

Lake in the Hills Police Department Pension Board  
Regular Meeting Minutes  
July 20, 2020

The Police Pension Board Meeting was held remotely due to the Governor's order restricting gatherings of people in an effort to minimize the potential spread of COVID-19.

Roll Call

The meeting was called to order at 4:10 PM. In attendance were: President Howell (joined at 4:41 PM), Vice President Helgerson, Trustee Recchia, Trustee Coduto, and Trustee Wolf. Also present was Mary Tomanek, Graystone Consulting, Interim Finance Director Frerichs, and Recording Secretary Carson.

Meeting Minutes

The minutes from the April 13, 2020 meeting were presented to the Board for review. Trustee Coduto made a motion to accept the meeting minutes as presented, and Trustee Recchia seconded the motion. A roll call vote was taken with all ayes, and no nays. Motion was passed.

Public Comments

None at this time.

Presentation of the Bills

Interim Finance Director Frerichs presented the bills for the pension check register for April, May and June 2020, from the Lauterbach & Amen (L&A) report, totaling \$243,124.51. The vendor check registers for March, April and May 2020 totaled \$68,933.49, for a combined total of \$312,058.00. Trustee Coduto made a motion to approve and pay the bills as presented. Trustee Recchia seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

Consultant's Report

Mary Tomanek then provided the Board with the second quarter review. She stated this quarter was very different than last quarter, but a strong quarter for the portfolio. She continued and spoke about the uncertainty with the COVID-19 virus and the economic impact that this has had, and the future impact as development of a vaccine continues to be worked on. She advised that the government plans to keep interest rates lower until 2022. She said technology stocks are being watched closely and that she is optimistic about the equities market.

She said there was a strong rally for a 13.71% gain in the fixed income portion of the portfolio, with equities earning just under 21%. She made a recommendation for a new fixed income fund called PIMCO, advising it is a global fixed income fund. She recommended moving \$1 million dollars from CS McKee to PIMCO. Trustee Wolf made a motion to move \$1 million dollars from CS McKee to PIMCO. Discussion included the length of the investment and Mary advised this would be a short-term investment of one year or less. Additional discussion included the equity investment cap, and when the total equity percentage reached 62%, then it would need to be reallocated. Trustee Coduto seconded the motion. A roll call vote was taken with all ayes and no nays. Motion was passed.

Vice President Helgerson discussed the allocation of new money coming into the village for investment, and added that he would like to change the allocation to a 50/50 split between Large Cap Value and PIMCO. He stated once the new Village Treasurer is named, new signature cards and other paperwork could be completed and the change in allocation could be made. Vice President Helgerson advised there is already a standing authorization to move money in \$100,000 increments, but would like to change it. He added the money that was allocated to be invested was invested per the previous authorization. President Howell made the motion to authorize the change the allocation to a 50/50 split between Large Cap Value and PIMCO. Trustee Wolf seconded the motion.

### Treasurer's Report

Interim Finance Director Frerichs presented the financial statements through May 31, 2020 from the Lauterbach & Amen report with total assets being just over \$32.7 million. There was a loss of approximately \$1.4 million. Trustee Coduto made a motion to approve the Treasurer's Report through May 31, 2020. Trustee Wolf seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

### Old Business

The FY19 Final Audit Report was next presented. Trustee Coduto made a motion to accept the FY19 Final Audit Report as presented. Trustee Wolf seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The FY19 Final Department of Insurance (DOI) Report was next discussed. A motion was made by Trustee Wolf to accept and approve the final DOI annual report and to file it with the DOI, with the changes. Trustee Recchia seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The final Actuarial Report was also presented to the board for review. There were no changes in the document from the draft to the final version. President Howell made a motion to approve the final actuarial report as presented. Trustee Coduto seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

Vice President Helgerson also presented the Board with a copy of the memo to be sent to the Village Board for the tax levy request for 2020. The request is for \$1,634,382.00, as determined by the actuary. Trustee Coduto made a motion to forward the memo to the Village Board. President Howell seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The Fiduciary Liability Renewal was next presented to the Board. The application was previously completed; however, the final amount was not available at the time. The amount that was presented was for \$4388.00, a slight increase from last year. Trustee Coduto made a motion to approve the Fiduciary Liability Insurance renewal. Trustee Wolf seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The election of officers was next presented. Trustee Coduto advised that the ballots were passed out amongst the members of the fund, in an Australian ballot form. Trustee Coduto was the only person who received votes. Twenty-two ballots returned, and he received all 22 votes. President Howell made a motion to confirm and accept the results of the elections, along with destroying the ballots. Trustee Recchia seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The election of Board members was next presented for discussion. President Howell made a motion to keep the slate and position of board members the same as it currently stands: President Howell, Vice President Helgerson, Secretary Coduto, Assistant Secretary Wolf, and Trustee Recchia. Trustee Wolf seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

Vice President Helgerson next provided an update for Officer Lewis. He advised that the Board Attorney is waiting to hear from her attorney and they are also waiting on the doctor's. The Pension Board Attorney has not yet received notification of the type of disability being sought. Vice President Helgerson added that the pension board attorney has been in contact with Officer Lewis' attorney, but they are unable to proceed at this time.

## New Business

The FY19 Municipal Compliance Report (MCR) was presented to the Board. Vice President Helgerson advised this a required per state statute and is to be presented to the Village Board. He added this was completed by L&A. Trustee Wolf made a motion to approve and submit the FY19 MCR report and the investment policy to the Village. Trustee Coduto seconded the motion. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion was passed.

The annual medical review for the officers receiving disability benefits was next discussed. Vice President Helgerson advised the Board attorney has taken over the task and all five beneficiaries have been to see the doctor; however, the paperwork has not yet been received.

The authorized signers for BMO Harris bank was next discussed. It was determined that once a new Village Treasurer is named, new signature cards could be completed. The current authorized signatories for BMO Harris are President Howell, Trustee Coduto and the Village Treasurer. The same signatories are authorized for Graystone Consulting.

## Correspondence

Trustee Coduto advised that he received some information for President Howell that would be passed along via the Interim Finance Director.

## Training Status

Vice President Helgerson advised there was no current training scheduled, due to the COVID-19. He continued and advised that there is a tentative training scheduled in Naperville in September that has limited attendance, but that it was also going to be virtual so more people could attend.

## Next Quarterly Meeting

The next year's quarterly meetings are scheduled for Monday, October 19, 2020, at 4:00 pm.

## Adjournment

There being no further business at this time, at 5:10 pm, Trustee Coduto made a motion for adjournment, and Trustee Recchia seconded the motion. There was no further discussion. A voice vote was taken with all ayes, and no nays. Motion was passed.

---

Pension Board Secretary

---

Recording Secretary