

APPROVED MINUTES

VILLAGE OF NORTHFIELD BOARD OF TRUSTEES OF THE POLICE PENSION FUND

January 18, 2023

Minutes of the Board of Trustees of the Police Pension Fund meeting held on Thursday, January 18, 2023 in the Village of Northfield Multi-Purpose Room, 2nd floor, 361 Happ Road, Northfield, Illinois.

ROLL CALL

President Kenneth Smith called the meeting to order at 3:30 p.m. Roll call was as follows:

Trustees Present:

Kenneth Smith
William Lustig
Gordon Scott
Don Whiteman
Tom Hanus

Non-Trustees Present

Kathleen Morley, Village Finance Director
Michael May, Lauterbach & Amen
Charles Orth, Village Trustee
Carolyn Clifford, Ottosen-DiNolfo

Mr. Smith noted there was a quorum present.

PUBLIC COMMENT

None.

APPROVAL OF MINUTES

The next item was to approve the pension meeting minutes of October 21, 2022. Mr. Whiteman made a motion to accept the minutes, seconded by Mr. Hanus, and upon a voice vote, motion passed.

For the six-month review of closed meeting minutes, the Board noted that is has no closed minutes.

The next item was to review and approve destruction of the remote open meeting recordings. Since the state allowed remote meetings during the pandemic, those recordings are eligible for destruction after eighteen months. Mr. Whiteman made a motion to destroy the following recordings: August 20, 2020, October 22, 2020, January 21, 2021 and April 22, 2021, seconded by Mr. Lustig, and upon a voice vote motion passed.

TREASURERS/ ACCOUNTANT REPORT

Mr. Michael May, of Lauterbach and Amen presented the Board with the November 30, 2022. The total net position of the Fund was \$22,565,299. The quarterly vendor report reflects all the checks paid from the fund between September 1, 2022 and November 30, 2022. The disbursements totaled \$68,244.34.

Mr. Whiteman made a motion to accept the Treasurers/Account Report, seconded by Mr. Scott, and upon a roll call vote, motion passes.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None

Mr. May then reviewed the cost-of-living increases for the pensioners. Mr. Hanus told the Board that one of the pensioners, Robert Wieczorek, had passed away a few days prior to the meeting. Mr. May was notified and he sent the necessary paperwork, which was signed by Mr. Lustig, and returned to Mr. May. It was noted that his widow would be entitled to the increase for 2023; however, after this point she would longer receive any increases. A question was asked about verification of eligibility for the pensioners. The Board had been told previously that this was included in the cost of our agreement with Lauterbach and Amen, from May 9, 2018. Mr. May does not believe that service is still in effect and will check the cost of adding it the agreement, and let the Board know at the next meeting. The members continued to review the COLAs for the pensioners and Mr. May answered questions. Mr. Hanus made a motion to approve the annual benefit increases for our pensioners, seconded by Mr. Whiteman, and on a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

REVIEW OF CASH FLOW PROJECTIONS AND CASH NEEDS

Ms. Clifford explained to the Board that they may want to consider holding a minimum and a maximum amount in the bank to cover pension costs for one month. Any excess cash would be transferred. Mr. Hanus made a motion to transfer \$1.39 million dollars from the Northview Bank to IPOPIF leaving approximately \$200,000 to cover pension costs. Anytime the account has an excess of \$250,000, it should be peeled back to \$200,000, seconded by Mr. Whiteman, and upon a roll call vote motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

CONFIRMATION OF VILLAGE TAX LEVY FOR THE FUND

Ms. Morley confirmed the tax levy amount was \$1,384,784.00

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND (IPOPIF)

The Board reviewed the IPOPIF investment presentation from December 2022. Some of the information contained includes the funds that have transferred their assets and which have not. The report also reflects asset allocation and rebalancing. Mr. Whiteman made a motion to accept the IPOPIF presentation from December 9, 2022, seconded by Mr. Scott and upon a roll call vote, motion passed.

The Board reviewed the State Street Statements of Transactions for the Fund. Mr. Scott made a motion to accept the three months' worth of statements from State Street, seconded by Mr. Whiteman, and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

APPLICATION FOR MEMBERSHIP/WITHDRAWAL/RETIREMENT

The Board reviewed the application for membership for Gabriel Garcia. He is a tier-two member from Chicago. Mr. Hanus made a motion to approve the application for membership, seconded by Mr. Whiteman, and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

The Board reviewed the Article 5 to 3 transfers. The numbers for one member is not complete. All three members are looking for a ten-year payment plan, and for one officer, up to a twenty-year plan. Mr. May stated the most important thing that the members have to realize is that if they don't finish the payment plan, they would get back what they paid for the purchase, but not the time. Some additional calculations will be performed by L&A so that the Board and members can make an informed decision, and the Board will set a special meeting as soon as Lauterbach provides the payment plan calculations.

OLD BUSINESS

The annual IME report for Officer Hoffman was requested on January 5, 2023. Officer Hoffman will sign an authorization for release of her medical records, which we then submit to her physician.

NEW BUSINESS

The Board was given copies of the IPOPIF Actuarial Valuation for FY ending April 30, 2022, as well as the revised Municipal Compliance Report prepared by Lauterbach. Mr. Hanus made a motion to accept the IPOPIF valuation with the statutory minimum required contribution of \$1,240,293, and the updated the Municipal Compliance Report as revised to reflect that change, seconded by Mr. Whiteman. Upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

The Board was presented with a new Collateralization Agreement for the BMO Harris account. Last year when we approved the original agreement, BMO Harris was using a different bank for collateralization. Mr. Whitman made a motion to approve the new Collateralization Agreement for BMO Harris checking account, seconded by Mr. Hanus, and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

The Board was presented a Resolution Amending Board Rules (#23-01) adopting the cash management policy. Mr. Lustig made a motion to approve Resolution #23-01, seconded by Mr. Hanus and upon a roll call voice vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott

NAYS: None

ABSENT: None

The Trustees will submit their Statement of Economic Interest as soon as the e-mails are sent by the county. These statements are due by May 1, 2023.

TRAINING

Ms. Clifford provided the Legal Insights for the First Quarter 2023 with an overview of new case law decided in 2022, and discussed state and national pension issues. She also provided the Board with an update on the *Arlington Heights PPF v. Pritzker* litigation that is still pending before the Second District Appellate Court on the consolidation law.

ADJOURNMENT

With no further business to discuss, Mr. Whiteman made a motion to adjourn at 5:30 p.m., seconded by Mr. Scott, and upon a voice vote, motion passed.

Respectfully submitted,

Donald Whiteman, Secretary

Minutes prepared by Maureen French, Administrative Assistant. Minutes approved the Board of Trustees at its meeting on _____ 2023.