

**MINUTES OF A REGULAR MEETING OF THE
VERNON HILLS POLICE PENSION FUND BOARD OF TRUSTEES
MAY 4, 2023**

A regular meeting of the Mount Prospect Police Pension Fund Board of Trustees was held on Thursday, May 4, 2023 at 10:00 a.m. in Vernon Hills Village Hall Community Meeting Room located at 290 Evergreen Drive, Vernon Hills, Illinois 60061, pursuant to notice.

CALL TO ORDER: Trustee Cielak called the meeting to order at 10:13 a.m.

ROLL CALL:

PRESENT: Trustees Todd Williams, Jeff Cielak, Chris Buhrmester, Mark Peterson and Todd Renihan

ABSENT: None

ALSO PRESENT: Declan Harkin, Lauterbach & Amen, LLP (L&A); Attorney Ericka Thomas, Ottosen DiNolfo; Treasurer Thomas Lyons, Village of Vernon Hills

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 9, 2023 Regular Meeting:* The Board reviewed the February 9, 2023 regular meeting minutes. A motion was made by Trustee Renihan and seconded by Trustee Williams to approve the February 9, 2023 regular meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eleven-month period ending March 31, 2023, prepared by L&A. As of March 31, 2023, the net position held in trust for pension benefits is \$59,596,622.93 for a change in position of (\$2,578,786.30). 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 January 1, 2023 through March 31, 2023 for total disbursements of \$191,419.32. A motion was made by Trustee Cielak and seconded by Trustee Buhrmester to accept the Monthly Financial Report as presented and to approve disbursements shown on the Vendor Check Report in the amount of \$191,419.32. Motion carried by roll call vote.

AYES: Trustees Cielak, Renihan, Buhrmester, Williams and Peterson

NAYS: None

ABSENT: None

Additional Bills, if any – Illinois Department of Compliance Fee: The Board discussed the Illinois Department of Insurance Compliance Fee. Updates will be provided as they become available.

Discussion/Possible Action – Cash Management Policy: The Board reviewed the 2023 repeat monthly withdrawal instructions form provided by L&A. Further discussion will be held at the November 9, 2023 regular meeting.

The Board discussed the target balance in the BMO Harris checking account. A motion was made by Trustee Renihan and seconded by Trustee Williams to direct L&A to set a maximum balance of \$700,000, and once the BMO Harris account exceeds \$700,000 or more to transfer the excess funds to the BMO Harris Money Market account. Motion carried by roll call vote.

AYES: Trustees Cielak, Renihan, Buhrmester, Williams and Peterson

NAYS: None

ABSENT: None

The Board noted that the Village contributions are currently being deposited into the MSSB account. A motion was made by Trustee Cielak and second by Trustee Peterson to accept the Village contributions on a quarterly basis and to have the contributions deposited into the Board's BMO checking account effective immediately.

INVESTMENT REPORT: IPOPIF – Verus Advisory Inc.: The Board reviewed the IPOPIF Investment Performance Review prepared by Verus Advisory, Inc for the period ending February 28, 2023. As of February 28, 2023, the ending market value is \$8,858,278,672.

State Street Statements: The Board reviewed the Monthly Summary for the Fund prepared by the Illinois Police Officers' Pension Investment Fund (IPOPIF). As of March 31, 2023 the Fund's market value is \$57,686,401.86 and the month-to-date net return of the Fund is (1.39%).

COMMUNICATIONS AND REPORTS: Statements of Economic Interest: The Board was reminded that Statements of Economic Interest were due on May 1, 2023

Affidavits of Continued Eligibility: The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners in second quarter. A status update will be provided at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: Approve Regular Retirement Benefits – Tad Spencer: The Board reviewed the regular retirement benefit calculation for Tad Spencer prepared by L&A. Officer Spencer had an entry date of August 9, 1996, retirement date of June 23, 2022, effective date of pension of April 20, 2023, 50 years of age at date of retirement, 25 years of creditable service, applicable salary of \$112,777.00, applicable pension percentage of 62.50%, amount of originally granted monthly pension of \$5,873.80 and amount of originally granted annual pension of \$70,485.60. A motion was made by Trustee Williams and seconded by Trustee Cielak to approve Tad Spencer's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Cielak, Renihan, Buhrmester, Williams and Peterson

NAYS: None

ABSENT: None

NEW BUSINESS: Certify Board Election Results – Active and Retired Member Positions: The Vernon Hills Police Pension Fund conducted an election for the two active member positions on the Vernon Hills Police Pension Fund's Board of Trustees. Christopher Buhrmester and Todd Williams ran unopposed and were reelected for two-year terms expiring May 13, 2025. A motion was made by Trustee Cielak and seconded by Trustee Renihan to certify the active member election results. Motion carried unanimously by voice vote.

Appointed Member Term Expirations – Todd Renihan and Mark Peterson: The Board noted that Todd Renihan and Mark Peterson were reappointed to the Vernon Hills Police Pension Fund Board of Trustees by the Mayor of Vernon Hills for a two-year term expiring April 30, 2025.

Review Authorized Agents and Account Representatives: The Board reviewed the updated Resolution for Authorized Account Representatives for IPOPIF. A motion was made by Trustee Peterson and seconded

by Trustee Cielak to adopt Resolution 2023-01 appointing Trustees Buhrmester and Cielak as Authorized Agents. Motion carried by roll call vote.

AYES: Trustees Cielak, Renihan, Buhrmester, Williams and Peterson
NAYS: None
ABSENT: None

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and 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 fees or reimbursable expenses presented for approval.

The Board discussed the current 2023 board meeting dates. A motion was made by Trustee Cielak and seconded by Trustee Peterson to amend the 2023 board meeting dates to August 10, 2023 and November 9, 2023. Motion carried unanimously by voice vote.

ATTORNEY’S REPORT: *Legal Updates:* Attorney Thomas provided legislative updates pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

Annual Independent Medical Examination – James Koch: The Board discussed sending James Koch for his annual IME. Further discussion will be held at the next regular meeting.

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

ADJOURNMENT: A motion was made by Trustee Peterson and seconded by Trustee Cielak to adjourn the meeting at 11:09 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 10, 2023 at 10:00 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Declan Harkin, Pension Services Administrator, Lauterbach & Amen, LLP