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GRAYSLAKE POLICE PENSION FUND
10 South Seymour Avenue, Grayslake, Illinois 60030-0906
DOI Pension Fund Number POO9600

MINUTES OF A REGULAR MEETING OF THE GRAYSLAKE POLICE PENSION FUND held January 19, 2023 at 8:00 a.m. at the Grayslake Village Hall, 10 South Seymour Avenue, Grayslake, IL.

1. Call to order and roll call

Trustees present: Matt Gore, Brian Ernst, Stu Crowley, Brett Henne (left meeting at 9:00 a.m). Trustees Absent: Linda Wegge. Also in attendance: Attorney Jeff Goodloe, John Falduto from Sawyer Falduto Asset Management (SFAM), and Tim Gavin (by Zoom) from Lauterbach & Amen (L&A).

President Gore called the meeting to order at 8:00 a.m.

No members of the public were present for the meeting.

2. Public Comment

Gore invited members of the public to speak. There being no response, Gore made a motion, seconded by Crowley to close public comment. All "Ayes." Motion carried.

3. Approval of Minutes of October 20, 2022 Regular Meeting

The minutes of the October 20, 2022 regular meeting were reviewed.

Gore made a motion, seconded by Crowley, to approve the October 20, 2022 regular meeting minutes as presented. All "Ayes." Motion carried.

4. Investment Reports / Cash Management

A) **SFAM Quarterly Report** – Mr. Falduto presented the 2022 Fourth Quarter SFAM report including the transaction ledger and market commentary. The pension board will maintain a cash target in the Schwab money market account of \$400,000.

Crowley made a motion, seconded by Ernst to accept the 2022 Fourth Quarter SFAM Report. All "Ayes." Motion Carried.

B) **IPOPIF – Verus Advisory, Inc. Report** – The pension board reviewed the Verus Advisory report as of September 30, 2022 for the total consolidated fund. Total account return for the quarter of -5.4% and total account return since inception (March 1, 2022) of -14.1%.

- C) **IPOPIF – State Street Report** – The pension board reviewed the State Street statement for the month ended November 30, 2022. The pension fund’s IPOPIF inception date is August 1, 2022. Total return since inception of -0.56%. Month to date return of 5.44% and QTD return of 8.80%. The pension fund’s ending market value managed by IPOPIF as of November 30, 2022 was \$29,063,701.29.
- D) **Harris Bank – Monthly Statement Review** – The pension board reviewed the fourth quarter 2022 BMO Harris bank account monthly statements.
- E) **Cash Management Policy / Parameters – Review and update as needed** - The pension board discovered the repeat monthly withdrawals from IPOPIF that were supposed to begin on November 15, 2022 did not occur. Rather, monthly pension benefits are still being funded from the Schwab money market account. Mr. Gavin advised he did not know why the repeat monthly withdrawals from IPOPIF did not begin. Mr. Gavin advised L&A will enter the 12 repeat monthly withdrawals of \$125,000 in the eCFM system to begin effective February 15, 2023 since January benefits were already funded using cash from the Schwab money market account. The pension board requested this occur immediately to ensure adequate funding for pension benefits.

Gore made a motion, seconded by Crowley, to set a cash target in the BMO Harris account of \$15,000. When the balance exceeds \$25,000, Mr. Gavin is advised to rebalance the BMO Harris account back to \$15,000 once a month after benefits and administrative costs are paid and to transfer the excess cash to IPOPIF for investment. Roll Call Vote: Ayes – Gore, Ernst, Crowley, Henne. Nays – None. Abstain – None. Absent – Wegge. Motion Carried.

5. **Treasurer’s Report**

- A) **Village Treasurer’s Financial Report** – Mr. Gavin presented the treasurer’s report. Pension Fund net present assets at approximately \$29.4 million as of December 31, 2022 representing an approximate 13.51% decrease for the trailing year. Mr. Gavin advised there is a zero balance in the Old National Bank account and the account would be closed in the next quarter. Mr. Gavin advised there is still \$1400 in the PNC account and he would work with PNC to transfer that balance to the BMO Harris account so the PNC account can be closed. Mr. Gavin discussed the repeat monthly withdrawals from IPOPIF. (See 4(E) above).

Mr. Gavin presented the Pension Board with a sample of the new reporting format. Gore made a motion, seconded by Ernst to authorize Mr. Gavin to use the new reporting format. All “Ayes.” Motion Carried.

- B) **Review and Approve FY 2022 audit** – The pension board reviewed the FY 2022 audit prepared by Eder Casella & Co. There were no issues. Crowley made a motion, seconded by Gore, to approve the FY 2022 audit. All “Ayes.” Motion Carried.

- C) Review and Approve FY 2022 Department of Insurance Annual Statement Filing** – The pension board reviewed the FY 2022 annual statement filing. There were no issues. Crowley made a motion, seconded by Gore, to approve the FY 2022 Department of Insurance Annual Statement filing. All “Ayes.” Motion Carried.

Crowley made a motion, seconded by Gore to accept the treasurer’s report as presented. Roll Call Vote: Ayes – Gore, Ernst, Henne, Crowley. Nays – None. Abstain – None. Absent – Wegge. Motion Carried.

6. Attorney’s Report

- A) Legal Update** – Attorney Goodloe provided an update regarding the consolidation lawsuit and *Masterton*. Attorney Goodloe provided an update regarding a possible QILDRO that may be entered with respect to Kurt Newman’s disability pension. To date, the pension board has not received a QILDRO, signed consent, \$50 fee, or QILDRO Calculation Order.

- B) Consolidation Updates** – See 6(A).

- C) Sean Madden Disability Application – Update** – Attorney Goodloe advised the evidence depositions of the IME providers are scheduled for January 24, January 27, and March 7. Once the depositions have been completed, the pension board can schedule the matter for a hearing.

Crowley made a motion, seconded by Ernst, to accept the Attorney’s Report as presented. All “Ayes.” Motion Carried.

7. Old Business

- A) Joe Manges Disability Exam** – Attorney Goodloe presented Dr. Bennett’s annual examination report. Dr. Bennett concluded Officer Manges remains disabled. Ernst made a motion, seconded by Crowley to accept Dr. Bennett’s report and to continue Officer Manges on disability subject to future annual examinations. Roll Call Vote: Gore, Ernst, Crowley. Nays – None. Abstain – None. Absent – Wegge, Henne. Motion Carried.

8. New Business

- A) Appoint FOIA / OMA Officers** – This matter was tabled until the next meeting to determine who the Village will appoint as its FOIA officer.
- B) Trustee Appointments and Training** – Attorney Goodloe reminded the trustees to complete their 8 hours of annual training for 2023. Henne is up for reappointment in 2023. Ernst will notify the Village so the mayor can take action regarding Henne’s reappointment.

- C) **Active and Retiree Trustee Elections April 2023** – All three elected trustee positions are up for election in 2023. Ernst will work with Gore to conduct trustee elections in April 2023.
- D) **Vote to approve Officer Dylan Mahoney-Muno application for admission into the pension fund as Tier 2 (entry date 1/8/23)** – Crowley made a motion, seconded by Gore, to approve Officer Dylan Mahoney-Muno’s application for admission into the pension fund as a Tier 2 participant with an entry date of 1/8/23. Roll Call Vote: Gore, Ernst, Crowley. Nays – None. Abstain – None. Absent – Wegge, Henne. Motion Carried.
- E) **Vote to approve Officer Courtney Chase application for admission into the pension fund as Tier 2 (entry date 1/8/23)** – Gore made a motion, seconded by Ernst, to approve Officer Courtney Chase’s application for admission into the pension fund as a Tier 2 participant with an entry date of 1/8/23. Roll Call Vote: Gore, Ernst, Crowley. Nays – None. Abstain – None. Absent – Wegge, Henne. Motion Carried.
- F) **Vote to approve Officer Victor Garduno application for admission into the pension fund as Tier 2 (entry date 1/8/23)** – Crowley made a motion, seconded by Gore, to approve Officer Victor Garduno’s application for admission into the pension fund as a Tier 2 participant with an entry date of 1/8/23. Roll Call Vote: Gore, Ernst, Crowley. Nays – None. Abstain – None. Absent – Wegge, Henne. Motion Carried.
- G) **Semi-annual review of closed meeting minutes pursuant to 5 ILCS 120/2.06(d): August 4, 2022 Heather Andrews disability hearing** – Gore made a motion, seconded by Crowley, to keep the August 4, 2022 closed meeting minutes confidential at this time subject to semi-annual reviews. All “Ayes.” Motion Carried.
- H) **Discussion and possible vote to destroy verbatim recordings of closed session minutes 18 months or older pursuant to 5 ILCS 120/2.06(c): August 4, 2022 Heather Andrews disability hearing – not subject to possible destruction at this time)** – No action at this time.
- I) **Bills Paid / Pay Bills** – Crowley made a motion, seconded by Gore to approve the payment of the bills as presented in the treasurer’s report. Roll Call Vote: Gore, Ernst, Crowley. Nays – None. Abstain – None. Absent – Henne, Wegge. Motion Carried.
9. **Closed Session** – None.

10. Adjournment

Gore made a motion, seconded by Crowley to adjourn the meeting at 9:10 a.m. All "Ayes."
Motion Carried.

MINUTES APPROVED on 4/20/2023



PRESIDENT



SECRETARY