



# MOKENA FPD FIREFIGHTERS' PENSION FUND

19853 S Wolf Road ■ Mokena, Illinois 60448

Joe Cirelli, President ■ Stewart Romadka, Trustee ■ Joseph Shefcik, Trustee ■ Richard Gotter, Trustee ■ Kenneth Blank, Treasurer

## MINUTES OF A REGULAR MEETING OF THE MOKENA FPD FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES OCTOBER 12, 2021

A regular meeting of the Mokena FPD Firefighters' Pension Fund Board of Trustees was held on Tuesday, October 12, 2021 at 5:30 p.m. in the Mokena FPD Administration Building located at 19853 South Wolf Road, Mokena, Illinois 60448, pursuant to notice.

**CALL TO ORDER:** Trustee Cirelli called the meeting to order at 5:31 p.m.

**ROLL CALL:**

**PRESENT:** Trustees Joe Cirelli, Stewart Romadka, Joseph Shefcik, Richard Gotter and Kenneth Blank

**ABSENT:** None

**ALSO PRESENT:** Tim Hammond, Hammond Investment Management, LLC; Ashley Mesik Lauterbach & Amen, LLP (L&A); Chief Howard Stephens and Assistant Chief Richard Campbell, Mokena FPD; John Williams, Hearne & Associates PC

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *July 13, 2021 Regular Meeting:* The Board reviewed the July 13, 2021 regular meeting minutes. A motion was made by Trustee Gotter and seconded by Trustee Romadka to approve the July 13, 2021 regular meeting minutes as written. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation of Bills:* The Board reviewed the Monthly Financial Report for the three-month period ending August 31, 2021, prepared by L&A. As of August 31, 2021, the net position held in trust for pension benefits is \$25,246,129.72 for a change in position of \$1,500,333.21. 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 June 1, 2021 through August 31, 2021 for total disbursements in the amount of \$30,914.37. A motion was made by Trustee Romadka and seconded by Trustee Shefcik to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$30,914.37. Motion carried unanimously by voice vote.

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

- INSPE Associates LLC invoice #72030 in the amount of \$1,650 for Ryan Bennett's annual independent medical examination
- Reimer Dobrovolny & LaBardi PC invoice #27466 in the amount of \$276.12 for legal services rendered in July
- Hammond Investment Management Invoice in the amount of \$5,079.75 for investment services

A motion was made by Trustee Romadka and seconded by Trustee Blank to approve the additional bills as presented. Motion carried unanimously by voice vote.

**INVESTMENT REPORT – HAMMOND INVESTMENT MANAGEMENT, LLC:** *Investment Review:* Mr. Hammond presented the Investment Review for the period ending September 30, 2021. Mr. Hammond reviewed the Overall Portfolio, Market Indexes, Bond Portfolio and Equity-Mutual Funds. As of September 30, 2021, the quarter-to-date net return is 0.21% for an investment return of \$3,964,571 and a total portfolio value of \$23,809,488. The current asset allocation is as follows: Fixed Income at 41.4%, Equities at 55.3% and Money Market at 3.3%.

*Approve Transfer of Funds to Schwab Account:* There were no transfer of funds to the Schwab account.

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

**COMMUNICATIONS AND REPORTS:** *Active Member File Maintenance:* The Board noted that L&A prepared Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

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

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** There were no applications for retirement or disability benefits.

**OLD BUSINESS:** *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement will be filed with the Illinois Department of Insurance prior to the October 31, 2021 deadline. No further action is necessary.

*Discussion/Possible Action – Interim Cash Management Policy:* The Board reviewed the cash analysis projection prepared by L&A and interim cash requisite for the purpose of remitting pension benefits and expenses for November and the sixty-day period subsequent to the December 1, 2021 tranche date.

The Board discussed the cash management policy provided by Trustee Cirelli.

The Board reviewed the Cash Reserve Balance and Funding Guidelines provided by L&A. A motion was made by Trustee Romadka and seconded by Trustee Shefcik to authorize Trustee Cirelli to complete the Cash Reserve Balance and Funding Guidelines form. Motion carried unanimously by voice vote.

A motion was made by Trustee Gotter and seconded by Trustee Blank to maintain an interim transition cash balance of \$453,414 in the BMO Harris Bank account and to approve the cash management policy as discussed. Motion carried unanimously by vote.

**NEW BUSINESS:** *Discussion/Possible Action – FPIF Status Update and FPIF Request Pertaining to Consolidation:* The Board reviewed the Resolution Authorizing Account Representatives for the Northern Trust Global Cash Management Portal. A motion was made by Trustee Romadka and seconded by Trustee Blank to approve the Resolution appointing Trustees Cirelli, Romadka, Blank and a representative from Lauterbach & Amen, LLP as the Account Representatives on behalf of the Mokena FPD Firefighters' Pension Fund. Motion carried unanimously by voice vote.

*Discussion/Possible Action – Cash Reserve Balance:* The Board discussed the recommendation set forth by FPIF to retain four months of expenses in a local account. A motion was made by Trustee Romadka and seconded by Trustee Gotter to maintain a cash reserve balance of \$303,276 in the BMO Harris Bank Account. Motion carried unanimously by voice vote.

*Discussion/Possible Action – 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 Gotter and seconded by Trustee Blank to direct L&A to prepare the necessary tri-party pledge depository agreement and to authorize Trustees Cirelli and Romadka to sign the agreement on behalf of the Fund. Motion carried unanimously by voice vote.

*Review/Approve – May 31, 2021 Year End Audit:* John Williams presented the Annual Audit Report for the fiscal year ending May 31, 2021 year end audit prepared by Hearne & Associates PC. A motion was made by Trustee Romadka and seconded by Trustee Blank to approve the May 31, 2021 audit as presented. Motion carried unanimously by voice vote.

*Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$882,309 which is a \$138,891 decrease from the prior year contribution. The statutory minimum contribution requirement is \$625,502. A motion was made by Trustee Shefcik and seconded by Trustee Romadka to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$882,309 from the Mokena Fire Protection District Board of Trustees based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried unanimously by voice vote.

*Review/Adopt – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Romadka and seconded by Trustee Gotter to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

*Establish 2022 Board Meeting Dates:* The Board discussed establishing the 2022 Board meeting dates as January 11, 2022; April 12, 2022; July 12, 2022 and October 11, 2022 at 5:30 p.m. at the Mokena FPD Administration Building located at 19853 S. Wolf Road, Mokena, Illinois 60448. A motion was made by Trustee Romadka and seconded by Trustee Shefcik to establish the 2022 Board meeting dates as stated. Motion carried unanimously by voice vote.

**TRUSTEE TRAINING UPDATES:** The Board reviewed 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 registrations or reimbursable expenses presented for approval.

**ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC:** *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter.

*Annual Independent Medical Examination – Ryan Bennett:* The Board noted that Ryan Bennett attended his annual independent medical examination and the report determined that Mr. Bennett remains disabled. A motion was made by Trustee Romadka and seconded by Trustee Shefcik to continue Ryan Bennett's disability benefits based on the finding of his independent medical examination and subject to further examinations until age 50. Motion carried unanimously by voice vote.

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

**ADJOURNMENT:** A motion was made by Trustee Shefcik and seconded by Trustee Romadka to adjourn the meeting at 6:10 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for Tuesday, January 11, 2022 at 5:30 p.m.

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Board President or Secretary

Minutes approved by the Board of Trustees on \_\_\_\_\_

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