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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 **October 15, 2020 at 8:00 a.m.** at the Grayslake Village Hall, 10 South Seymour Avenue, Grayslake, IL. Due to COVID-19 the meeting was also held remotely via Zoom pursuant to Public Act 101-640.

1. Call to order and roll call

Trustees present: Matt Gore (in-person), Brian Ernst (in-person), Tom Morris (remote), and Linda Wegge (remote). Trustees Absent: Stu Crowley. Also in attendance (all by remote attendance): Attorney Jeff Goodloe, John Falduto and Ed Lavin from Sawyer Falduto Asset Management (SFAM), Jeff Eberhardt and Dwight McTizic from PNC, Tim Gavin and Bob Rietz 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 or participated in public comment by submitting emails to President Gore prior to the meeting.

2. Public Comment

Gore invited members of the public to speak. There being no response, Wegge made a motion, seconded by Morris to close public comment. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

3. Approval of Minutes of July 16, 2020 Regular Meeting

The **minutes of the July 16, 2020 regular meeting** were reviewed.

Wegge made a motion, seconded by Crowley, to approve the July 16, 2020 regular meeting minutes as presented. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

4. Sawyer / Falduto Financial Report – Equity Report

John Falduto and Ed Lavin presented the 2020 Third Quarter Investment Performance Report including performance review, market commentary, portfolio statement, and the transaction ledger. Total account return for the quarter of 8.13% net of fees. Total account return YTD of 2.73% net of fees.

Gore asked a question about the economic effects of potential additional government stimulus.

Wegge made a motion, seconded by Morris to accept the 2020 Third Quarter Investment Report. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

5. PNC Financial Report – Fixed Income Report

Jeff Eberhardt and Dwight McTizic presented the 2020 Third Quarter Investment Performance Report including performance review, market commentary, portfolio statement, and the transaction ledger. Total account return for the quarter of 0.50% net of fees. Total account return YTD of 5.65% net of fees.

Gore made a motion, seconded by Wegge to accept the 2020 Third Quarter Investment Report. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

6. Treasurer's Report

A) Village Treasurer's Financial Report – Mr. Gavin presented the treasurer's report. Pension Fund net present assets at approximately \$26.3 million reflecting an approximate 11% increase in the portfolio for the year ended September 2020.

Mr. Gavin reported the Pension Fund currently has \$425,000 available for investment and the Pension Fund's equity position was 65.7%. Gore made a motion, seconded by Wegge, to invest the \$425,000 in its fixed income portfolio with PNC. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

B) Approve Fiscal Year End 2020 Audit – Mr. Gavin advised the Village audit has not been finalized, however the police pension fund portion of the Village audit has been finalized. This matter is tabled for consideration until the next meeting.

C) Approve Department of Insurance Annual Statement Filing for 2020 – Mr. Gavin advised the 2020 annual statement will be filed on or before the October 31, 2020 deadline and that L&A was waiting for the final audit report. The matter is tabled for ratification of the final report until the next meeting.

D) Discussion and action regarding actuarial valuation tax levy and GASB reports – Mr. Rietz presented the actuarial valuation tax levy and GASB reports. Mr. Rietz advised the reports are marked as drafts pending issuance of the final audit. Mr. Rietz and Mr. Gavin also advised the contribution requirements will not change because the police pension fund portion of the audit is complete. Mr. Rietz advised the recommended Village contribution is \$995,667 and the pension fund is 78.78% funded based on an actuarial value of assets. Mr. Rietz advised the statutory minimum contribution is \$825,000 and the pension fund is 85.21% funded based on an actuarial value of assets.

Gore made a motion, seconded by Wegge, to accept the actuarial valuation reports as of May 1, 2020 and to recommend a Village contribution of \$995,667. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

- E) Discussion and action regarding 40 ILCS 5/3-143 municipal compliance report –** Gore made a motion, seconded by Wegge, to approve the 2020 municipal compliance report as presented. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

Ernst will present the actuarial valuation reports, municipal compliance report, and contribution recommendation to the Village.

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

7. Attorney’s Report

- A) Legal Updates –** Attorney Goodloe provided an update on consolidation and the permanent board election status.

8. Old Business – None

9. New Business

- A) Report on IPPFA’s ATC in Naperville –** The trustees discussed their attendance at the IPPFA annual training conference. Wegge is in the process of viewing the training online.
- B) Approve Payment Bills –** Gore made a motion, seconded by Wegge, to approve the payment of the bills as presented in the treasurer’s report. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.
- C) Authorize Secretary Ernst to request recommended property tax levy from Village Board –** Ernst will present the recommendation to the Village Board. See 6(D) and 6(E) above.
- D) Authorize Secretary Ernst to proceed with purchase of annual fiduciary liability insurance –** Ernst advised that he will be submitting the application for the fiduciary liability insurance renewal with Travelers. Wegge made a motion, seconded by Morris, to authorize renewal of the fiduciary liability insurance policy and payment of the annual premium in an amount not to exceed \$4000. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

E) **Set 2021 regular meeting dates** – Gore made a motion, seconded by Wegge, to approve the following 2021 regular meeting dates starting at 8:00 a.m.: January 21; April 15; July 15; and October 21. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

F) **Other** – None.

10. **Closed Session** – None.

11. **Adjournment**

Wegge made a motion, seconded by Gore to adjourn the meeting at 9:19 a.m. Roll Call Vote: Ayes – Gore, Morris, Ernst, Wegge. Nays – None. Abstain – None. Absent – Crowley. Motion Carried.

MINUTES APPROVED on 1/21/2021



PRESIDENT



SECRETARY