

**MINUTES OF A REGULAR MEETING OF
THE DES PLAINES POLICE PENSION FUND BOARD OF TRUSTEES
JUNE 14, 2022**

A regular meeting of the Des Plaines Police Pension Fund Board of Trustees was held on Tuesday, June 14, 2022 at 9:00 a.m. at City Hall Room 101, located at 1420 Miner Street, Des Plaines, Illinois 60016, pursuant to notice.

CALL TO ORDER: Trustee Chiaro called the meeting to order at 9:02 a.m.

ROLL CALL:

PRESENT: Trustees Nicholas Chiaro, Ben Ruzicka, Robert Neil, Don Smith and Dan Shanahan

ABSENT: None

ALSO PRESENT: Attorney Laura Goodloe, Puchalski Goodloe LLC; Tom McShane, Graystone Consulting; Elizabeth Adelman and Keri Spencer, Lauterbach & Amen, LLP (L&A), Treasurer Dorothy Wisniewski, City of Des Plaines

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 12, 2022 Regular Meeting:* The Board reviewed the April 12, 2022 regular meeting minutes. A motion was made by Trustee Ruzicka and seconded by Trustee Shanahan to approve the April 12, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

May 24, 2022 Special Meeting: The Board reviewed the May 24, 2022 special meeting minutes. A motion was made by Trustee Neil and seconded by Trustee Smith to approve the May 24, 2022 special 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 four-month period ending April 30, 2022 prepared by L&A. As of April 30, 2022, the net position held in trust for pension benefits is \$85,767,271.70 for a change in position of (\$7,652,994.16). The Board also provided the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period February 1, 2022 through April 30, 2022 for total disbursements of \$512,183.58. A motion was made by Trustee Shanahan and seconded by Trustee Smith to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$512,183.58. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka, Neil, Smith and Shanahan

NAYS: None

ABSENT: None

Additional Bills, if any: There were no additional bills presented for approval.

INVESTMENT REPORT – GRAYSTONE CONSULTING – Discussion/Possible Action – Treasury Bills Maturities: The Board discussed purchasing Treasury Bills and determined no action was necessary.

The Board also discussed opening an Illinois Funds Money Market account. A motion was made by Trustee Chiaro and seconded by Trustee Ruzicka to direct Mr. McShane to acquire more details regarding opening an account and to send them to Treasurer Wisniewski for review and approval. Further discussion will be held at the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka, Neil, Smith and Shanahan

NAYS: None

ABSENT: None

Quarterly Performance Report: Mr. McShane presented the Quarterly Performance Report for the period ending May 31, 2022. As of May 31, 2022, the quarter-to-date net return is (4.86%) and the ending market value is \$85,048,360. The current asset allocation is as follows: Fixed Income at 31.45%, Equities at 51.8%, Alternative Investment at 3.44% and Cash Equivalents at 13.31%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Purchase and/or Sale of Securities: The Board noted that there were no recommendations at this time.

Allocations and Hiring/Termination of Investment Managers: The Board noted that there were no recommendations at this time.

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

ATTORNEY'S REPORT – PUCHALSKI GOODLOE, LLC: *Legal Updates:* Attorney Goodloe provided legislative updates pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

The Board directed Attorney Goodloe to contact IPOPIF Executive Director Richard White to request a September 1, 2022 tranche date. Further discussion will be held at the next regular meeting.

Mr. McShane left the meeting at 9:35 a.m.

COMMUNICATIONS AND REPORTS: There were no communications or reports.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and 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: The Board discussed trustee training requirements. A motion was made by Trustee Chiaro and seconded by Trustee Smith to approve the registration fees for Trustees Neil and Ruzicka to attend the IPPFA MidAmerican Pension Conference, Trustees Shanahan and Smith to attend the IPPFA 16-hour Certified New Trustee Training online course and to direct L&A to register Trustees Neil, Ruzicka, Shanahan and Smith for the respective events. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka, Neil, Smith and Shanahan

NAYS: None

ABSENT: None

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND: *Contribution Refund – Peter Gryzb:* The Board reviewed the contribution refund request submitted by Peter Gryzb. A motion was made by Trustee Ruzicka and seconded by Trustee Shanahan to approve Peter Gryzb's contribution refund in the amount of \$5,892.35 paid directly to himself issued on June 15, 2022. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka, Neil, Smith and Shanahan

NAYS: None

ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefit – John Hutson Jr.* The Board noted that L&A is preparing a revised benefit calculation and further discussion will be held at the next regular meeting.

Deceased Pensioner – Carol Dougherty: The Board noted that pensioner Carol Dougherty passed away on May 6, 2022 with no surviving spouse and her pension benefit has ceased.

OLD BUSINESS: *Military Buyback – Reyley Leon:* The Board discussed Reyley Leon’s military buyback request. The Board requested L&A prepare calculations that include and exclude accumulated interest and draft a memo explaining both buyback options. Further discussion will be held at the next regular meeting.

Certify Board Election Results – Active and Retired Member Positions: The Board conducted an election for the active member position on the Des Plaines Police Pension Fund Board of Trustees. The Board noted that 54 ballots were received and 54 ballots were counted. The active member election results are as follows: 31 votes for Dan Shanahan and 22 votes for Michael Kurotobi. Dan Shanahan was elected as the active member on the Board of Trustees for two-year term expiring May 14, 2024.

L&A also conducted an election for the retired member position on the Des Plaines Police Pension Fund Board of Trustees. The Board noted that 70 ballots were received and 70 ballots were counted. The retired member election results are as follows: 64 votes for Nicholas Chiaro and 6 votes for Gary Klier. Nicholas Chiaro was elected as the retired member on the Board of Trustees for two-year terms expiring May 14, 2024. A motion was made by Trustee Neil and seconded by Trustee Chiaro to certify the active and retired member election results. Motion carried unanimously by voice vote.

Appointed Member Term Expiration – Robert Neil: The Board noted that Trustee Neil’s appointed term expired on April 30, 2022 and reappointment has been requested.

IPOPIF: *Review/Adopt – Cash Management Policy:* This item was not discussed.

Review/Possible Action – Local Account Collateralization: The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard \$250,000 FDIC insurance coverage. A motion was made by Trustee Chiaro and seconded by Trustee Shanahan to authorize Trustee Ruzicka to execute the tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote motion.

AYES: Trustees Chiaro, Ruzicka, Neil, Smith and Shanahan
NAYS: None
ABSENT: None

Discussion/Possible Action to be Taken on All IPOPIF Requests Pertaining to Consolidation: This item was not discussed.

NEW BUSINESS: *Appointed Member Term – Don Smith:* The Board noted that Don Smith was appointed to the Des Plaines Police Pension Fund Board of Trustees by the Mayor of Des Plaines for a two-year term, effective May 1, 2022 through May 1, 2024.

Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Ruzicka as President; Trustee Shanahan as Vice President; Trustee Neil as Secretary; and Trustee Smith as Assistant Secretary. A motion was made by Trustee Chiaro and seconded by Trustee Smith to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

FOIA Officer & OMA Designee: The Board discussed designating Trustee Shanahan as the FOIA Officer and Trustee Smith the OMA Designee. A motion was made by Trustee Neil and seconded by Trustee Chiaro to designate Trustee Shanahan as the FOIA Officer and Trustee Neil as the OMA Designee. Motion carried unanimously by voice vote.

IDOI Annual Statement: The Board noted that Treasurer Wisniewski will send L&A the finalized City audit to be included with the IDOI Annual Statement and submitted prior to the June 30, 2022 deadline.

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

ADJOURNMENT: A motion was made by Trustee Neil and seconded by Trustee Ruzicka to adjourn the meeting at 10:02 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 9, 2022, at 9:00 a.m.



Board President or Secretary Name

Minutes approved by the Board of Trustees on 8/9/22.

Minutes prepared by Elizabeth Adelman, Pension Services Administrator, Lauterbach & Amen, LLP