

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE  
DES PLAINES POLICE PENSION FUND**

**April 13, 2021**

A regular meeting of the Des Plaines Police Pension Board was held on Tuesday, April 13, 2021 at 9:00 AM, pursuant to proper notice, to conduct regular business of the Pension Board.

Due to the Coronavirus outbreak, Governor Pritzker's Executive Orders and amendments to the Open Meetings Act which suspends physical presence requirements, this meeting was conducted in a hybrid format with two trustees appearing in person and one trustee appearing by audio/video conference. A quorum of the public body was not physically present at the Board's regular meeting location because the Pension Board President determined that an in-person meeting with all participants present was not practical, prudent or feasible due to the ongoing COVID-19 disaster declarations and public health concerns. At the start of this meeting the participant appearing remotely certified he could hear and communicate with the trustees and other attendees. Roll call votes were taken as to all actions taken during this meeting.

**CALL TO ORDER:** President Chiaro called the meeting to order at 9:07 AM.

**ROLL CALL:**

**PRESENT:** President Nicholas Chiaro, Trustee Chris Mierzwa (appearing remotely), and Trustee Robert Neil.

**ABSENT:** Trustee Oscar Szczerbinski.

**ALSO PRESENT:** Also present were Investment Consultant Thomas McShane, retiree Wendall Whitted, Board Attorney Laura J. Goodloe and Finance Director Dorothy Wisniewski (appearing at 9:41 AM).

**APPROVAL OF PRIOR MEETING MINUTES:**

The Pension Board reviewed the minutes of its February 9, 2021 regular meeting. A motion was made by Trustee Neil and seconded by Trustee Mierzwa to approve the minutes as written. The motion carried by roll call vote.

**AYES:** President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

**NAYS:** None.

**ABSENT:** Trustee Oscar Szczerbinski.

**APPROVAL OF DISBURSEMENTS:**

The Pension Board reviewed the list of disbursements as presented in Warrant List 84 dated April 13, 2021, which totaled \$7,274.22. Trustee Mierzwa made a motion to approve Warrant list 84 as presented and Trustee Neil seconded the motion. The motion carried by roll call vote.

**AYES:** President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

**NAYS:** None.

**ABSENT:** Trustee Oscar Szczerbinski.

**BOARD'S ATTORNEY REPORT:**

*Legal Update/Review of new court decisions.* Board Counsel provided an update as to new and pending legislation, including PA 101-0656 and SB 1480, and new caselaw.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

*Retirement of Sergeant Joan Penze.* Sergeant Joan Penze filed an application for a retirement pension. She is a Tier 1 member who entered service on March 20, 1991. She obtained thirty years of creditable service with an effective date of retirement of March 22, 2021. Her salary attached to rank as of her date of retirement is \$129,149.00 and her initial monthly pension benefit shall be \$8,071.81, subject to applicable statutory post-retirement increases. Upon review of the Pension Calculation worksheet provided by Lauterbach & Amen and signed off on by City Finance Director Wisniewski, Trustee Neil made a motion to approve Sergeant Penze's retirement pension application and Trustee Mierzwa seconded the motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

NAYS: None.

ABSENT: Trustee Oscar Szczerbinski.

*Retirement of Patrol Officer Tara Goble.* Patrol Officer Tara Goble filed an application for a retirement pension. She is a Tier 1 member who entered service on December 28, 1992. She obtained twenty-eight years of creditable service with an effective date of retirement of April 1, 2021. Her salary attached to rank as of her date of retirement is \$108,537.00 and her initial monthly pension benefit shall be \$6,331.33, subject to applicable statutory post-retirement increases. Upon review of the Pension Calculation worksheet provided by Lauterbach & Amen and signed off on by City Finance Director Wisniewski, Trustee Neil made a motion to approve Patrol Officer Goble's retirement pension application and Trustee Mierzwa seconded the motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

NAYS: None.

ABSENT: Trustee Oscar Szczerbinski.

*Retirement of Patrol Officer Michael Heidkamp.* Officer Michael Heidkamp filed an application for a retirement pension. He is a Tier 1 member who entered service on January 13, 1999. He obtained twenty-two years of creditable service with an effective date of retirement of April 17, 2021. His salary attached to rank as of his date of retirement is \$114,030.00 and his initial monthly pension benefit shall be \$5,226.38, subject to applicable statutory post-retirement increases. Upon review of the Pension Calculation worksheet provided by Lauterbach & Amen and signed off on by City Finance Director Wisniewski, Trustee Neil made a motion to approve Patrol Officer Heidkamp's retirement pension application and Trustee Mierzwa seconded the motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

NAYS: None.

ABSENT: Trustee Oscar Szczerbinski.

*Application from Patrol Officer Samih Haddad.* Samih Haddad was hired by the City of Des Plaines Police Department on February 19, 2021 and is a Tier II member. Upon review Trustee Mierzwa made a motion to accept Patrol Officer Haddad into the Des Plaines Police Pension Fund and Trustee Neil seconded the motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.  
NAYS: None.  
ABSENT: Trustee Oscar Szczerbinski.

*Application from Patrol Officer Edwin Rios.* Edwin Rios was hired by the City of Des Plaines Police Department on February 19, 2021 and is a Tier II member. Upon review Trustee Mierzwa made a motion to accept Patrol Officer Rios into the Des Plaines Police Pension Fund and Trustee Neil seconded the motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.  
NAYS: None.  
ABSENT: Trustee Oscar Szczerbinski.

*Approval of Military Service Purchase of Officer Michael Oppgard.* Officer Michael Oppgard effectuated a military service buyback for 24 months of military service. The total amount due to the Pension Fund for this buyback was \$43,370.49. Officer Oppgard remitted payment in full for his buyback on February 8, 2021. Upon review, Trustee Neil made a motion to accept Officer Oppgard's military buyback request, acknowledge that such buyback has been paid in full and affirm that Officer Oppgard's date of hire shall be revised from June 28, 2006 to June 28, 2004. Trustee Chiaro seconded the motion and the motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.  
NAYS: None.  
ABSENT: Trustee Oscar Szczerbinski.

*Approval of Lauterbach & Amen Balance Sheets for January and February 2021.* The Pension Board reviewed Lauterbach & Amen balance sheets for January and February 2021. Trustee Chiaro made a motion to approve the January and February 2021 balance sheets and Trustee Mierzwa seconded that motion. The motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.  
NAYS: None.  
ABSENT: Trustee Oscar Szczerbinski.

**FINANCIAL REPORT:**

The Pension Board discussed with Consultant McShane the Fund's current positions, asset allocations, investment activity and cash flow.

*New Policy on Cash Holdings.* The Board and Consultant McShane discussed the current state of pension consolidation and the promulgation of rules relating to cash flow once the fund's assets are consolidated.

*Review of Fund's Portfolio / Asset Allocation.*

Consultant McShane began his presentation with a summary review of recent actions taken and gave a first quarter 2021 capital markets overview. He went on to discuss prospects for inflation and potential implications in the bond market.

The Board and Consultant McShane reviewed and discussed content from the GIC weekly, a S&P 500 Annual Returns and Intra-Year Declines chart and a COVID tracker chart.

He went on to review of the Fund's current asset allocations. As of March 31, 2021 the Fund was overallocated in cash, under allocated in fixed income (by design) and slightly overallocated in equities. Consultant McShane provided a recap as to allocations by asset management class.

Upon review of the Fund's asset allocations and in consideration of Consultant McShane's recommendation, Trustee Chiaro made a motion to take 2 million dollars from the Fund's large cap value portfolio (1 million from Vanguard S&P 500 and 1 million from Great Lakes Large Cap Value) and place 1 million dollars of those proceeds in the Fund's cash management account and 1 million dollars of those proceeds with Weaver Intermediate Government Credit fixed income account. Trustee Neil seconded the motion and the motion carried by roll call vote.

AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

NAYS: None.

ABSENT: Trustee Oscar Szczerbinski.

As of March 31, 2021 the Fund held approximately 88.05 million dollars in invested assets. With respect to returns, quarter to date the Fund was up 3.52 versus the 3.16 benchmark. Over the past one year period the Fund was up 34.69 versus the 34.86 benchmark. Since inception the Fund is up 7.16 relative to the 6.76 benchmark.

Consultant McShane reviewed the Fund's returns by asset class and manager performance.

The Fund continues to hold a 50.3 million dollar unrealized gain (net of fees) and the Fund's overall investment platform has received greater return and taken less risk than the benchmark.

*Cash Flow Analysis.* Consultant McShane advised the Board that cash flow needs were being met and no action was necessary.

**PUBLIC COMMENT:** None.

**CONTINUING EDUCATION:**

The Pension Board reviewed its continuing education training status, requirements and training options for 2021. Trustee Neil certified he completed eight (8) hours of training.

**ADJOURNMENT:**

A motion was made by Trustee Neil to adjourn the meeting at 10:27 AM, and the motion was seconded by Trustee Mierzwa. The motion passed unanimously by roll call vote and the meeting adjourned at 10:27 AM.

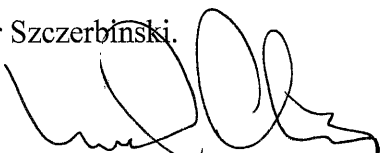
AYES: President Nicholas Chiaro, Trustee Chris Mierzwa, and Trustee Robert Neil.

NAYS: None.

ABSENT: Trustee Oscar Szczerbinski.

Respectfully Submitted:

Date Approved:

  
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6/4/21

The next regular meeting of the Des Plaines Police Pension Board is scheduled for June 8, 2021 at 9:00 AM.

*Minutes Prepared by Board Attorney Laura J. Goodloe, Esq.*