



Gilberts Police Pension Fund

86 Railroad Street, Gilberts, Illinois 60136



Jason Hernandez
President

Rachel Roth
Vice President

Todd Waller
Secretary

Martin Griffin
Asst. Secretary

Heather Shelby
Trustee

MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES AUGUST 4, 2021

A regular meeting of the Gilberts Police Pension Fund Board of Trustees was held via videoconference and at the Gilberts Police Training Room located at 86 Railroad Street, Gilberts, Illinois, 60136 on Wednesday, August 4, 2021 at 6:00 p.m., pursuant to notice.

CALL TO ORDER: Trustee Hernandez called the meeting to order at 6:02 p.m.

ROLL CALL:

PRESENT: Trustees Jason Hernandez, Rachel Roth and Todd Waller

ABSENT: Trustees Martin Griffin and Heather Shelby

ALSO PRESENT: Attorney Jerry Marzullo, Asher, Gittler & D'Alba, Ltd. (*via videoconference*); Eric Laughlin, Morgan Stanley; Maddie Hayes, Keri O'Brien and Stephanie Bay (*via videoconference*), Lauterbach & Amen, LLP (L&A); Treasurer Taunya Fischer, Village of Gilberts (*via videoconference*)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *May 5, 2021 Regular Meeting:* The Board reviewed the May 5, 2021 regular meeting minutes. A motion was made by Trustee Hernandez and seconded by Trustee Waller to approve the May 5, 2021 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: The Board noted all Weaver Barksdale & Associates, Inc. invoices will be paid directly by Morgan Stanley.

Monthly Financial Report and Presentation and Approval of Bills: The Board reviewed the Monthly Financial Report for the two-month period ending June 30, 2021 prepared by L&A. As of June 30, 2021, the net position held in trust for pension benefits is \$5,078,032.67 for the change in position of \$60,445.07. 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, 2021 through June 30, 2021 for total disbursements of \$11,967.72. A motion was made by Trustee Roth and seconded by Trustee Hernandez to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$11,967.72. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller

NAYS: None

ABSENT: Trustees Griffin and Shelby

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

INVESTMENT REPORT – MORGAN STANLEY: *Quarterly Investment Report:* Mr. Laughlin presented the Quarterly Investment Report. As of June 30, 2021, the ending market value of the portfolio is \$5,060,638. The total account return, net of fees for the second quarter is 3.34%. The total earnings for the quarter is \$163,648. The current asset allocation as of June 30, 2021 is as follows: Equities at 49.1%, Fixed Income & Preferreds at 44.3% and Cash at 6.6%. All questions were answered by Mr. Laughlin. A motion was made by Trustee Roth and seconded by Trustee Hernandez to accept the Quarterly Investment Report as presented. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller

NAYS: None

ABSENT: Trustees Griffin and Shelby

The Board discussed monthly funding of the BMO Harris Bank account to cover benefits and expenses. A motion was made by Trustee Hernandez and seconded by Trustee Roth to authorize Morgan Stanley to liquidate \$15,000 and allocate the proceeds to the fund's BMO Harris on a monthly basis commencing September 1, 2021 to cover monthly benefits and expenses. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller

NAYS: None

ABSENT: Trustees Griffin and Shelby

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

COMMUNICATIONS AND REPORTS: There were no communications or reports.

TRUSTEE TRAINING UPDATES: The Board 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 FUND: *Applications for Membership – Gretchen Fehling and Xavier Perez:* The Board reviewed the Applications for Membership submitted by Gretchen Fehling and Xavier Perez. A motion was made by Trustee Hernandez and seconded by Trustee Waller to accept Gretchen Fehling effective June 28, 2021, as a Tier I participant and Xavier Perez, effective June 20, 2021 as a Tier II participant into the Gilberts Police Pension Fund. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller

NAYS: None

ABSENT: Trustees Griffin and Shelby

The Board noted that Officer Nicholas Modugno separated service from the Gilberts Police Department effective June 2, 2021, a contribution refund has not been requested at this time. Updates will be provided to the Board as they become available.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Review/Approve – Revised Retirement Calculation – Jack Rood:* L&A informed the Board that Jack Rood's Retroactive Payment is currently in process. Further discussion will be held at the next regular meeting.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Hernandez as President; Trustee Roth as Vice President; Trustee Waller as Secretary; and Trustee Griffin as Assistant Secretary. A motion was made by Trustee Hernandez and seconded by Trustee Roth to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

FOIA Officer & OMA Designee: The Board discussed maintaining the Gilberts Village Clerk, Courtney Baker, as the FOIA Officer and Trustee Hernandez as the OMA Designee. A motion was made by Trustee Waller and seconded by Trustee Roth to maintain the FOIA Officer and OMA Designee as stated. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

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.

Review Preliminary Actuarial Valuation: The Board reviewed the preliminary Actuarial Valuation prepared by L&A. The final report will be reviewed by the Board at the next regular meeting.

Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letter: The Board reviewed the L&A three-year engagement letter. A motion was made by Trustee Roth and seconded by Trustee Waller to engage L&A in the annual amounts as follows: \$12,810 for the year ended April 30, 2022; \$13,180 for the year ended April 30, 2023; and \$13,560 for the year ended April 30, 2024. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

Fiduciary Liability Insurance Renewal: The Board noted the fiduciary liability insurance currently provided by Hudson Insurance Company will expire September 15, 2021. A motion was made by Trustee Roth and seconded by Trustee Hernandez to approve payment of the fiduciary liability insurance renewal effective September 15, 2021 through September 15, 2022, given all coverage is the same, in an amount not to exceed \$5,000. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

Portability Update – Ken Cram: The Board noted Ken Cram's portability calculation is currently in process. Further discussion will be held at the next regular meeting.

ATTORNEY'S REPORT – ASHER, GITTLER & D'ALBA, LTD.: *Review/Adopt – Choice of Legal Counsel:* The Board was presented with a copy of the Asher, Gittler & D'Alba, Ltd. retainer agreement. A motion was made by Trustee Roth and seconded by Trustee Hernandez to retain Attorney Marzullo with Asher, Gittler & D'Alba, Ltd. as legal counsel. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

Legal Updates: Attorney Marzullo provided legislative updates pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

QILDRO – Michael Joswick: The Board noted the QILDRO Order, Calculation Order, Consent to Issuance and \$50 processing fee from Michael Joswick have been received and approved by the Board Attorney with payments to commence with the June payroll cycle. A motion was made by Trustee Hernandez and seconded by Trustee Waller to approve payment to the alternate payee as discussed. Motion carried by roll call vote.

AYES: Trustees Hernandez, Roth and Waller
NAYS: None
ABSENT: Trustees Griffin and Shelby

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

ADJOURNMENT: A motion was made by Trustee Hernandez and seconded by Trustee Waller to adjourn the meeting at 7:13 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for November 3, 2021 at 6:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Maddie Hayes, Pension Services Administrator, Lauterbach & Amen, LLP