

BOARD OF TRUSTEES WEST CHICAGO POLICE PENSION FUND

P.O. BOX 165, WEST CHICAGO, ILLINOIS 60186 – 0165

Board of Trustees, Quarterly Meeting
Thursday, October 14, 2021 at 9 A.M.
West Chicago City Hall

1. Call To Order
 - a. Board President John Zurick called the meeting to order at 9:04 A.M.

2. Roll Call
 - a. A quorum was established with Trustee Zurick, Trustee Cargola, and Trustee Guttman all present. Absent was Trustee Malkin. Also present was Board Financial Advisors John Falduto and Tom Sawyer, Board Treasurer Linda Martin, Board Attorney Keith Karlson, and Derek Flessner from Lauterbach and Amen.

3. Approval of the September 23, 2021 Board Meeting Minutes
 - a. Trustee Zurick made a motion to approve of the September 23, 2021 Board Meeting Minutes. The motion was seconded by Trustee Guttman. The motion was approved 3-0.

4. Public Comment- None

5. Treasurer's Report
 - a. Board Treasurer, Linda Martin, informed the Board that the City made its third quarterly payment on September 24, 2021 in the amount of \$749,322.00 to the pension fund. A motion to accept the Treasurer's Report was made by Trustee Zurick. The motion was seconded by Trustee Cargola. Roll call vote was taken and approved 3-0.

6. Investment Manager's Report
 - a. Review and Update to Investment Policy and/or Asset Allocation
 1. Board Financial Advisor John Falduto began reviewing the Quarterly Investment Performance Report for the third quarter in 2021. No action was taken on updating the Investment Policy. He explained that we started the third quarter with \$43,021,314 in the fund and ended the third quarter with \$42,945,701. There was an Investment Return of \$235,791. The YTD Investment Return is \$2,612,590. The Performance Review Total Equity Return for the third quarter is 0.9% making the YTD 13.2%. The Fixed Income Return is (2.6%) making the YTD (1.3%). Since inception on 3/14/16 the fund has had an Investment Gain of \$15,291,377. Next, Tom

Sawyer quickly ran through some market commentary. A motion was made to accept the Investment Manager's Report by Trustee Cargola. The motion was seconded by Trustee Zurick. Roll call vote was taken and approved 3-0.

b. Potential Sale or Purchase of Annuities

1. A motion was made to liquidate the Protection Life annuity that is up for renewal in Jan. 2022 and the Nationwide annuity that is up for renewal in March 2022 by Trustee Guttman. The motion was seconded by Trustee Zurick. Roll call vote was taken and approved 3-0.

7. Accountant's Report

a. Review of Monthly Financial Report

1. Derek Flessner from Lauterbach and Amen handed out the 2020 Financial Audit Report. The Net Position for 2020 year was \$40,433,567. The change is the Net Position in 2020 was an increase of \$5,703,798. There were no issues or findings in this audit. The motion was seconded by Trustee Zurick. The motion was seconded by Trustee Cargola. The motion was approved 3-0.

8. Actuarial Report

a. Review of Actuarial Report

1. The final copies of the Actuarial Report were sent out to the Board for approval. There have been no charges made to the report since the April meeting. The Management Summary recommends that the contribution for the fund be \$3,085,827. A motion was made to accept the Actuarial Report by Trustee Guttman. The motion was seconded by Trustee Zurick. The motion was approved 3-0. Lauterbach will send this finalized report over to the DOI.

9. Attorney's Report

- a. Board Attorney Keith Karlson handed out the Karlson Garza LLC Response Time Quarterly New for First Responders and updated the Board on key topics that were addressed in the packet. He reviewed what is going on with the trail court poised to strike down pension consolidation. Fire is still moving faster than Police. We do not have a date for when Police funds will be consolidated. Trustee Guttman made a motion to approve of the Attorney's Report. The motion was seconded by Trustee Zurick. The motion was approved 3-0.

10. Approval of Disbursements

a. Approval of the Bills to be Paid in October 2021

1. Trustee Guttman made a motion to approve of the bills to be paid in October 2021 in the amount of \$9,471.81. The motion was seconded by Trustee Zurick. Roll call vote was taken and approved 3-0.

11. Applications for Membership

- a. Michael Montgomery and Joseph McGuire

1. A motion to approve Michael Montgomery's and Joseph McGuire's application into the Tier 2 participant of the West Chicago Police Pension Fund was made by Trustee Cargola. The motion was seconded by Trustee Zurick. The motion was approved 3-0.
12. Applications for Benefits- None
13. Applications for Refund- None
14. Old Business- None
15. New Business
 - a. Review of Actuarial Valuation and Tax Levy Request
 1. The Management Summary recommends that the contribution for the fund be \$3,085,827. A motion was made to accept the Actuarial Report and for Board Attorney Keith Karlson to send a levy request to the City of West Chicago in the amount recommended by Lauterbach by Trustee Cargola. The motion was seconded by Trustee Zurick. Roll call vote was taken and approved 3-0.
 - b. Review of Municipal Compliance Report
 1. Trustee Cargola made a motion to approve the MCR as composed by Lauterbach and Amen and directed Board Attorney, Keith Karlson, to send the Tax Levy Request along with the MCR to the City. The motion was seconded by Trustee Zurick. Roll call vote was taken and approved 3-0.
 - c. Establish 2021 Board Meeting Dates
 1. The 2021 Board Meeting Dates are as following 1-20-22, 4-21-22, 7-21-22, and 10-20-22 all at 9:00 a.m. at West Chicago City Hall. A motion was made to approve of the meeting dates for 2022 by Trustee Zurick. The motion was seconded by Trustee Cargola. The motion was approved 3-0.
 - d. Annual Independent Medical Examinations- None
 - e. Review and Discussion of Re-employment Pensioners- None
16. Executive/Closed Session- None
17. Adjournment
 - a. A motion was made to adjourn the meeting at 9:47 A.M. by Trustee Zurick. The motion was seconded by Trustee Cargola. The motion was approved 3-0.