

**MINUTES OF A REGULAR MEETING OF THE
LAKE IN THE HILLS POLICE PENSION FUND BOARD OF TRUSTEES
JANUARY 17, 2022**

A regular meeting of the Lake in the Hills Police Pension Fund Board of Trustees was held on Monday, January 17, 2022 at 4:00 p.m. in the Lake in the Hills Village Hall Board Room located at 600 Harvest Gate, Lake in the Hills, Illinois 60156, pursuant to notice.

CALL TO ORDER: Trustee Helgerson called the meeting to order at 4:01 p.m.

ROLL CALL:

PRESENT: Trustees Stan Helgerson, Carlo Coduto and Jay Recchia

ABSENT: Trustees Lawrence Howell and Bryan Wolf

ALSO PRESENT: Mary Tomanek, Graystone Consulting (*arrived at 4:18 p.m. via teleconference*); Janet Arrieta and Ashley Mesik, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 11, 2021 Regular Meeting:* The Board reviewed the October 11, 2021 regular meeting minutes. A motion was made by Trustee Coduto and seconded by Trustee Recchia to approve the October 11, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

November 30, 2021 Special Meeting Minutes: The Board reviewed the November 30, 2021 special meeting minutes. A motion was made by Trustee Coduto and seconded by Trustee Recchia to approve the November 30, 2021 special meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Helgerson and seconded by Trustee Coduto to not release the closed session meeting minutes due to pending matters. Motion carried unanimously by voice vote.

TREASURER'S REPORT: There was no treasurer's report presented.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eleven-month period ending November 30, 2021 prepared by L&A. As of November 30, 2021, the net position held in trust for pension benefits is \$44,265,511.42 for a change in position of \$4,888,699.40. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Coduto and seconded by Trustee Recchia to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board Vendor Check Report for the period September 1, 2021 through November 30, 2021 for total disbursements of \$76,803. A motion was made by Trustee Coduto and seconded by Trustee Recchia to approve the disbursements shown on the vendor check report in the amount of \$76,803. Motion carried by roll call vote.

AYES: Trustees Helgerson, Coduto and Recchia

NAYS: None

ABSENT: Trustees Howell and Wolf

Additional Bills, if any: There were no additional bills presented for approval.

Ms. Tomanek arrived at 4:18 p.m.

INVESTMENT REPORT GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending December 31, 2021. As of December 31, 2021, the quarter-to-date net return is 5.24%, the year-to-date net return is 13.50% and the ending market value is \$44,023,600. The current asset allocation is as follows: fixed income at 32.5%, equities at 64.9%, and cash

management at 2.6%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter. A motion was made by Trustee Coduto and seconded by Trustee Recchia to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required at this time.

Ms. Tomanek left the meeting at 4:43 p.m.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the December payroll cycle and a due date of January 31, 2022. A status update will be provided at the next regular meeting.

Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

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 Fees and Reimbursable Expenses: There were no Trustee training registration fees or reimbursable expenses submitted for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Elizabeth Campos and Melodie Svihlik:* This item will be discussed at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Carlo Coduto and Joseph Simms:* The Board reviewed the regular retirement benefit calculation for Carlo Coduto prepared by L&A. Patrolman Coduto had an entry date of September 24, 2001, retirement date of January 12, 2022, effective date of pension of January 13, 2022, 50 years of age at date of retirement, 20 years of creditable service, applicable salary of \$104,829.09, applicable pension percentage of 50%, amount of originally granted monthly pension of \$4,367.88 and amount of originally granted annual pension of \$52,414.56. A motion was made by Trustee Helgerson and seconded by Trustee Recchia to approve Carlo Coduto's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Helgerson, Coduto and Recchia

NAYS: None

ABSENT: Trustees Howell and Wolf

The Board noted that Joseph Simm's regular retirement benefit calculation is currently in process and will be reviewed at the next regular meeting.

OLD BUSINESS: *States Update – Amanda Lewis:* The Board noted that the hearing for Amanda Lewis scheduled for December 27, 2021 was cancelled by Ms. Lewis and a new hearing will be rescheduled on a date yet to be determined after April 1, 2022. Further discussion will be held at the next regular meeting.

NEW BUSINESS: *Official Board Meeting Address:* The Board noted that the official meeting address will be Village Hall located at 600 Harvest Gate, Lake in the Hills, Illinois 60156.

Review/Approve – Lauterbach & Amen, LLP Engagement Letter: The Board reviewed the L&A four-year engagement letter. A motion was made by Trustee Coduto and seconded by Trustee Recchia to engage L&A in the annual amounts as follows: \$14,665 for the year ended December 31, 2021; \$22,565 for the year ended December 31, 2022; \$22,965 for the year ended December 31, 2023 and \$23,460 for the year ended December 31, 2024. Motion carried by roll call vote.

AYES: Trustees Helgerson, Coduto and Recchia
NAYS: None
ABSENT: Trustees Howell and Wolf

Acknowledge IPOPIF Notice of Transfer Date, Adopt Resolution of Notice and Executive Exhibits: The Board acknowledged the IPOPIF Notice of Transfer Date as April, 1 2022. A motion was made by Trustee Coduto and seconded by Trustee Recchia to acknowledge the transfer date and to adopt the resolution of notice. Motion carried by roll call vote.

AYES: Trustees Helgerson, Coduto and Recchia
NAYS: None
ABSENT: Trustees Howell and Wolf

The Board discussed the exhibits provided by IPOPIF. A motion was made by Trustee Coduto and seconded by Trustee Recchia to authorize Trustee Recchia to execute the associated exhibits on behalf of the Fund. Motion carried unanimously by voice vote.

The Board discussed the certified investment asset list. A motion was made by Trustee Helgerson and seconded by Trustee Coduto to authorize Trustee Recchia to send the notice of certified investment asset list to the appropriate entities. Motion carried unanimously by voice vote.

Discussion/Adoption – Cash Management Policy: The Board discussed a cash management policy. A motion was made by Trustee Coduto and seconded by Trustee Recchia to hold six months of cash in the local bank account for the purpose of remitting benefit payments and expenses. Motion carried unanimously by voice vote.

Review/Approve – Local Account Collateralization: The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard \$250,000 FDIC insurance coverage. A motion was made by Trustee Coduto and seconded by Trustee Recchia to direct L&A to prepare the necessary tri-party pledge depository agreement. Motion carried unanimously by voice vote.

IPOPIF Status Update and Discussion/Possible Action to be Taken on all IPOPIF Requests Pertaining to Consolidation: There were no additional updates or requests pertaining to IPOPIF.

Portability Update – Eric Lee: The Board noted they are currently awaiting the payment in the amount of \$72,633.28 from the Huntley Police Pension Fund to complete Eric Lee's transfer of creditable service under portability. Further discussion will be held at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Coduto and seconded by Trustee Recchia to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Helgerson, Coduto and Recchia
NAYS: None
ABSENT: Trustees Howell and Wolf

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Coduto is expiring May 2022. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee position. The Board also noted that the appointed member positions held by Trustee Wolf is expiring in May 2022. The Board will contact the Village and seek reappointment of Trustee Wolf to the Board.

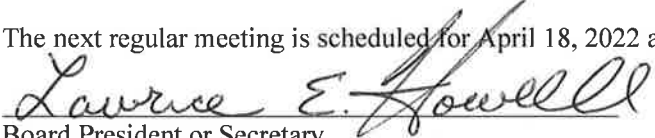
ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Annual Independent Medical Examination – Michael Domagala:* The Board noted that Attorney Reimer is awaiting the medical records for Michael Domagala. Further discussion will be held at the next regular meeting.

Legal Updates: The Board reviewed the *Legal and Legislative Update* quarterly newsletter highlighting recent court decisions, legislation and other pension news.

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

ADJOURNMENT: A motion was made by Trustee Coduto and seconded by Trustee Recchia to adjourn the meeting at 5:23 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 18, 2022 at 4:00 p.m.


Board President or Secretary

Minutes approved by the Board of Trustees on 04-18-2022.

Minutes prepared by Ashley Mesik, Pension Services Administrator, Lauterbach & Amen, LLP