

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

A regular meeting of the Lake in the Hills Police Pension Fund Board of Trustees was held on Monday, October 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 Howell called the meeting to order at 4:00 p.m.

ROLL CALL:

PRESENT: Trustees Andrew Mannino, Lawrence Howell, Brian Crow, Nicholas Covarrubias and Jay Recchia (*arrived at 4:01 p.m.*)

ABSENT: None

ALSO PRESENT: Megan Snell and Kevin Cavanaugh (*joined via teleconference at 4:42 p.m.*), Lauterbach & Amen, LLP (L&A); Finance Director Peter Stefan and Assistant Finance Director Ismael Jimenez, Village of Lake in the Hills; Pensioner Carlo Coduto (*arrived at 4:13 p.m.*), Lake in the Hills Police Department

PUBLIC COMMENT: There was no public comment.

Trustee Recchia arrived at 4:01 p.m.

APPROVAL OF MEETING MINUTES: *July 25, 2022 Regular Meeting:* The Board reviewed the July 25, 2022 regular meeting minutes. A motion was made by Trustee Mannino and seconded by Trustee Recchia to approve the July 25, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

TREASURER'S REPORT: *Additional Village Contribution Towards Unfunded Liability:* The Village informed the Board that they will be contributing an additional \$4,613,070 to go towards their unfunded liability. A motion was made by Trustee Crow seconded by Trustee Mannino to accept the additional \$4,613,070 from the Village towards the unfunded liability. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia

NAYS: None

ABSENT: None

Mr. Coduto arrived at 4:13 p.m.

Cash Flow Projections: The Board discussed the Cash Flow Projections. A motion was made by Trustee Howell and seconded by Trustee Mannino to hold \$900,000 in the IL Funds account and to transfer \$1,600,000, \$1,700,000 and \$1,700,000 within three consecutive months from the IL Funds account to IPOPIF starting in November. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia

NAYS: None

ABSENT: None

Discussion/Possible Action – Tax Levy Request Reflecting Additional Employer Contribution: The Board discussed the Tax Levy Request. A motion was made by Trustee Howell and seconded by Trustee Crow to authorize Finance Director Stefan to issue a letter from the Board requesting \$702,032 from the Village of Lake in the Hills. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia

NAYS: None

ABSENT: None

ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the seven-month period ending July 31, 2022 prepared by L&A. As of July 31, 2022, the net position held in trust for pension benefits is \$39,924,874.28 for a change in position of (\$5,461,249.16). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Crow and seconded by Trustee Mannino to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia
NAYS: None
ABSENT: None

Presentation and Approval of Bills and Additional Bills, if any: The Board also reviewed the Vendor Check Report for the period May 1, 2022 through July 31, 2022 for total disbursements in the amount of \$84,240.23. A motion was made by Trustee Howell and seconded by Trustee Crow to approve the disbursements shown on the Vendor Check Report in the amount of \$84,240.23. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia
NAYS: None
ABSENT: None

INVESTMENT REPORTS: *IPOPIF – Verus Advisory, Inc:* The Board reviewed the IPOPIF Investment Performance Review prepared by Verus Advisory, Inc. for the period ending June 30, 2022. As of June 30, 2022, the three-month total net return is (9.7%) and the year-to-date total net return is (9.2%) for an ending market value of \$2,746,308,452.

State Street Statements: The Board reviewed the IPOPIF Market Value Summary and Statement of Transaction Detail for the period ending August 31, 2022. The beginning value was \$33,859,140.02 and the ending value was \$34,551,436.58. The net return was (2.64%) for August 2022.

A motion was made by Trustee Mannino and seconded by Trustee Recchia to acknowledge receipt of the IPOPIF Investment Performance Review as prepared by Verus Advisory, Inc. and the investment report and market value summary and statement of transaction detail provided by IPOPIF. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Ryan Parquette, Jeremy Peace and Victor Nieves:* The Board reviewed the Applications for Membership submitted by Ryan Parquette, Jeremy Peace and Victor Nieves. A motion was made by Trustee Recchia and seconded by Trustee Mannino to accept Ryan Parquette and Jeremy Peace effective August 29, 2022, and Victor Nieves effective September 26, 2022 into the Lake in the Hills Police Pension Fund as Tier II participants. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Status of Disability Application– Amanda Lewis:* The Board noted that the Disability Application for Amanda Lewis is currently awaiting deposition. Updates will be provided to the Board as they become available.

Application for Disability Benefit – Sean Feely: The Board noted that all disability application documents have been submitted to Attorney Reimer for review. Further discussion will be held at the next regular meeting.

OLD BUSINESS: Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Howell as President; Trustee Crow as Vice President; Trustee Recchia as Secretary; and Trustee Mannino as Assistant Secretary. A motion was made by Trustee Howell and seconded by Trustee Crow to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

NEW BUSINESS: Acknowledge/Approval of Newly Appointed Members – Brian Crow and Nicholas Covarrubias: The Board acknowledged the newly appointed Trustees Brian Crow and Nicholas Covarrubias.

Mr. Cavanaugh joined at 4:42 p.m.

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Howell and seconded by Trustee Mannino to adopt the revised MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia
NAYS: None
ABSENT: None

Mr. Cavanaugh left the meeting at 4:47 p.m.

IMRF to Article 3 – Mark Smith: The Board noted that Mark Smith submitted IMRF transfer documents but due to ineligibility he will not be moving forward with the purchase.

Establish 2023 Board Meeting Dates: The Board discussed establishing the 2023 Board meeting dates as January 16, 2023; April 17, 2023; July 17, 2023; and October 16, 2023 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. A motion was made by Trustee Mannino and seconded by Trustee Crow to establish the 2023 Board meeting dates as stated. Motion carried unanimously by voice vote.

Discussion/Possible Action – Update Account Representative by Resolution: The Board discussed Resolution 2022-02. A motion was made by Trustee Mannino and seconded by Trustee Recchia to appoint Ismael Jimenez as an authorized account representative. Motion carried unanimously by voice vote.

Review/Approve – FY23 Budget: The Board reviewed the FY23 Budget presented by Finance Director Stefan. A motion was made by Trustee Mannino and seconded by Trustee Crow to approve the FY23 Budget as presented. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia
NAYS: None
ABSENT: None

Presentation of Department of Insurance Actuarial Valuation as of January 1, 2022: The Board reviewed the Department of Insurance Actuarial Valuation as of January 1, 2022.

ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Annual Independent Medical Examinations – Adam Brey, Michael Domagala, Lee Lathrop and Robert Pierson:* The Board noted that Lee Lathrop and Robert Pierson attended their annual independent medical examination, and it was determined

that they remained disabled at this time. A motion was made by Trustee Mannino and seconded by Trustee Recchia to continue the disability benefits of Lee Lathrop and Robert Pierson based on a finding that they remain disabled and subject to further annual examinations until age 50. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia

NAYS: None

ABSENT: None

The Board noted that Adam Brey and Michael Domagala have not received their independent medical examination (IME) results. 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.

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 Fees and Reimbursable Expenses: The Board discussed signing the new Trustees up for the 16-hour New Trustee Training course. A motion was made by Trustee Howell and seconded by Trustee Recchia to approve payment of three 16-hour New Trustee Training registration fees. Motion carried by roll call vote.

AYES: Trustees Mannino, Howell, Crow, Covarrubias and Recchia

NAYS: None

ABSENT: None

Illinois Municipal League Free Pension Fund Trustee Training: The Board noted that the Illinois Municipal League is offering pension training online at no cost.

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

ADJOURNMENT: A motion was made by Trustee Howell and seconded by Trustee Crow to adjourn the meeting at 5:00 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for January 16, 2023 at 4:00 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Megan Snell, Pension Services Administrator, Lauterbach & Amen, LLP