

**MINUTES OF A REGULAR MEETING OF
THE DES PLAINES POLICE PENSION FUND BOARD OF TRUSTEES
AUGUST 9, 2022**

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

CALL TO ORDER: Trustee Ruzicka called the meeting to order at 9:00 a.m.

ROLL CALL:

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

ABSENT: Trustee Nicholas Chiaro

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; Greg Kiesewetter, Cook Castle Associates, LLC

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *June 14, 2022 Regular Meeting:* The Board reviewed the June 14, 2022 regular meeting minutes. A motion was made by Trustee Shanahan and seconded by Trustee Neil to approve the June 14, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the seven-month period ending July 31, 2022 prepared by L&A. As of July 31, 2022, the net position held in trust for pension benefits is \$82,935,391.06 for a change in position of (\$10,484,874.80). 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 May 1, 2022 through July 31, 2022 for total disbursements of \$505,212.81. A motion was made by Trustee Smith and seconded by Trustee Shanahan to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$505,212.81. Motion carried by roll call vote.

AYES: Trustees Ruzicka, Neil, Smith and Shanahan

NAYS: None

ABSENT: Trustee Chiaro

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

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Performance Report:* Mr. McShane presented the Quarterly Performance Report for the period ending July 31, 2022. As of July 31, 2022, the quarter-to-date net return is 4.40% and the ending market value is \$82,907,226. The current asset allocation is as follows: Fixed Income at 33.15%, Equities at 51.26%, Alternative Investment at 3.60% and Cash Equivalents at 11.98%. 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.

The Board discussed maintaining the Morgan Stanley Money Market account for the purpose of cash reserves

for pension benefits and expenses during the consolidation transition period. Further discussion will be held at the next regular meeting.

COMMUNICATIONS AND REPORTS: *Active Member File Maintenance:* The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documentation.

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.

Mr. McShane left the meeting at 9:28 a.m.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM PENSION FUND: *Application for Membership – Shan Shahzad:* The Board reviewed the Application for Membership submitted by Shan Shahzad. A motion was made by Trustee Shanahan and seconded by Trustee Smith to accept Shan Shahzad into the Des Plaines Police Pension Fund effective June 13, 2022, as a Tier II participant. Motion carried unanimously by voice vote.

Resignation of Officer – Dominic Carabez: The Board noted that Dominic Carabez separated service from the Des Plaines Police Department on July 13, 2022 and to date, no contribution refund request has been received.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefit – John Hutson Jr and Matthew Kulak:* The Board reviewed the regular retirement benefit calculation for John Hutson Jr. prepared by L&A. Sergeant Hutson had an entry date of June 29, 1996, retirement date of June 29, 2022, effective date of pension of June 30, 2022, 50 years of age at date of retirement, 26 years of creditable service, applicable salary of \$130,723, applicable pension percentage of 65%, amount of originally granted monthly pension of \$7,080.83 and amount of originally granted annual pension of \$84,969.96.

The Board also reviewed the regular retirement benefit calculation for Matthew Kulak prepared by L&A. Detective Kulak had an entry date of January 2, 1996, retirement date of July 29, 2022, effective date of pension of July 30, 2022, 51 years of age at date of retirement, 26 years of creditable service, applicable salary of \$117,909, applicable pension percentage of 65%, amount of originally granted monthly pension of \$6,386.74 and amount of originally granted annual pension of \$76,640.88. A motion was made by Trustee Neil and seconded by Trustee Shanahan to approve John Hutson Jr. and Matthew Kulak's regular retirement benefits calculated by L&A. Motion carried by roll call vote.

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

OLD BUSINESS: *Military Buyback – Reyley Leon:* The Board reviewed the memo from L&A regarding Reyley Leon's military buyback application. A motion was made by Trustee Ruzicka and seconded by Trustee Shanahan to not assess any interest as part of the buyback calculation, after August 15, 2020 due to an unintentional delay in the calculation being finalized after the initial application was submitted. Motion carried by roll call vote.

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

IDOI Annual Statement: The Board noted that the finalized report was filed prior to the June 30, 2022 deadline. A motion was made by Trustee Ruzicka and seconded by Trustee Shanahan to accept the IDOI Annual Statement as prepared by L&A. Motion carried unanimously by voice vote.

NEW BUSINESS: *Review/Approve – Draft Actuarial Valuation and Tax Levy Request:* The Board reviewed the draft actuarial valuation. Further discussion will be held at the next regular meeting.

Review/Adopt – Municipal Compliance Report: The Board noted that the Municipal Compliance Report will be reviewed at the next regular meeting.

Discussion/Possible Action – Illinois Funds Money Market Account: The Board noted that this will be discussed at the next regular meeting.

Review/Approve – Fiduciary Liability Insurance Renewal: The Board reviewed the fiduciary liability insurance renewal provided by Hudson Insurance Company through Cook Castle Associates, LLC. A motion was made by Trustee Neil and seconded by Trustee Shanahan to approve payment of the fiduciary liability insurance renewal effective September 1, 2022 through September 1, 2023 in the amount of \$12,884 and to add City of Des Plaines Treasurer Dorothy Wisniewski as an additional insurer to the policy. Motion carried by roll call vote.

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

IPOPIF: *Review/Adopt – Cash Management Policy:* The Board noted that this item will be discussed at the next regular meeting.


Discussion/Possible Action to be Taken on All IPOPIF Requests Pertaining to Consolidation: The Board noted that there were no additional items pertaining to consolidation.

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 Smith and seconded by Trustee Neil to adjourn the meeting at 10:13 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 11, 2022, at 9:00 a.m.



Board President or Secretary Name

Minutes approved by the Board of Trustees on 10/11/22.