



**MINUTES OF A REGULAR MEETING OF THE
WHEELING POLICE PENSION FUND BOARD OF TRUSTEES
JULY 8, 2020**



A regular meeting of the Wheeling Police Pension Fund Board of Trustees was held on Wednesday, July 8, 2020 at 9:00 a.m. in the Wheeling Village Hall Scanlon Conference Room located at 2 Community Blvd, Wheeling, Illinois 60090, pursuant to notice.

CALL TO ORDER: Trustee Musolf called the meeting to order at 9:00 a.m.

ROLL CALL:

PRESENT: Trustees Troy Musolf, Joe Kopecky, Michael Mondschain, Tony Cinquegrani and Bill Benson

ABSENT: None

ALSO PRESENT: Attorney Jeff Goodloe, Puchalski Goodloe Marzullo, LLP (PGM); John Falduto and Ed Lavin, Sawyer Falduto Asset Management, LLC; Stephanie Bay (*arrived at 9:01 a.m.*), Trinetta Gardner and Lora Murphy, Lauterbach & Amen, LLP (L&A); Deborah Wilson, Member of the Public

PUBLIC COMMENT: Deborah Wilson addressed the Board regarding Stephen Hull's disability application, termination of employment and overall employment at the Wheeling Police Department.

Stephanie Bay arrived at 9:01 a.m.

APPROVAL OF MEETING MINUTES: *January 8, 2020 Regular Meeting:* The Board reviewed the January 8, 2020 regular meeting minutes. A motion was made by Trustee Kopecky and seconded by Trustee Cinquegrani to approve the January 8, 2020 regular meeting minutes as written. Motion carried by voice vote with Trustee Benson abstaining.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

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 \$57,969,800.66 for a change in position of (\$398,209.26). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, the Payroll Journal and the Vendor Check Report for the period January 1, 2020 through June 30, 2020 for total disbursements in the amount of \$372,290.38. A motion was made by Trustee Mondschain and seconded by Trustee Kopecky to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$372,290.38. Motion carried unanimously by voice vote.

Additional Bills: The Board reviewed the Puchalski Goodloe Marzullo, LLP invoice #11452 in the amount of \$1,831.25 for the 2020 third quarter retainer fee and additional legal services. A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain

NAYS: None

ABSENT: None

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 13.09% versus the second quarter account benchmark of 13.48%. The investment return for the quarter is \$6,794,280 for an ending market value of \$57,975,125. The current asset allocation is as follows: fixed income at 38.4%,

equities at 61.3% and cash equivalents at 0.3%. Mr. Lavin and Mr. Falduto 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 Benson and seconded by Trustee Mondschain to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: Mr. Falduto presented updated investment policy language pertaining to Public Act 101-0473 and adjustments to allowable benchmarks for consideration by the Board. A motion was made by Trustee Kopecky and seconded by Trustee Cinquegrani to adopt and execute the proposed language to the investment policy and direct L&A to file the updated investment policy with the Illinois Department of Insurance within 30 days of execution. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain

NAYS: None

ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2019 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping.

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.

TRUSTEE TRAINING UPDATES: The Board discussed Trustee Training and were reminded to submit all training certificates 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 THE FUND: *Application for Membership – Piotr Akszterowicz:* The Board reviewed the Application for Membership submitted by Piotr Akszterowicz. A motion was made by Trustee Kopecky and seconded by Trustee Mondschain to accept Piotr Akszterowicz into the Wheeling Police Pension Fund effective March 23, 2020 as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain

NAYS: None

ABSENT: None

Withdrawal from Fund/Contribution Refund – Juan Munoz: The Board noted that Juan Munoz has separated service from the Wheeling Police Department effective December 9, 2019. A contribution refund request has not been submitted at this time. Further updates will be provided as they become available.

Michael Rossi: The Board reviewed the contribution refund request submitted by Michael Rossi. A motion was made by Trustee Kopecky and seconded by Trustee Cinquegrani to approve Michael Rossi's contribution refund in the amount of \$36,434.91 paid in a direct rollover issued on February 14, 2020. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain

NAYS: None

ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Status of Disability Application – Stephen Hull:* Attorney Goodloe reported that the disability hearing scheduled on March 6, 2020 was cancelled and since then Mr. Hull's attorney has changed Firms, which has further delayed the matter. A

hearing will be re-scheduled for the week of August 17, 2020 or August 24, 2020 and Attorney Goodloe will provide the Notice of Hearing once the date is determined.

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the finalized report was filed prior to the June 30, 2020 deadline.

NEW BUSINESS: *Review Preliminary Actuarial Valuation:* The Board reviewed the Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$2,534,527 which is a \$320,202 increase from the prior year contribution. The statutory minimum contribution requirement is \$1,927,533. A motion was made by Trustee Kopecky and seconded by Trustee Benson to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$2,534,527 from the Village of Wheeling Board of Trustees, based on the recommended amount stated in the Actuarial Valuation prepared by L&A pending receipt of the final report with no changes. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain
NAYS: None
ABSENT: None

Review/Approve – Fiduciary Liability Insurance Renewal: The Board reviewed the fiduciary liability insurance renewal provided by Arthur J. Gallagher & Co. through Hudson Insurance Company. A motion was made by Trustee Benson and seconded by Trustee Kopecky to approve payment of the fiduciary liability insurance renewal effective May 1, 2020 through May 1, 2021 in the amount of \$4,943. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain
NAYS: None
ABSENT: None

Review/Possible Approval – Lauterbach & Amen, LLP Engagement Letter: The Board reviewed the L&A three-year engagement letter. A motion was made by Trustee Mondschain and seconded by Trustee Cinquegrani to engage L&A for three years in the annual amounts as follows: \$32,295 for the year ended 2020; \$33,260 for the year ended 2021; and \$34,225 for the year ended 2022. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain
NAYS: None
ABSENT: None

Certify Election Results – Active Member Position: L&A conducted an election for one of the active member positions on the Wheeling Police Pension Fund Board of Trustees. Troy Musolf ran unopposed and was reelected for a two-year term expiring May 10, 2022. A motion was made by Trustee Cinquegrani and seconded by Trustee Kopecky to certify the election results as stated. Motion carried by roll call vote.

AYES: Trustees Kopecky, Cinquegrani, Benson and Mondschain
NAYS: None
ABSENT: None
ABSTAIN: Trustee Musolf

Board Officer Elections – President, Vice President, Secretary & Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Musolf as President; Trustee Benson as Vice President; Trustee Kopecky as Secretary; and Trustee Cinquegrani as Assistant Secretary. A motion was made by Trustee Kopecky and seconded by Trustee Cinquegrani to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Cinquegrani, Benson and Mondschain
NAYS: None
ABSENT: None

FOIA Officer & OMA Designee: The Board discussed maintaining Lisa Leonteos and Karen Henneberry as the FOIA Officers and OMA Designees. A motion was made by Trustee Kopecky and seconded by Trustee Benson to maintain the FOIA Officers and OMA Designees as stated. Motion carried unanimously by voice vote.

ATTORNEY'S REPORT – PUCHALSKI GOODLOE MARZULLO, LLP: *Legal Updates:* Attorney Goodloe discussed legislation regarding Pension Fund consolidation and answered all questions.

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

ADJOURNMENT: A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to adjourn the meeting at 9:46 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for Wednesday, October 7, 2020 at 9:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 10/7/2020

Minutes prepared by Lora Murphy, Pension Services Administrator, Lauterbach & Amen, LLP