



# The Police Pension Fund

## VILLAGE OF LOMBARD

235 EAST WILSON AVE. LOMBARD, IL 60148

### MINUTES OF A REGULAR MEETING OF THE LOMBARD POLICE PENSION FUND BOARD OF TRUSTEES JULY 20, 2020

A regular meeting of the Lombard Police Pension Fund Board of Trustees was held on Monday, July 20, 2020 at 1:30 p.m. in the Village Hall Board Room located at 255 E. Wilson Avenue, Lombard, Illinois 60148, pursuant to notice.

**CALL TO ORDER:** Trustee Ranallo called the meeting to order at 1:30 p.m.

**ROLL CALL:**

**PRESENT:** Trustees Benny Ranallo, Jerry Peterson, Richard Spika, Tom Wirsing and Dan Brink

**ABSENT:** None

**ALSO PRESENT:** Attorney Charles Atwell, Atwell & Atwell; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Accounting Coordinator Jessica Nawracaj and Accountant Janice Karney, Village of Lombard; Ashley Wraight, Lauterbach & Amen, LLP (L&A)

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *April 20, 2020 Regular Meeting:* The Board reviewed the April 20, 2020 regular meeting minutes. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve the April 20, 2020 regular meeting minutes as written. Motion carried by roll call vote.

**AYES:** Trustees Ranallo, Peterson, Spika, Wirsing and Brink

**NAYS:** None

**ABSENT:** None

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board discussed the closed session meeting minutes. A motion was made by Trustee Spika and seconded by Trustee Peterson to not release the closed session meeting minutes at this time due to pending matters. Motion carried by roll call vote

**AYES:** Trustees Ranallo, Peterson, Spika, Wirsing and Brink

**NAYS:** None

**ABSENT:** None

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the six-month period ending June 30, 2020 prepared by L&A. As of June 30, 2020, the net position held in trust for pension benefits is \$73,851,852.86 for a change in position of \$13,213.80. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period April 1, 2020 through June 30, 2020 for total disbursements of \$244,528.15. A motion was made by Trustee Wirsing and seconded by Trustee Brink to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$244,528.15. Motion carried by roll call vote.

**AYES:** Trustees Ranallo, Peterson, Spika, Wirsing and Brink

**NAYS:** None

**ABSENT:** None

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

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending June 30, 2020. As of June 30, 2020, the second quarter net return is 11.12% versus the second quarter account benchmark of 11.65%. The investment return for the quarter is \$7,349,107 for an ending market value of \$72,623,752. The current asset allocation is as follows: Fixed Income at 48.5%, Equities at 51.4% and Cash Equivalents at 0.2%. Mr. Sawyer reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Wirsing and seconded by Trustee Peterson to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

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

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** There were no applications for membership or withdrawals from the Fund.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Approve Conversion from Non-Duty Disability to Regular Retirement Benefits – Terry Olson:* The Board reviewed the conversion from non-duty disability to regular retirement benefits for Terry Olson prepared by L&A. Officer Olson had an entry date of January 6, 1986; conversion date of May 5, 2020; effective date of pension of May 5, 2020; 56 years of age at date of conversion; 29 years of creditable service; applicable salary of \$94,248.44; applicable pension percentage of 72.50%; amount of originally granted monthly pension of \$5,694.18; and amount of originally granted annual pension of \$68,330.16. The Board also reviewed the retro payment due to Terry Olson for the period May 5, 2020 through June 30, 2020 in the amount of \$3,306.30. A motion was made by Trustee Spika and seconded by Trustee Wirsing to approve the conversion of non-duty disability to regular retirement benefits and retro payment for Terry Olson calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

*Approve Regular Retirement Benefit – William Collins:* The Board reviewed the regular retirement benefit for William Collins prepared by L&A. Lieutenant Collins had an entry date of January 6, 1997; retirement date of July 7, 2020; effective date of pension of July 8, 2020; 50 years of age at date of retirement; 23 years of creditable service; applicable salary of \$138,801.34; applicable pension percentage of 57.50%; amount of originally granted monthly pension of \$6,650.90; and amount of originally granted annual pension of \$79,810.80. A motion was made by Trustee Wirsing and seconded by Trustee Spika to approve the regular retirement benefits for William Collins calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

*Deceased Pensioner – Frank Cavey:* The Board noted that pensioner Frank Cavey passed away on May 1, 2020 with no surviving spouse and his pension benefit has ceased.

**TRUSTEE TRAINING UPDATES:** The Board discussed the 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.

**OLD BUSINESS:** *Request for Proposals for Vendors:* The Board noted that proposals were received from four attorneys and directed L&A to reach out to the responding attorneys to schedule a special meeting for presentations. Further discussion will be held at the next regular meeting.

*Status Update on Francis Vivo Matter:* Attorney Atwell apprised the Board that he will reach out to Francis Vivo and his legal counsel to schedule a hearing. Further discussion will be held at the next regular meeting.

*Certify Board Election Results – Active and Retired Member Positions:* L&A conducted an election for one of the active member positions on the Lombard Police Pension Fund Board of Trustees. The Board noted that 31 ballots were received and 31 ballots were counted. The active member election results are as follows: 31 votes for Benny Ranallo with no write in candidates being submitted. Benny Ranallo was re-elected as one of the active members on the Board of Trustees for a two-year term expiring May 10, 2022. L&A also conducted an election for the retired member position. The Board noted that 44 ballots were received and 44 ballots were counted. The retired member election results are as follows: 1 vote for David Kundrot, 1 vote for James Schrepferman and 42 votes for Richard Spika. Richard Spika was re-elected as the retired member on the Board of Trustees for a two-year term expiring May 10, 2022.

*Appointed Member Term Expiration – Jerry Peterson:* The Board noted that Trustee Peterson was reappointed to the Lombard Police Pension Fund Board of Trustees by the Mayor of Lombard for a two-year term expiring April 30, 2022.

**NEW BUSINESS:** *IPOPIF Election Memorandum:* The Board noted that correspondence was received by the IPOPIF Board of Trustees regarding upcoming elections for the permanent Board.

*Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by Nyhart. Based on data and assumptions, the recommended contribution amount is \$3,189,447 and the statutory minimum contribution amount is \$2,527,206. A motion was made by Trustee Ranallo and seconded by Trustee Spika to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$3,189,447 from the Village of Lombard, based on the recommended amount stated in the Actuarial Valuation prepared by Nyhart. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
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 Trustee Wirsing and seconded by Trustee Spika to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

*Board Officer Elections – President, Vice President, Secretary and Assistant Secretary:* The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Ranallo as President, Trustee Peterson as Vice President, Trustee Wirsing as Secretary and Trustee Spika as Assistant Secretary. A motion was made by Trustee Wirsing and seconded by Trustee Peterson to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

*FOIA Officer and OMA Designee:* The Board discussed maintaining Trustee Wirsing as the FOIA Officer and OMA Designee. A motion was made by Trustee Spika and seconded by Trustee Brink to maintain Trustee Wirsing as the FOIA Officer and OMA Designee. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

**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 documents.

**ATTORNEY'S REPORT – ATWELL & ATWELL:** *Independent Medical Examinations – Joseph Metallo and Francis Vivo:* The Board discussed sending Joseph Metallo and Francis Vivo for their annual independent medical examinations. The Board directed Attorney Atwell to send Joseph Metallo and Francis Vivo for their annual IME's. Further discussion will be held at the next regular meeting.


*Legal Updates:* Attorney Atwell apprised the Board on recent legislative news 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 Wirsing and seconded by Trustee Peterson to adjourn the meeting at 2:26 p.m. Motion carried by roll call vote.

AYES: Trustees Ranallo, Peterson, Spika, Wirsing and Brink  
NAYS: None  
ABSENT: None

The next regular meeting is scheduled for October 19, 2020 at 1:30 p.m.

  
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Board President or Secretary

Minutes approved by the Board of Trustees on 10/19/2020

*Minutes prepared by Michelle Rice, Pension Services Administrator, Lauterbach & Amen, LLP*