

**MINUTES OF A REGULAR MEETING OF THE
OTTAWA POLICE PENSION FUND BOARD OF TRUSTEES
JANUARY 17, 2023**

A regular meeting of the Ottawa Police Pension Fund Board of Trustees was held on Tuesday, January 17, 2023 at 10:00 a.m. in the City Hall located at 301 W. Madison Street, Ottawa, Illinois 61350 pursuant to notice:

CALL TO ORDER: Trustee Hilton called the meeting to order at 9:59 a.m.

ROLL CALL:

PRESENT: Trustees Joe Hilton, Randy Baxter, Dena Weber and Eric Ganiere
ABSENT: Trustee Brad Bohler
ALSO PRESENT: Lainie Grabowski, Lauterbach & Amen, LLP (L&A); Attorney Steve Calcaterra, The Law Offices of Steven Calcaterra & Associates, PC (*arrived at 10:02 a.m.*); Treasurer Don Harris, City of Ottawa

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 25, 2022 Regular Meeting:* The Board reviewed the October 25, 2022 regular meeting minutes. A motion was made by Trustee Ganiere and seconded by Trustee Baxter to approve the October 25, 2022 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes and will not release them at this time.

Attorney Calcaterra arrived at 10:02 a.m.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the seven-month period ending November 30, 2022 prepared by L&A. As of November 30, 2022, the net position held in trust for pension benefits is \$26,733,219.36 for a change in position of \$310,843.26. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period of September 1, 2022 through November 30, 2022 for total disbursements of \$103,721.96. A motion was made by Trustee Weber and seconded by Trustee Ganiere to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$103,721.96. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Additional Bills, if any: The Board reviewed the following additional bill for approval:

- Reimbursement to Trustee Hilton in the amount of \$39.62 for the purchase of file supplies.

A motion was made by Trustee Ganiere and seconded by Trustee Baxter to approve the additional bill as presented. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Discussion/Possible Action – Cash Management Policy: The Board noted there is a sufficient cash reserve for the purpose of remitting pension benefits and administrative expenses at this time and no change to the

cash management policy is necessary at this time. Further discussion will be held at the next regular meeting.

INVESTMENT REPORT: IPOPIF – Verus Advisory, Inc: The Board reviewed the IPOPIF Investment Performance Review prepared by Verus Advisory, Inc. for the period ending September 30, 2022. As of September 30, 2022, the three-month total net return is (5.4%) and the year-to-date total net return is (14.1%) for an ending market value of \$5,725,892,654.

State Street Statements: The Board reviewed the State Street Statement for the period ending November 30, 2022. The beginning value was \$23,216,370.19, the ending value was \$24,479,593.86 and the net return was 8.85%.

COMMUNICATIONS AND REPORTS: Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the city by February 1, 2023. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2023.

TRUSTEE TRAINING UPDATE: 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 Registration Fees and Reimbursable Expenses: There were no trustee training registration fees or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Membership – Chandler Koepke, Marisol Hidalgo, Nicholas Pagan, Andrew Martin and Juan Tornero:* The Board reviewed the Applications for Membership submitted by Chandler Koepke, Marisol Hidalgo, Nicholas Pagan, Andrew Martin and Juan Tornero. A motion was made by Trustee Hilton and seconded by Trustee Ganiere to accept Chandler Koepke, Marisol Hidalgo, Nicholas Pagan, Andrew Martin and Juan Tornero effective January 9, 2023, into the Ottawa Police Pension Fund as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

APPLICATION FOR RETIREMENT/DISABILITY BENEFITS: *Approve Duty Disability Benefit – David Hollowell:* The Board noted that the Duty Disability paperwork for Mr. Hollowell's benefit is in process and being reviewed by the municipality. Further discussion will be held at the next regular meeting.

OLD BUSINESS: The Board noted that the annual audit prepared by Brian Zabel & Associates P.C. has been received.

NEW BUSINESS: *Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the IPOPIF Actuarial Valuation prepared by Foster & Foster. Based on data and assumptions, the statutory minimum contribution is \$1,512,090. A motion was made by Trustee Hilton and seconded by Trustee Weber to accept the Actuarial Valuation provided by IPOPIF. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Baxter and seconded by Trustee Ganiere to adopt the

MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

OLD BUSINESS (CONTINUED): Trustee Hilton informed the Board that pensioner Brynne Sember received her last surviving dependent benefit with the December payroll cycle and that the remaining contributions will be remitted to Brian Sembers' estate once it is finalized. Further discussion will be held at the next regular meeting.

Transfer of Creditable Service from IMRF to Article 3 pursuant to P.A. 102-1061 HB 4209 – Charles Hooper: The Board discussed the interest rate to be used on calculations to transfer creditable service under IMRF. A motion was made by Trustee Hilton and seconded by Trustee Ganiere to direct L&A to use the 6% interest rate per the DOI. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Portability Update – Osvaldo Landeros – Leon: The Board noted that Osvaldo Landeros-Leon has submitted paperwork to request a transfer of creditable service under portability. Updates will be provided as they become available.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2023 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Hilton and seconded by Trustee Weber to approve the 2023 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member terms currently held by Trustee Hilton and Trustee Ganiere as well as the retired member term currently held by Trustee Baxter are expiring in April 2023. Trustees Hilton, Ganiere and Baxter expressed their interest to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for both of the two active member Trustee positions and the retired member Trustee position. The Board also noted that the appointed members positions held by Trustee Weber and Trustee Bohler are expiring in April 2023 and they are interested in remaining on the Board. The Board will contact the City and seek reappointment of Trustees Weber and Bohler to the Board.

Updated Local Bank Account Collateralization Agreements: The Board reviewed the memorandum prepared by L&A regarding the successor of the third-party custodian from Bank of America to The Bank of New York Mellon to continue collateralization of the BMO Harris Bank operating account. A motion was made by Trustee Ganiere and seconded by Trustee Baxter to authorize Trustee Hilton to execute the updated tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote.

AYES: Trustees Hilton, Baxter, Weber and Ganiere
NAYS: None
ABSENT: Trustee Bohler

ATTORNEY'S REPORT: *Legal Updates:* Attorney Calcaterra provided legislative updates pertaining to Article 3 Pension Funds; including recent court cases and decisions, as well as general pension matters.

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

ADJOURNMENT: A motion was made by Trustee Weber and seconded by Trustee Baxter to adjourn the meeting at 10:55 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for Tuesday, April 25, 2023 at 10:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 4/25/23