



**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE WHEELING POLICE PENSION FUND
JULY 17, 2018**



A regular meeting of the Board of Trustees of the Wheeling Police Pension Fund was held on **Tuesday, July 17, 2018 at 8:00 a.m.** in the Wheeling Village Hall 2nd Floor Board Room located at 2 Community Blvd, Wheeling, IL for the purpose of conducting regular business.

CALL TO ORDER: The meeting was called to order by Trustee Musolf at 8:00 a.m.

ROLL CALL:

PRESENT: Trustees Troy Musolf, Joe Kopecky, Bill Benson, Michael Mondschain and Tony Cinquegrani (*arrived at 8:08 a.m.*)

ABSENT: None

ALSO PRESENT: Board Attorney Jeff Goodloe, Puchalski Goodloe Marzullo, LLP (PGM); Spencer Klein and Frank Fanelli, MB Financial; Lora Murphy, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 17, 2018 Regular Meeting Minutes:* The Board reviewed the minutes from the April 17, 2018 regular meeting. A motion was made by Trustee Benson and seconded by Trustee Kopecky to approve the April 17, 2018 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 period ending June 30, 2018, prepared by L&A. As of June 30, 2018, the net position held in trust for pension benefits is \$52,881,208.41 with a net change in position of (\$210,122.67) for the six-month period ending June 30, 2018. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period April 1, 2018 through June 30, 2018 for total disbursements in the amount of \$165,740.28. A motion was made by Trustee Mondschain and seconded by Trustee Kopecky to approve the Monthly Financial Report and the disbursements shown on the Vendor Check Report in the amount of \$165,740.28 as presented. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson and Mondschain

NAYS: None

ABSENT: Trustee Cinquegrani

Additional Bills: The Board reviewed the PGM invoice #10656 in the amount of \$2,235.43 for legal services. A motion was made by Trustee Kopecky and seconded by Trustee Benson to approve the PGM invoice in the amount of \$2,235.43. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson and Mondschain

NAYS: None

ABSENT: Trustee Cinquegrani

Trustee Cinquegrani joined the meeting at 8:08 a.m.

INVESTMENT REPORT – MB FINANCIAL: *Quarterly Investment Report:* Mr. Fanelli and Mr. Klein presented the Quarterly Investment Report for the period ending June 30, 2018. As of June 30, 2018, the quarter to date net return is 0.86% with an ending market value of \$52,814,968. The earnings year to date are 0.30%. The current asset allocation is as follows: Cash 2.62%; Alternative Strategies 3.86%; Equities 51.68%; and Fixed Income 41.85%. Mr. Klein reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by

Trustee Benson and seconded by Trustee Cinquegrani to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board tabled the review of the Investment Policy until the next regularly scheduled meeting.

COMMUNICATIONS AND REPORTS: *Active Member File Maintenance:* The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents as required by the IDOI.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all training certificates to L&A for recordkeeping.

INVESTMENT REPORT (CONTINUED): The Board discussed increasing the Equities allocation range from 55% to 60-65% and authorized MB Financial to increase the allocation range of Investment Grade Corporate Bonds from 40% to 50%, which is still within statute limitations and the current Investment Policy.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS APPLICATIONS: *Approve Regular Retirement Benefits – Richard Benbow:* The Board reviewed the regular retirement benefit calculation for Richard Benbow prepared by L&A. Commander Benbow had an entry date of 07/16/1990, retirement date of 08/03/2018, effective date of pension of 08/04/2018, 52 years of age at date of retirement, 28 years of creditable service, applicable salary of \$132,537, applicable pension percentage of 70%, amount of originally granted monthly pension of \$7,731.33 and amount of originally granted annual pension of \$92,775.96.

Approve Regular Retirement Benefits – Victor Chirio: The Board reviewed the regular retirement benefit calculation for Victor Chirio prepared by L&A. Sergeant Chirio had an entry date of 06/24/1994, retirement date of 07/08/2018, effective date of pension of 07/09/2018, 50 years of age at date of retirement, 24 years of creditable service, applicable salary of \$118,569, applicable pension percentage of 60%, amount of originally granted monthly pension of \$5,928.45 and amount of originally granted annual pension of \$71,141.40.

Approve Regular Retirement Benefits – Joseph Schaff: The Board reviewed the regular retirement benefit calculation for Joseph Schaff prepared by L&A. Sergeant Schaff had an entry date of 07/16/1990, retirement date of 07/16/2018, effective date of pension of 07/17/2018, 51 years of age at date of retirement, 28 years of creditable service, applicable salary of \$118,869, applicable pension percentage of 70%, amount of originally granted monthly pension of \$6,934.03 and amount of originally granted annual pension of \$83,208.36. A motion was made by Trustee Cinquegrani and seconded by Trustee Benson to approve the regular retirement benefits of Richard Benbow, Victor Chirio and Joseph Schaff as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani

NAYS: None

ABSENT: None

Review/Approve Decision & Order – Richard Benbow, Victor Chirio and Joseph Schaff: The Board reviewed the written Decision & Order for Richard Benbow, Victor Chirio and Joseph Schaff's retirement benefits prepared by PGM. A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to approve the written Decision & Order for Richard Benbow, Victor Chirio and Joseph Schaff as prepared. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

Deceased Pensioner and Approval of Surviving Spouse Benefits – John Hermes: The Board noted that John Hermes passed away on 04/18/2018. The Board reviewed the surviving spouse benefit calculation for Charlene Hermes with an effective date of 04/19/2018 for a monthly benefit of \$8,993.66 with no additional increases.

Deceased Pensioner and Approval of Dependent Benefits – Christina Parr: The Board noted that Christina Parr passed away on 05/16/2018. The Board reviewed the dependent benefit calculation for Nicholas Parr with an effective date of 05/17/2018 for a monthly benefit of \$6,369.68 with no additional increases. A motion was made by Trustee Benson and seconded by Trustee Kopecky to approve the surviving spouse benefit for Charlene Hermes and the dependent benefit of Nicholas Parr as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

Attorney Goodloe informed the Board that temporary guardianship for Nicholas Parr has been granted by the courts. L&A will void the June benefit check being held and reissue it to the new account of the estate.

Status of Disability Application – Stephen Hull: Attorney Goodloe advised the Board that Stephen Hull has submitted an application for a line of duty disability to the Fund. Attorney Goodloe will provide updates as they become available.

OLD BUSINESS: *Review IRS Penalty:* The Board requested that L&A reimburse the Fund for the IRS penalty that was imposed on the Fund from the 2014 filing. L&A will continue to work with the IRS to correct the penalty. An update will be provided at the next regularly scheduled meeting.

Mr. Fanelli left the meeting at 9:01 a.m.

NEW BUSINESS: *Review/Possible Action – Actuarial Valuation:* The Board reviewed the finalized Actuarial Valuation as prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$1,911,750 which is a \$73,300 increase from the prior year contribution. A motion was made by Trustee Cinquegrani and seconded by Trustee Kopecky to accept the Actuarial Valuation as prepared. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

Review/Possible Action – Municipal Compliance Report & Tax Levy Request: The Board reviewed the Municipal Compliance Report prepared by L&A and discussed requesting a tax levy in the amount of \$1,911,750. A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary and to request a tax levy in the amount of \$1,911,750 from the Village of Wheeling, based on the recommended amount stated in the Actuarial Valuation as prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

BMO Harris Bank Signature Card and Resolution Update: L&A provided the Board with the necessary forms to update the signers on the BMO Harris Bank account with the current Board members and municipal representative.

IDOI Annual Statement: The Board was presented with the updated interrogatories required by the IDOI effective June 1, 2018. The finalized report was filed prior to the June 30, 2018 deadline. A motion was made by Trustee Kopecky and seconded by Trustee Cinquegrani to approve the IDOI Annual Statement as prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

Review Rhetoric for IME Instruction Letters to Physicians: The Board tabled this discussion until the next regularly scheduled meeting.

Review/Possible Action – Rules & Regulations/Break in Service: The Board discussed members potentially affected by a break in service due to suspension prior to the adoption of the April 26, 2012 Board Rules and Regulations. The current Rules & Regulations do not stipulate whether or not unpaid suspension is included or excluded from creditable service. The Board noted that none of the members potentially affected served a suspension exceeding seven days. The Board determined that subsequent to the adoption of the April 26, 2012 Rules & Regulations, any suspension date prior to April 26, 2012, regardless if served or paid with benefit time is nullified.

Public Comment: The Board discussed that Public Comment limitations should be included in the Fund's Rules & Regulations. Further discussion will take place at the next regularly scheduled meeting.

Board Officer Elections – President, Vice President, Secretary & Assistant Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Troy Musolf as President, Bill Benson as Vice President, Joseph Kopecky as Secretary and Tony Cinquegrani as Assistant Secretary. A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Kopecky, Benson, Mondschain and Cinquegrani
NAYS: Trustee Musolf
ABSENT: None

FOIA Officer & OMA Designee: The Board discussed maintaining Village of Wheeling, Lisa Leonteos, as the FOIA Officer and OMA Designee. A motion was made by Trustee Cinquegrani and seconded by Trustee Benson to maintain the FOIA Officer and OMA Designee as stated. Motion carried by roll call vote.

AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

Post Meeting Note: This motion was nullified upon recognition of Deputy Village Clerk Karen Henneberry as the Village of Wheeling's FOIA Officer and OMA Designee.

ATTORNEY'S REPORT: *Legal Updates:* Attorney Goodloe discussed senate bills and recent court cases and decisions with the Board and answered all questions.

Mr. Klein left the meeting at 9:35 a.m.

OLD BUSINESS (CONTINUED): *Requests for Proposal – Investment Managers:* The Board noted that Requests for Proposal for Investment Managers will be sent out this quarter. An update will be provided at the next regularly scheduled meeting.

NEW BUSINESS (CONTINUED): The Board noted that the Village of Wheeling has a new FOIA Officer and OMA Designee. A motion was made by Trustee Cinquegrani and seconded by Trustee Benson to designate Village of Wheeling Deputy Clerk Karen Henneberry, Village of Wheeling, as the FOIA Officer and OMA Designee. Motion carried by roll call vote.

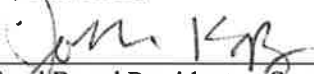
AYES: Trustees Musolf, Kopecky, Benson, Mondschain and Cinquegrani
NAYS: None
ABSENT: None

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

ADJOURNMENT: A motion was made by Trustee Benson and seconded by Trustee Cinquegrani to adjourn the meeting at 9:47 a.m. Motion carried unanimously by voice vote.

The next regular meeting of the Wheeling Police Pension Fund will be held on Tuesday, October 16, 2018 at 8:00 a.m.

Respectfully submitted,



Pension Fund Board President or Secretary

Date 10/16/18

Minutes prepared by Lora Murphy, Pension Services Administrator, Lauterbach & Amen, LLP