

**MINUTES OF A REGULAR MEETING OF THE CAROL STREAM
POLICE PENSION FUND BOARD OF TRUSTEES
JANUARY 20, 2020**

A regular meeting of the Carol Stream Police Pension Fund Board of Trustees was held on Monday, January 20, 2020 at 10:00 a.m. at Village Hall in the Community Development Conference Room #192 located at 500 North Gary Avenue, Carol Stream, Illinois 60188, pursuant to notice.

CALL TO ORDER: President Numrich called the meeting to order at 10:10 a.m.

ROLL CALL:

PRESENT: President John Numrich, Vice President Anthony Simonetta, Secretary Carol Cadle and Trustee Jim Brewer (*arrived at 10:20 a.m.*)

ABSENT: Assistant Secretary Brian Rudelich

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

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 18, 2019 Regular Meeting:* The Board reviewed the minutes from the October 18, 2019 regular meeting. A motion was made by Secretary Cadle and seconded by Vice President Simonetta to approve the October 18, 2019 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.

Trustee Brewer arrived at 10:20 a.m.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Portfolio Review:* Ms. Tomanek presented the Quarterly Portfolio Review for the period ending December 31, 2019. As of December 31, 2019, the quarter-to-date net return is 4.41%, the year-to-date net return is 19.1% and the ending market value is \$53,949,038. The current asset allocation is as follows: fixed income at 43%, equities at 56% and total cash at 1%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

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.

APPROVAL OF MEETING MINUTES (CONTINUED): *December 16, 2019 Special Meeting:* The Board tabled the approval of the December 16, 2019 special meeting for the next regular meeting.

ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the seven-month period ending November 30, 2019 prepared by L&A. As of November 30, 2019, the net position held in trust for pension benefits is \$53,572,290.75 for a change in position of \$3,423,247.33. 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 Trustee Brewer to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board also reviewed the Vendor Check Report for the period September 1, 2019 through November 30, 2019 for total disbursements of \$35,459.69. A motion was made by Secretary Cadle and seconded by Vice President Simonetta to approve the disbursements shown on the Vendor Check Report in the amount of \$35,459.69. Motion carried by roll call vote.

AYES: Trustees Numrich, Simonetta, Cadle and Brewer

NAYS: None

ABSENT: Trustee Rudelich

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

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that due to recently implemented requirements mandated by the IDOI, spousal data will be necessary in order to file the IDOI Annual Statement. L&A recommended issuing Affidavits of Continued Eligibility to all pensioners with the April payroll cycle, to coincide with the fiscal year-end and ensure adequate time to compile the necessary data. A motion was made by Secretary Cadle and seconded by Trustee Brewer to authorize L&A to issue Affidavits of Continued Eligibility to all pensioners with the April payroll cycle. Motion carried unanimously by voice vote.

2020 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement decreased to \$0.575 per mile, effective January 1, 2020.

Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2020. Statements of Economic Interest will be sent to all registered filers, who will need to respond by the deadline of May 1, 2020.

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: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

OLD BUSINESS: *Pension Inquiry – Jeffrey Degnan:* President Numrich reviewed former Deputy Chief Degnan's pension inquiry. The Board noted that the initial cost of living adjustment for all pensioners that retire prior to obtaining age 55 that have December birthdates are not entitled to initial increases until the month after the anniversary of their retirement per statute. President Numrich informed the Board that he has corresponded with Attorney Reimer and requested that a response be issued regarding Mr. Degnan's pension inquiry. The Board authorized President Numrich to forward the response from Attorney Reimer to Mr. Degnan.

President Numrich informed the Board that he also received an inquiry regarding the initial cost of living adjustment from pensioner Tammy Loverde and that he will provide Attorney Reimer's response to Ms. Loverde, as well.

NEW BUSINESS: *Portability Request – Ariel Ibarrientos:* The Board noted that Ariel Ibarrientos has submitted a request to combine service under portability. L&A will prepare a calculation for the Board's review at the next regular meeting.

Disability Application Status – Charles McGuire III: The Board noted that Charles McGuire III is currently on unpaid leave. Secretary Cadle has provided Mr. McGuire with paperwork to obtain a regular retirement benefit estimate and a non-duty disability benefit estimate. A status update will be provided at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board acknowledged the 2020 Cost of Living Adjustments as calculated by the Village of Carol Stream. A motion was made by Secretary Cadle and seconded by Vice President to approve the 2020 Cost of Living Adjustments as required by statute and calculated by the Village of Carol Stream. Motion carried unanimously by voice vote.

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member terms currently held by Secretary Cadle and Assistant Secretary Rudelich and the retired member term currently held by President Numrich are expiring in April 2020. Secretary Cadle, Assistant Secretary Rudelich and President Numrich expressed their interest to remain on the Board. L&A will conduct an election on behalf of the Pension Fund for both of the active member Trustee positions and the retired member Trustee position.

Discussion Regarding P.A. 101-0610: The Board reviewed the Executive Summary regarding P.A. 101-0610 provided by Attorney Reimer and discussed the impact that the recently passed legislation will have on the Fund.

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

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

ADJOURNMENT: A motion was made by Secretary Cadle and seconded by Vice President Simonetta to adjourn the meeting at 11:14 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 20, 2020 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