

**MINUTES OF A REGULAR MEETING OF THE CAROL STREAM
POLICE PENSION FUND BOARD OF TRUSTEES
OCTOBER 16, 2020**

A regular meeting of the Carol Stream Police Pension Fund Board of Trustees was held on Friday, October 16, 2020 at 11:00 a.m. via videoconference in accordance with Section 7(e) of the of the Open Meetings Act (5 ILCS 120/7(e)), recently amended by Public Act 101-0640 (Government Emergency Administration Act) as a result of the State's disaster declaration regarding the COVID-19 pandemic and the Board President's determination that an in-person meeting is not practical or prudent, pursuant to notice.

CALL TO ORDER: President Numrich called the meeting to order at 11:06 a.m.

ROLL CALL:

PRESENT: President John Numrich, Vice President Anthony Simonetta, Secretary Carol Cadle, Assistant Secretary Brian Rudelich and Trustee Jim Brewer

ABSENT: None

ALSO PRESENT: Bob Rietz and Amanda Secor, Lauterbach & Amen, LLP (L&A); Finance Director Jon Batek, Village of Carol Stream; Mary Tomanek, Graystone Consulting

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *July 20, 2020 Regular Meeting:* The Board reviewed the July 20, 2020 regular meeting minutes. A motion was made by Vice President Simonetta and seconded by Assistant Secretary Rudelich to approve the July 20, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer

NAYS: None

ABSENT: None

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Portfolio Review:* Ms. Tomanek presented the Quarterly Portfolio Review for the period ending September 30, 2020. As of September 30, 2020, the quarter-to-date net return is 4.6%, the year-to-date net return is 6.3% and the ending market value is \$57,365,576. The current asset allocation is as follows: fixed income at 44% and equities at 55%. Ms. Tomanek reviewed the recent transactions and discussed the current market environment.

Potential Purchase and/or Sale of Securities/Rebalancing of Asset Allocation: There were no items to be discussed.

Review/Update Investment Policy: The Board reviewed the Investment Policy in summary and determined that no changes were required at this time.

NEW BUSINESS: *Establish 2021 Board Meeting Dates:* The Board established the 2021 Board meeting dates as January 19, 2021; April 19, 2021; July 19, 2021 and October 18, 2021 at 10:00 a.m. at Village Hall located at 500 North Gary Avenue, Carol Stream, Illinois 60188.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the four-month period ending August 31, 2020 prepared by L&A. As of August 31, 2020, the net position held in trust for pension benefits is \$58,614,944.65 for a change in position of \$5,678,483.42. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Secretary Cadle and seconded by Assistant Secretary Rudelich to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period June 1, 2020 through August 31, 2020 for total disbursements of \$39,131.80. A motion was made by Secretary Cadle and seconded by Trustee Brewer to approve the disbursements shown on the Vendor Check Report in the amount of \$39,131.80. Motion carried by roll call vote.

AYES: Trustees Numrich, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: Trustee Simonetta

Vice President Simonetta was disconnected from the videoconference at 10:43 a.m. and reconnected to the meeting at 10:45 a.m.

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

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A. The originals will be provided to the Board at the next regular meeting.

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 registrations or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Contribution Refund – Adam Guzman:* The Board reviewed the contribution refund request submitted by Adam Guzman. A motion was made by Assistant Secretary Rudelich and seconded by Trustee Brewer to approve Adam Guzman's contribution refund in the amount of \$16,513.99 paid directly to himself issued on September 16, 2020. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Contribution Refund – Jakub Kusiak: The Board noted that Jakub Kusiak was issued correspondence regarding his contributions remaining in the Fund. To date, no response has been received. No further action is required at this time.

Application for Membership – Mario Lopez: The Board reviewed the Application for Membership submitted by Mario Lopez. A motion was made by Secretary Cadle and seconded by Vice President Simonetta to accept Mario Lopez into the Carol Stream Police Pension Fund effective August 31, 2020, as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Gary Herman/Approval of Surviving Spouse Benefits – Barbara Herman:* The Board noted that Gary Herman

passed away on September 30, 2020. The Board discussed the surviving spouse benefit of Barbara Herman, which took effect October 1, 2020. The monthly benefit is \$8,855.39 with no additional increases. A motion was made by Secretary Cadle and seconded by Vice President Simonetta to approve the surviving spouse benefit of Barbara Herman. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Service Retirement Benefit Increase – Edward Sailer: The Board reviewed the Cost of Living Adjustment for service retirement pensioner Edward Sailer calculated by the Village of Carol Stream. Mr. Sailer's initial increase of 3% will become effective with the November 2020 payroll, resulting in a monthly benefit in the amount of \$11,356.07. A motion was made by Vice President Simonetta and seconded by Secretary Cadle to approve the increase as required by statute and calculated by the Village of Carol Stream. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Service Retirement Benefit Increase – Matthew Rudelich: The Board reviewed the Cost of Living Adjustment for service retirement pensioner Matthew Rudelich calculated by the Village of Carol Stream. Mr. Rudelich's initial increase of 4% will become effective with the December 2020 payroll, resulting in a monthly benefit in the amount of \$6,463.55. A motion was made by Assistant Secretary Rudelich and seconded by Secretary Cadle to approve the increase as required by statute and calculated by the Village of Carol Stream. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

OLD BUSINESS: *Pension Inquiry – Jeffrey Degnan:* President Numrich informed the Board that Attorney Reimer served a written Decision & Order to Jeffrey Degnan informing him that his request for a 3% increase on January 1, 2021 was denied. No further action is required.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement will be filed with the Illinois Department of Insurance prior to the October 31, 2020 deadline. No further action is required.

NEW BUSINESS (CONTINUED): *Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$3,050,927, which is a \$200,575 increase from the prior year contribution. The statutory minimum contribution requirement is \$2,329,332. A motion was made by Vice President Simonetta and seconded by Secretary Cadle to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$3,050,927 from the Village of Carol Stream Board of Trustees based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Vice President Simonetta and seconded by Secretary Cadle to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Review/Approve – Fiduciary Liability Insurance Renewal: The Board discussed the Fiduciary Liability Insurance Policy provided by Travelers Casualty Insurance Company, which will expire December 31, 2020. A motion was made by Secretary Cadle and seconded by Assistant Secretary Rudelich to renew the policy and issue payment in an amount not to exceed a 10% increase from the prior year premium of \$4,200. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

Portability Request – Kyle Scifert: The Board reviewed correspondence issued by L&A to Kyle Scifert regarding his transfer of creditable service under portability. The Board noted that no response has been received to date. No further action is required.

Review/Possible Action – Military Reserve Service Purchase Policy: The Board discussed military reserve service purchases and noted there is no policy in place at this time. The Board noted that only active reserve military service is eligible to purchase. President Numrich informed the Board that Attorney Reimer stated members are allowed to purchase up to twenty-four months of active reserve military service pursuant to the same terms and conditions as active military service purchases.

ATTORNEY’S REPORT – REIMER & DOBROVOLNY PC: *Legal Updates:* The Board reviewed the Reimer & Dobrovolny PC *Legal and Legislative Update* quarterly newsletter.

Annual Independent Medical Examination – James Michalek: President Numrich informed the Board that Attorney Reimer issued correspondence to James Michalek, directing him to attend his annual IME. Further discussion will be held at the next regular meeting.

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

ADJOURNMENT: A motion was made by Secretary Cadle and seconded by Trustee Brewer to adjourn the meeting at 12:23 p.m. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle, Rudelich and Brewer
NAYS: None
ABSENT: None

The next regular meeting is scheduled for January 19, 2021 at 10:00 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Amanda Secor, Pension Services Administrator, Lauterbach & Amen, LLP