried by roll call vote.

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

Approve Attorney Retainer Agreement – Puchalski Goodloe Marzullo, LLP: The Board reviewed the retainer agreement provided by Puchalski Goodloe Marzullo, LLP. A motion was made by Trustee Wirsing and seconded by Trustee Spika to retain Puchalski Goodloe Marzullo, LLP as legal counsel in the amounts as follows: \$725 quarterly retainer fee and \$190 per hour for services that fall outside of the retainer. Motion carried by roll call vote.

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

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. Further discussion will be held at the next regular meeting.

2021 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement decreased to \$0.56 per mile effective January 1, 2021.

Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2021. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2021.

ATTORNEY’S REPORT – PUCHALSKI GOODLOE MARZULLO, LLP: *Independent Medical Examination – Francis Vivo:* Attorney Goodloe informed the Board that he will follow-up on the status of Francis Vivo’s annual independent medical examination. Further discussion will be held at the next regular meeting.

Status of Francis Vivo Matter: Attorney Goodloe discussed the Administrative Review status for Francis Vivo and noted that Attorney Charlie Atwell filed the brief on behalf of the Board. Attorney Goodloe will review the pertinent documentation and a special meeting will be held to discuss how the Board would like to proceed. Further discussion will be held at the next regular meeting.

QILDRO – John Lavery: Attorney Goodloe apprised the Board that QILDRO documentation was received for John Lavery and alternate payee benefits began with the December 2020 payroll. A motion was made by Trustee Spika and seconded by Trustee Ranallo to approve the QILDRO and Calculation Order for John Lavery. Motion carried by roll call vote.

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

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.

The Board adjusted the start time for all 2021 Board meetings from 1:30 p.m. to 1:00 p.m. L&A will revise the 2021 Notice of Meeting Dates and provide it to the Board for posting.

ADJOURNMENT: A motion was made by Trustee Spika and seconded by Trustee Brink to adjourn the meeting at 1:07 p.m. Motion carried by roll call vote.

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

The next regular meeting is scheduled for April 12, 2021 at 1:00 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