

**MINUTES OF A REGULAR MEETING OF
THE DES PLAINES POLICE PENSION FUND BOARD OF TRUSTEES
APRIL 12, 2022**

A regular meeting of the Des Plaines Police Pension Fund Board of Trustees was held on Tuesday, April 12, 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 9:00 a.m.

ROLL CALL:

PRESENT: Trustees Nicholas Chiaro, Ben Ruzicka and Chris Mierzwa

ABSENT: Trustee Robert Neil

ALSO PRESENT: Attorney Laura Goodloe, Puchalski Goodloe LLC; Tom McShane, Graystone Consulting; Elizabeth Adelman, Lauterbach & Amen, LLP (L&A), Treasurer Dorothy Wisniewski, City of Des Plaines; Officer Wendell Whitted, Des Plaines Police Pensioner

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 8, 2022 Regular Meeting:* The Board reviewed the February 8, 2022 regular meeting minutes. A motion was made by Trustee Ruzicka and seconded by Trustee Mierzwa to approve the February 8, 2022 regular 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 two-month period ending February 28, 2022 prepared by L&A. As of February 28, 2022, the net position held in trust for pension benefits is \$88,289,399.86 for a change in position of (\$5,130,866). The Board also was provided the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period December 1, 2021 through February 28, 2022 for total disbursements of \$505,269.54. A motion was made by Trustee Ruzicka and seconded by Trustee Mierzwa to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$505,269.54. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka and Mierzwa

NAYS: None

ABSENT: Trustee Neil

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee will be issued. A motion was made by Trustee Chiaro and seconded by Trustee Ruzicka to approve payment of the IDOI Compliance Fee, upon receipt of the invoice, not to exceed \$8,000. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka and Mierzwa

NAYS: None

ABSENT: Trustee Neil

INVESTMENT REPORT – GRAYSTONE CONSULTING – *Quarterly Performance Report:* Mr. McShane presented the Quarterly Performance Report for the period ending March 31, 2022. As of March 31, 2022, the quarter-to-date net return is (5.04%) and the ending market value is \$90,752,143. The current asset allocation is as follows: Fixed Income at 29.2%, Equities at 53.91% and Cash Equivalents at 12.27%. Mr. McShane reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

The Board discussed their cash flow needs for the upcoming quarter. A motion was made by Trustee Chiaro and seconded by Trustee Ruzicka to generate \$855,000 for transfer to the BMO Harris Bank operating account for monthly pension benefits and expenses. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka and Mierzwa
NAYS: None
ABSENT: Trustee Neil

Potential Purchase and/or Sale of Securities: The Board discussed reducing their Equity allocation to 60%. A motion was made by Trustee Ruzicka and seconded by Trustee Mierzwa to reallocate \$1,000,000 from the Amerifunds International Equity Fund and \$1,000,000 from Clearbridge Intl Growth Fund to be deposited into the cash account. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka and Mierzwa
NAYS: None
ABSENT: Trustee Neil

Allocations and Hiring/Termination of Investment Managers: 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.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due by May 1, 2022.

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: There were no trustee training registration fees or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND: *Application for Membership – Marilou Varela:* The Board reviewed the Application for Membership submitted by Marilou Varela. A motion was made by Trustee Chiaro and seconded by Trustee Mierzwa to accept Marilou Varela effective March 21, 2022 into the Des Plaines Police Pension Fund as a Tier II participant. Motion carried unanimously by voice vote.

Resignation of Officer – Peter Grzyb: The Board noted that Peter Grzyb separated service from the Des Plaines Police Department effective March 29, 2022 and a contribution refund request has not been received.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner Overpayment – Penelope Klopp:* The Board noted that surviving spouse Penelope Klopp passed away on January 24, 2022. L&A issued correspondence to the Estate of Ms. Klopp requesting repayment of the overpaid January benefit in the amount of \$964.70. L&A received the repayment on February 25, 2022 and deposited the check into the Pension Fund's BMO Harris Bank operating account. No further action is required.

Deceased Pensioner – David Sommerschild: The Board noted that pensioner David Sommerschild passed away on February 12, 2022 with no surviving spouse and his pension benefit has ceased.

Deceased Surviving Spouse – Barbara Blume: The Board noted that surviving spouse Barbara Blume passed away on March 27, 2022 and her pension benefit has ceased.

OLD BUSINESS: *Acknowledge IPOPIF Notice of Asset Transfer Date, Adopt Resolution of Notice and Execute Exhibits, Identification of Local Account(s) for Cash, Review/Adopt – Cash Management Policy, Review/Possible Action – Local Account Collateralization, IPOPIF Status Update and Discussion/Possible Action to be Taken on All IPOPIF Requests Pertaining to Consolidation:* The Board discussed all the communications and requests received from IPOPIF. The Board noted they did not meet to approve and execute Exhibits A and B prior to the April 8th audit of their transferrable asset list and that the Board is also in the middle

of an election. It was determined that these items be discussed at a later date once information is received from IPOPIF regarding the Fund's new transfer date. Further discussion will be held at their next regular meeting.

NEW BUSINESS: *Discussion/Possible Action – State Street Enterprise Cash Flow Module (eCFP):* The item was not discussed.

Discussion/Possible Action – Enterprise Cash Flow Module and My State Street.com Set-Up Access Form: This item was not discussed.

Portability Update – Daniel Alonso: The Board discussed Daniel Alonso's transfer of creditable service. A motion was made by Trustee Mierzwa and seconded by Trustee Ruzicka to accept Daniel Alonso's transfer as paid in full in the amount of \$25,423.51 from the Park Ridge Police Pension Fund to the Des Plaines Police Pension Fund and to revise Mr. Alonso's hire date from February 16, 2016 to July 8, 2012. Motion carried by roll call vote.

AYES: Trustees Chiaro, Ruzicka and Mierzwa
NAYS: None
ABSENT: Trustee Neil

Military Buyback – Reyley Leon: The Board discussed Reyley Leon's military buyback request. Further discussion will be held at the next regular meeting.

Certify Board Election Results – Active and Retired Member Positions: The Board noted that the election for the active and retired member positions are in process. Further discussion will be held at the next regular meeting.

Appointed Member Term Expiration – Robert Neil: The Board noted that Trustee Neil's appointed term expires on April 30, 2022 and reappointment has been requested. Further discussion will be held at the next regular meeting.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

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.

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

ADJOURNMENT: A motion was made by Trustee Ruzicka and seconded by Trustee Chiaro to adjourn the meeting at 10:47 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for June 14, 2022, at 9:00 a.m.



Board President or Secretary Name

Minutes approved by the Board of Trustees on 6-14-22.