



Prospect Heights Police Pension Board Minutes

REGULAR MEETING AGENDA

October 11, 2022 at 9 AM

Call to Order - At 9:02 AM, President Lange called to order the Regular Prospect heights Police Pension Board Meeting at City Hall, 8 North Elmhurst Road, Prospect Heights, IL 60070.

Roll Call – Deputy Clerk Schultheis called roll. A quorum was present.

TRUSTEES PRESENT – President Lange, Trustees Minniear, Sigsworth, Kearns

ABSENT – Trustee Huitink (by previous notification)

OTHER OFFICIALS PRESENT – Attorney LaBardi, Treasurer Tibbits, Client Manager Birkenheier, Deputy Clerk Schultheis

Approval of Minutes

A. July 12, 2022 Meeting Minutes – **Trustee Kearns moved to Approve the July 12, 2022 Regular Police Pension Board Minutes as presented; seconded by President Lange.**

ROLL CALL VOTE:	AYES -	Minniear, Lange, Kearns, Sigsworth
	NAYS -	None
	ABSENT -	Huitink

Motion carried 4 – 0, one absent

Public Comments- Treasurer Tibbits asked that the Police Pension Board meetings be recorded and that the recordings be retained for the sake of transparency.

Approval of Expenditures

A. Richard Reimer Pension Board Legal Counsel Payment -

- a) Quarterly Retainer - **\$750.00**
- b) General Matters - **\$437.50**
- c) Disability Application of Todd Godair - **\$875.00**
- d) Disbursements – Quarterly Retainer Photocopy - **\$9.25**
- e) Disbursements – General Matters Photocopy - **\$1.75**
- f) Disbursements – Disability Application of Todd Goddair - **\$153.87**
- g) Amount due from previous balance - **\$1,128.09**

TOTAL - \$3,355.46 – Trustee Sigsworth moved to approve Richard Reimer Pension Board Legal Counsel Payment Quarterly Retainer - \$750.00, General Matters - \$437.50, Disability Application of Todd Godair - \$875.00, Disbursements – Quarterly Retainer Photocopy - \$9.25, Disbursements – General Matters Photocopy - \$1.75, Disbursements – Disability Application of Todd Goddair - \$153.87, Amount due from previous balance - \$1,128.09; seconded by President Lange.

ROLL CALL VOTE:

AYES -	Lange, Kearns, Sigsworth, Minniear
NAYS -	None
ABSENT -	Huitink

Motion carried 4 – 0, one absent

B. Karen Schultheis, Recording Secretary – October 11, 2022, 4th Quarter Meeting \$125.00 – Trustee Sigsworth moved to approve Karen Schultheis, Recording Secretary – October 11, 2022, 4th Quarter Meeting - \$125.00; seconded by President Lange.

ROLL CALL VOTE:

AYES -	Kearns, Sigsworth, Minniear, Lange
NAYS -	None
ABSENT -	Huitink

Motion carried 4 – 0, one absent

C. Invoices –

- a. Accounting and Benefits Administration May, 2022 (Invoice #67123) - **\$740.00**
- b. Preparation of Year End Auditor’s Work Papers for Fiscal Year End - **\$770.00**

– Trustee Sigsworth moved to approve invoices Accounting and Benefits Administration May, 2022 (Invoice #67123) - \$740.00; Preparation of Year End Auditor’s Work Papers for Fiscal Year End - \$770.00; Accounting and Benefits Administration August, 2022 (Invoice #70038) - \$740.00; Five-year contribution

history (Invoice #70339) - \$400.00; April 30, 2022 – GASB 67/68 - \$2480.00;
seconded by President Lange.

ROLL CALL VOTE: AYES - Sigsworth, Minniear, Lange, Kearns
 NAYS - None
 ABSENT - Huitink

Motion carried 4 – 0, one absent

D. IPPFA Bradley Sigsworth Registration - \$275 – There was question as to whether or not this was paid previously. Client Manager Birkenheier believed that the bill had been paid. There was also question as to whether an 8-hour session was needed or a 16-hour session. – **TABLED until January, 2023.**

E. IPPFA Membership Dues - \$795.00 – Trustee Sigsworth moved to approve IPPFA membership dues - \$795.00; seconded by President Lange.

ROLL CALL VOTE: AYES - Minniear, Lange, Kearns, Sigsworth
 NAYS - None
 ABSENT - Huitink

Motion carried 4 – 0, one absent

F. Payment of Expenditures

Pension Board Legal Counsel Report

A. Consolidation Update – Attorney LaBardi said that there was still no consolidation update. It is still in court.

- Attorney LaBardi said that medical information is still being compiled on Sergeant Godair. Once the information has all been gathered, there would be three IME's (Independent Medical Evaluations).

- He said that regarding Tier II Disability COLA shall attain 3% COLA following attainment of the age of 60, the COLA shall be the lesser of the 3% or ½ the CPI. Attorney LaBardi stated further that Tier I is 3% compounded; but that Tier II is the lesser of 3% or ½ the CPI non-compounded.

Pension Board Lauterbach and Amen Monthly Financial Report

A. Global Cash Management – Client Manager Crista Birkenheier – said that BMO Harris has sent \$614,000 to State Street Trust. She noted that there was still a great deal of cash that the Pension Board had that could be used for reserve or sent to the Trust. Client Manager Birkenheier said that the Pension Board could set up recurring withdrawal.

It was noted that the Board need to pay out about \$123,000 per month in benefits. Attorney LaBardi said that the Pension Board was still responsible for making benefit payments, but it also had a fiduciary responsibility to maximize the pension fund.

It was suggested that there be at least a two-month cash reserve, and recurring withdrawals. Attorney LaBardi told the Pension Board that they should operate according to the Cash Management Policy adopted, so that there would not be any need for meetings every time cash had to be withdrawn. He added that the Board might want to consider amending the cash management policy.

It was noted by President Lange that the Schwab Account had been zeroes out. Trustee Kearns said that the \$1,000,000 in cash that the Board was holding was too much, even though the stock and bond market has been unstable.

It was noted that about \$17,000 was added to the pension every month by employee contributions.

Trustee Sigsworth moved to amend the cash management policies to change the cash reserve to \$360,000 to BMO Harris Bank, and at \$400,000 the funds are to be rebalanced and the excess sent to the POPIF.

ROLL CALL VOTE: AYES - Lange, Kearns, Sigsworth, Minniear
 NAYS - None
 ABSENT - Huitink

Motion carried 4 – 0, one absent

Old Business –

A. Closing of the Village Bank and Trust Account – Treasurer Tibbits stated that Village Bank and Trust is a depository for pension funds. Client Manager Birkenheier countered that the Village Bank and Trust account had been closed, as per the decision of the Board at the July 12, 2022 meeting. She added that the money now goes to BMO Harris.

President Lange said that Trustee Sigsworth and Treasurer Tibbits would confirm that the account is closed and there are no funds being deposited in the Village Bank and Trust.

Trustee Sigsworth moved to transfer balances from Village Bank and Trust into BMO Harris; seconded by President Lange.

ROLL CALL VOTE: AYES - Lange, Kearns, Sigsworth, Minniear
 NAYS - None
 ABSENT - Huitink

Motion carried 4 – 0, one absent

Trustee Sigsworth moved to transfer funds immediately upon the closing of the Village Bank and Trust account; seconded by President Lange.

ROLL CALL VOTE: AYES - Kearns, Sigsworth, Minniear, Lange

NAYS - None
ABSENT - Huitink

Motion carried 4 – 0, one absent

B. Final Report from Portfolio Manager Wall including the value of the Transfer - Client Manager Birkenheier said that Lauterbach and Amen has not received the report yet. They have had an issue getting the final report from Schwab. Attorney LaBardi was concerned that Lauterbach and Amen did not have a report as the Schwab account was closed in July, 2022. **No action was taken.**

C. Cyber Insurance and Final Premium Costs – Kiesewetter, Cook Castle Assoc – Deputy Clerk Schultheis read a statement from Trustee Huitink *Regarding the Cyber insurance, I am NOT in favor of acquiring this insurance. All of the pension plan records are handled by the City or our hired professionals. These parties should have responsibility for any breaches*

Greg Kiesewetter, of Cook Castle Associates, said via phone call into the meeting that he did not have a firm quote. – **Item TABLED until January, 2023.**

New Business

A. 2023 Police Pension Board Calendar – **Trustee Sigsworth moved to approve the 2023 Police Pension Board Calendar as presented; seconded by President Lange.**

ROLL CALL VOTE:
AYES - Sigsworth, Minniear, Lange, Kearns
NAYS - None
ABSENT - Huitink

Motion carried 4 – 0, one absent

B. Transfer of Credible Service from IMRF to Prospect Heights Police Pension Board - Public Act 102-0857 – It was noted by President Lange that he had submitted the paperwork for the eight months that he was a Records Clerk for the Police Department. Attorney LaBardi said that there has not been any paperwork sent back from the IMRF, yet. – **TABLED until January, 2023.**

C. Adoption of Recommended Tax Levy from Actuarial Valuation and Forward Request to Municipality – The audit has not been received yet. Attorney LaBardi said that this puts the Board in a tough situation as the action must be approved by the end of October. There will need to be a special meeting to have this item approved. – **Tabled until Audit is received and Recommended Tax Levy from Actuarial Valuation can be compiled.**

D. Adoption of Municipal Compliance Report and Forward to Municipality – **TABLED until Actuarial Report is completed.**

E. Deadline for Filing Independent Audit Report with DOI – Submitted by Lauterbach and Amen – **No action taken.**

F. Deadline for Filing of DOI Annual Report (October 31, 2022) - Lauterbach and Amen is missing the training certificate and the tax levy audit. – **no action taken.**

G. Comparison of Lauterbach and Amen **recommended** municipal contributions to actual contributions by the City of the past three years (five years preferable) – requested by Trustee Huitink for L&A response – Client Manager Birkenheier enclosed reports. She noted that the City has exceeded the minimum but falls short of the recommended. The City has contributed more than the minimum. – **No action taken.**

H. Approval of Officer Carlos Collazo to the Police Pension Fund – It was noted that the date of hire is September 20, 2022. He was part s of SURS – State University Retirement Systems – he has been with Northeastern University security for ten years. He must buy back time no later than June 30, 2023. **Trustee Sigsworth moved to approve Officer Carlos Collazo to the Police Pension Fund; seconded by President Lange.**

ROLL CALL VOTE:

AYES -	Minniear, Lange, Kearns, Sigsworth
NAYS -	None
ABSENT -	Huitink

Motion carried 4 – 0, one absent

I. Approval of purchase of 8 months in the IMRF by Detective Sgt. Lange - **TABLED**

J. Approval of former Officer Kathy Szymanska refund – President Lange noted that former Officer Kathy Szymanska worked as a police officer for the City from May 28 – August 4, 2022. She has asked that she be given a check.

President Lange moved to approve a refund in of \$1,050.80 for former Officer Kathy Szymanska; seconded by Trustee Sigsworth.

ROLL CALL VOTE:

AYES -	Lange, Kearns, Sigsworth, Minniear
NAYS -	None
ABSENT -	Huitink

Motion carried 4 – 0, one absent

Attorney LaBardi asked that the Board formalize recurring deposits from State Street to BMO Harris. **President Lange moved to authorize POPIF to set up recurring deposits of \$120,000 on the first of each month for benefits payouts starting on December 1, 2022 from State Street to BMO Harris; seconded by Trustee Sigsworth.**

ROLL CALL VOTE:

AYES -	Kearns, Sigsworth, Minniear, Lange
NAYS -	None

ABSENT - Huitink

Motion carried 4 – 0, one absent

**Next Meeting Date – Tuesday, January 10, 2023 at 9 AM – City Hall. 8 North
Elmhurst Road, Prospect Heights, IL 60070**

**Adjournment – At 10:12 AM, President Lange moved to Adjourn; seconded by
Trustee Sigsworth.**

VOICE VOTE: All Ayes, No Nays

Motion carried 4 – 0; Trustee Huitink absent

Approved by the Prospect Heights Police Pension Board on this the 10th day of
January, 2023.

A handwritten signature in black ink, appearing to be 'KJ', written over a horizontal line.

President Lange