

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON JANUARY 13, 2021, AT 3:30 PM, AT THE WILLOWBROOK POLICE DEPARTMENT, 7760 S QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

DUE TO THE COVID 19 PANDEMIC THE BOARD WILL BE UTILIZING A CONFERENCE CALL FOR THIS MEETING

1. CALL TO ORDER

The meeting was called to order at the hour of 3:32 p.m. by President Davi.

2. ROLL CALL

Those present at roll call in person were President Umberto Davi, Trustee Pec, and Trustee Kobler. Those present via conference call were Trustee Chavez-Jimenez and Trustee Dittman. Also present via conference call: Recording Secretary Turville, John Falduto and David Harrington of Sawyer Falduto.

3. APPROVAL – MINUTES OF THE REGULAR MEETING – October 14, 2020

The Board reviewed the minutes from the October 14, 2020 meeting.

MOTION: Made by Trustee Pec, seconded by Trustee Kobler to approve the minutes of the regular meeting of the Willowbrook Police Pension Fund Board of Trustees held on October 14, 2020.

MOTION DECLARED CARRIED

4. APPROVAL – EXPENSES INCURRED OCTOBER THROUGH DECEMBER 2020

Trustee Dittman reviewed the quarterly expense report for the period October through December 2020. Expenses include \$250.00 in legal fees, \$3,515.00 in audit fees, \$7,896.00 in quarterly asset management fees, and \$795.00 for IPPFA fees. The retirement pension benefits for the quarter totaled \$330,094.53; surviving spouse benefits totaled \$20,795.58, non-duty disability benefits totaled \$17,978.91; and duty-disability benefits totaled \$18,022.83, as detailed out by pensioner in the attached schedule.

After Trustee Dittman reviewed the expenses, the following motion was made:

MOTION: Made by Trustee Pec, seconded by Trustee Kobler, to approve the quarterly expense report for October through December 2020.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. REPORT – POLICE PENSION FUND BALANCES THROUGH DECEMBER 31, 2020

Trustee Dittman advised total assets were \$27,404,902.73 as of December 31, 2020. There is \$155,714.75 due back to the General Fund netted in that total.

Revenues include a year-to-date Village contribution of \$744,032.16, Police contributions of \$142,335.88 interest income of \$580,533.00, unrealized gain on investments of \$3,976,458.39, and realized gains on sales of investments of \$211,102.05 resulting in year-to-date revenues of \$5,654,461.48.

Total expenditures as of December 31, 2020 were \$1,063,943.72.

The Board accepted the report as presented by Trustee Dittman.

6. APPROVAL - MONTHLY PENSION BENEFITS AS OF JANUARY 1, 2021

Trustee Dittman reviewed the schedule as included in the packet on the statutory increases in pension benefits effective January 1, 2021. There is one special item to note: Retirement pension for John Skiba increases 15.25% on March 1, 2021 to \$5,252.07/month (after turning age 55). Total monthly benefit payments for all fund beneficiaries effective January 1, 2021 are \$132,223.64.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Kobler, seconded by Trustee Pec, to approve the statutory increases in pension benefits for eligible participants effective January 1, 2021 as presented.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. REPORT - BENEFIT CHANGES RESULTING FROM RETROACTIVE PAY GRANTED IN NEW POLICE CONTRACT

Trustee Dittman reported to the Board that the new police union contract, approved by the Village board on January 11, 2021, includes provisions for retroactive pay on pensionable earnings not only for current officers, but also for 4 officers that are no longer with the department. Teresa Esqueda, Othello Rosal, and Jacqueline Wijas have terminated their employment with the Village, but will be eligible to receive retroactive pay which will result in a required 9.91% pension withholding.

In addition, as David Gaddis both retired and passed away during this period, he will have 1) a retroactive salary payout, 2) a retroactive police pension benefit, and 3) his widow, Victoria Gaddis, will receive a retroactive widow's benefit adjustment as well as a new benefit going forward. The Police Pension Board agreed that a special meeting will be called to approve the benefit payments once calculations are complete.

The Board accepted the report as presented by Trustee Dittman.

8. APPROVAL - AUTHORIZED SIGNERS - POLICE PENSION ACCOUNT AT COMMUNITY BANK OF WILLOWBROOK

Trustee Dittman informed the Board that since 2011, the authorized signers on the local Police Pension account at the Community Bank of Willowbrook have been Trustee Kobler and former Village Clerk Hansen. With Clerk Hansen's recent retirement, the Board will need to authorize at least one additional signer for the account.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Pec, seconded by Trustee Kobler to add Trustee Carrie Dittman and Trustee Jose Chavez-Jimenez as authorized signers to the Police Pension account at Community Bank of Willowbrook.

MOTION DECLARED CARRIED

9. APPROVAL - DESIGNATION OF FOIA OFFICER FOR POLICE PENSION FUND

Trustee Dittman opened the discussion reminding the Board the results of the recent Illinois Department of Insurance audit indicated a member or employee of the Police Pension Board needed to be designated as the FOIA Officer for the Police Pension Fund. The number of FOIA requests received each year is minimal and it will require a short online training through the Attorney General's office.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Kobler, seconded by Trustee Pec to approve the designation of Trustee Jose Chavez-Jimenez as the FOIA Officer for the Police Pension Fund Board.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

10. APPROVAL - 2021 POLICE PENSION FUND BOARD MEETING DATES

The Board discussed the originally proposed quarterly meeting dates of the second Wednesday in the months of April, July, October, and January at 3:30 p.m.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Dittman, seconded by Trustee Kobler to set the following dates for regular meetings as revised: April 21, 2021 at 1:30 p.m., July 7, 2021 at 3:30 p.m., October 13, 2021 at 3:30 p.m., and January 12, 2022 at 3:30 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

11. APPROVAL - INVESTMENTS MADE OCTOBER THROUGH DECEMBER 2020 - QUARTERLY INVESTMENT REPORT - SAWYER FALDUTO

Mr. Falduto reviewed the Portfolio Performance Review and the portfolio allocation as of December 31, 2020 are on target with 60.4% Equities, 38.7% Fixed Income and 0.9% Cash Equivalent. Overall performance for quarter 4 resulted in a year to date Market Value increase of \$3,564,166. Total account return in the 4th quarter was 14.98% gross and 14.84% net. The benchmark is 14.75%. 4th quarter equity return was 18.51% compared to the blended benchmark of 17.91%. Fixed income return was 8.00% in the 4th quarter. Cash equivalent return in the 4th quarter remained at 0.23%. Total Investment Gain since account inception of 11/30/2017 is \$7,552,598. Total account return since account inception is at 9.39% compared to the benchmark of 9.99%. Equity return in the same period is at 11.64% compared to the blended equity benchmark of 12.50%. Since account inception the fixed income return is at 5.40% compared to the blended fixed benchmark of 5.21%. David Harrington discussed the economic overview and highlighted the continued equity market rally and increasing consumer spending. Also discussed was a quarterly performance record for Russell 2000 in which the fund has a 20% equity position. Mr. Harrington reminded that interest rates will continue to stay low for perhaps the next couple of years which has a large impact on bond yields.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Kobler, seconded by Trustee Pec to approve Sawyer & Falduto's Quarterly report.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

12. APPROVAL - INVESTMENT POLICY

Trustee Dittman and John Falduto noted there were no new changes or updates needed to the Investment Policy.

13. VISITOR BUSINESS

None presented.

14. NEW BUSINESS

A. ANNUAL AFFIDAVIT FOR PENSIONERS

Recording Secretary Turville advised the forms would be sent out via e-mail to those members that had provided their e-mail address last year. Two members would be mailed their forms as

well as any other members that request it. Members will be asked to return the forms by February 5, 2021.

15. OLD BUSINESS

None presented.

16. COMMUNICATIONS

None presented.

17. ADJOURNMENT

MOTION: Made by Trustee Kobler, seconded by Trustee Pec to adjourn the Board of Trustees meeting of the Police Pension Fund at the hour of 4:24 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ, and APPROVED,

Date

President

Minutes transcribed by Nancy Turville.