



ROCKTON POLICE PENSION FUND

110 East Main Street
Rockton, Illinois 61072



MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES JANUARY 25, 2023

A regular meeting of the Rockton Police Pension Fund Board of Trustees was held on Wednesday, January 25, 2023 at 4:00 p.m. in the Rockton Municipal Center located at 110 E. Main Street, Rockton, Illinois 61072, pursuant to notice.

CALL TO ORDER: Trustee Lans called the meeting to order at 4:00 p.m.

ROLL CALL:

PRESENT: Trustees Bruce Lans, Michael Johnson, Russell Schaefer, Jason Newell and Amanda McMahon

ABSENT: None

ALSO PRESENT: Treasurer Dennis Hildebrandt and Corine Hughes (*arrived at 4:02 p.m.*), Village of Rockton; Dave Harrington, Sawyer Falduto Asset Management, LLC; Attorney Chris Potthoff, Reimer Dobrovlny & LaBardi PC; Molly Weslow, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 26, 2022 Regular Meeting:* The Board reviewed the October 26, 2022 regular meeting minutes. A motion was made by Trustee Newell and seconded by Trustee Johnson to approve the October 26, 2022 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.

Ms. Hughes arrived at 4:02 p.m.

INVESTMENT REPORTS: *Sawyer Falduto Asset Management, LLC Investment Performance Report:* Mr. Harrington presented the Investment Performance Report for the period ending December 31, 2022. As of December 31, 2022, the investment return is (\$370) for an ending market value of \$90,392. A motion was made by Trustee Johnson and seconded by Trustee Schaefer to accept the Investment Performance Report as presented. Motion carried unanimously by voice vote.

IPOPIF – Verus Advisory, Inc: The Board reviewed the IPOPIF Investment Performance Review prepared by Verus Advisory, Inc. for the period ending November 30, 2022. As of November 30, 2022, the one-month total net return is 5.5% for an ending market value of \$7,720,073,550.

State Street Statements: The Board also reviewed the IPOPIF Market Value Summary and Statement of Transaction Detail for the period ending November 30, 2022. The beginning value was \$7,621,251.03 and the ending value was \$8,038,071.05. The net return was 5.47%.

Discussion/Possible Action – Post-Consolidation Services: The Board discussed the post-consolidation services provided by Sawyer Falduto Asset Management, LLC and noted that the monthly cost will be reduced from \$500 to \$300 per month. A motion was made by Trustee Schaefer and seconded by Trustee

McMahon to continue to retain Sawyer Falduto Asset Management, LLC for post-consolidation services until further notice. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

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 November 30, 2022, prepared by L&A. As of November 30, 2022, the net position held in trust for pension benefits is \$8,658,964.38 for a change in position of \$240,149.62. 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 September 1, 2022 through November 30, 2022 for total disbursements of \$19,179.51. A motion was made by Trustee Lans and seconded by Trustee Johnson to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$19,179.51. Motion carried unanimously by voice vote.

Additional Bills, if any: The Board reviewed the following additional bills for approval:

- Reimer Dobrovolny & LaBardi PC invoice #28854 in the amount \$1,113.93 for legal services rendered
- Lauterbach & Amen, LLP invoice #71807 in the amount \$875 for monthly Accounting and Benefit Administration and PSA Services for October 2022
- Lauterbach & Amen, LLP invoice #73151 in the amount \$875 for monthly Accounting and Benefits Administration and PSA Services for November 2022
- Lauterbach & Amen, LLP invoice #72562 in the amount \$1,300 for preparation of the Illinois Department of Insurance report for FYE May 31, 2022
- Lauterbach & Amen, LLP invoice #72625 in the amount \$2,350 for preparation of the GASB 67/68 report for FYE May 31, 2022
- Lauterbach & Amen, LLP invoice #71596 in the amount \$500 for preparation of the Municipal Compliance report for FYE May 31, 2022
- Lauterbach & Amen, LLP invoice #71608 in the amount \$2,990 for preparation of the Actuarial Tax Levy report for FYE May 31, 2022

A motion was made by Trustee Newell and seconded by Trustee Schaefer to approve the additional bills as presented. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

Review/Update – Cash Management Policy: The Board reviewed the current Cash Management Policy. A motion was made by Trustee Lans and seconded by Trustee Johnson to authorize Treasurer Hildebrandt and Ms. Hughes to transfer \$500,000 from the First National Bank operating account to IPOPIF for investment purposes. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

TREASURER’S REPORT – CORINE HUGHES: Ms. Hughes introduced Dennis Hildebrandt to the Board as the new Treasurer for the Village of Rockton. Ms. Hughes discussed the current cash reserves as well as the status of incoming property tax deposits. A motion was made by Trustee Johnson and seconded by Trustee McMahon to accept the Treasurer’s Report as presented. Motion carried unanimously by voice vote.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2023. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2023.

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: The Board noted that Alissa Sanchez has separated service from the Rockton Police Department and a contribution refund request will be submitted. A motion was made by Trustee Lans and seconded by Trustee Newell to approve Alissa Sanchez's contribution refund in an amount to be confirmed by L&A and the Village of Rockton. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

Post-meeting note: Alissa Sanchez's contribution refund will be issued on February 9, 2023 in the amount of \$26,182.10.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Approve Annual Cost of Living Adjustment for Pensioners:* The Board reviewed the 2023 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Newell and seconded by Trustee Johnson to approve the 2023 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member terms currently held by Trustee Newell and Trustee Johnson are expiring in May 2023. Trustees Newell and Johnson wish to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for both of the active member Trustee positions.

Ms. Hughes left the meeting at 5:05 p.m.

The Board also noted that the retired member term currently held by Trustee Schaefer is expiring in May 2023. Trustee Schaefer wishes to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position.

Updated Local Bank Account Collateralization Agreement: The Board reviewed the memorandum prepared by L&A regarding the successor of the third-party custodian from Bank of America to The Bank of New York Mellon to continue collateralization of the BMO Harris Bank operating account and noted that they will not be moving forward with the agreement.

BMO Harris Bank Signature Cards and Resolution Update: L&A provided the Board with the necessary forms to update the signers on the BMO Harris Bank account with the current Board members and municipal representative. A motion was made by Trustee Johnson and seconded by Trustee Schaefer to designate Trustees Lans, Newell, Johnson, Schaefer and McMahon and Treasurer Hildebrandt as signers on the BMO Harris Bank account. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

Review/Update – Charles Schwab and First National Bank Signers: The Board discussed updating the signers on the Charles Schwab money market account. A motion was made by Trustee Lans and seconded by Trustee McMahon to designate Trustees Lans, Newell, Johnson, Schaefer and McMahon and Treasurer Hildebrandt as signers on the Charles Schwab money market account. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

The Board also discussed updating the signers on the First National Bank operating account. A motion was made by Trustee Lans and seconded by Trustee Newell to designate Trustees Lans, Newell, Johnson, Schaefer and McMahon and Treasurer Hildebrandt as signers on the First National Bank operating account. Motion carried by roll call vote.

AYES: Trustees Lans, Johnson, Schaefer, Newell and McMahon
NAYS: None
ABSENT: None

ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney Potthoff discussed recent court cases and decisions, as well as consolidation and general pension matters with the Board.

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

ADJOURNMENT: A motion was made by Trustee Johnson and seconded by Trustee Schaefer to adjourn the meeting at 5:42 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 26, 2023 at 4:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Molly Weslow, Pension Services Administrator, Lauterbach & Amen, LLP