

**CORRECTED MINUTES
ROCKFORD POLICE PENSION BOARD
DECEMBER 17, 2020**

The meeting was conducted remotely in accordance with Section 7(e) of the Open Meetings Act, 5 ILCS 120/7(e).

MEMBERS PRESENT: Jeff Nielsen, President
Marcia Mueller, VP
Joe Stevens, Secretary
Randy Berke, Assist. Secretary
Scott Laue, Trustee

ABSENT:

ALSO PRESENT: Mike Piotrowski – Marquette Associates
Roberta Holzwarth – HolmstromKennedy PC

GUESTS: None

STAFF: Karla Hunter, Finance
Carrie Hagerty, Finance Director

The December 17, 2020 Rockford Police Pension Board convened at City Hall 425 E. State St., Jeff Nielsen called the meeting to order 8:03 a.m.

Motion by Berke and seconded by Laue to approve the November 19, 2020 minutes of the Board meeting. APPROVED.

Ayes: Nielsen, Mueller, Berke, and Laue

Nays: None

Abstain: Stevens

PUBLIC COMMENT

NONE

CASH & INVESTMENTS

Piotrowski reviewed the November Marquette flash report. There was a significant gain over the month of November. The current value of the fund is \$213.5 million as of November 30, 2020. For the month of November there were very strong return across the board, positive 6.8% return. Year-to-date the fund had a return of 7.9%. There was a significant reversal in leadership in the market, over the last three months; Value stocks up 8.1% outperformed Core stocks up 3.9%. Piotrowski recommended keeping DFA on alert status due to performance concerns. Performance for the month of November was fantastic. The momentum is continuing into December.

Motion by Mueller and seconded by Stevens to liquidate the following assets in order to rebalance the portfolio, withdraw \$2,000,000 from Vanguard Institutional Index Fund, \$2,800,000 Vanguard

Mid-Cap Index Fund, \$2,200,000 Kayne Anderson, withdrawing \$4,250,000 from Fidelity Diversified International Equity Fund, withdrawing \$2,250,000 from Vanguard Emerging Markets Fund and \$1,500,000 will go to Northern Trust Intermediate Government Index Fund, \$500,000 to Northern Trust Government Mortgage Fund, \$5,000,000 to Segall Bryant & Hamill and the balance will be retained in cash for benefit payments. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve administrative staff to make additional changes with the guidance of Marquette Associates to rebalance the portfolio if needed before year end to be in compliance with State Statute. Marquette will report to board any changes. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve purchases and sales as attached to the agenda. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

CITY BILLS

Motion by Mueller and seconded by Stevens to approve November postage charges of \$86.90. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve December City Services of \$7,033.33. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the November bill from HolmstromKennedyPC for general matters in the amount of \$1,080.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve payment to HolmstromKennedyPC for the annual medical reviews in the amount of \$112.50 for services. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the Matthew Krantz disability application in the amount of \$472.50. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

ATTORNEY'S REPORT

Attorney Holzwarth stated that two action items were carried over from last month; the amendment to the unclaimed property policy, it was discovered that the policy did not cover checks or payments that had been issued, but not cashed or received.

Motion by Mueller and seconded by Stevens to approve the revisions to the unclaimed property policy as proposed in Sect. 7.52. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the minutes of the October 20 disability hearing for Mathew Krantz as presented in the written minutes. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the findings and order **for Matthew Krantz** noting that it retains jurisdiction of the matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

OLD BUSINESS

Nielsen stated that the city services letter increased the cost for services in the amount of 5%.

Motion by Stevens and seconded by Berke to approve the increase cost for city services. APPROVED.

Ayes: Nielsen, Stevens, Berke, and Laue

Nays: None

Absent: Mueller

Nielsen spoke of a ZOOM meeting of the IPPAC (Elgin police), regarding a pension consolidation lawsuit against the police officers investment pension fund. The goal is to stop the State mandate to consolidate the police pension funds into one fund. Piotrowski stated that the police officers and the municipal side has had difficulty reaching a consensus on different issues.

Mueller rejoined the meeting.

Attorney Holzwarth stated that the fund could provide a reference for Marquette Associates in response to a request for proposal. The board agreed unanimously they would provide a reference for Marquette Associates.

Attorney Holzwarth recommended putting the Fiduciary Liability Policy on the calendar earlier in the year.

NEW BUSINESS

Motion by Mueller and seconded by Stevens to approve the suspension of pension for Douglas Hall due to his death on December 12, 2020. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the 2021 annual meeting schedule. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the nomination of Jeff Nielsen to be the FOIA/OMA officer and complete the necessary training. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve Department of Insurance (DOI) Pension Fund Security Administrator Authorization Form removing Allison's name and adding Karla Hunter. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

PAYROLL

Motion by Mueller and seconded by Stevens to approve the November actual payroll in the amount of \$1,699,375.12. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion by Mueller and seconded by Berke to approve the December estimated payroll in the amount of \$1,691,232.46. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue

Nays: None

Motion to adjourn was made and seconded at 9:17 a.m.