

**MINUTES
ROCKFORD POLICE PENSION BOARD
SEPTEMBER 16, 2021**

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, Vice-President
Joe Stevens, Secretary
Randy Berke, Assist. Secretary
Scott Laue, Trustee

ABSENT:

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

GUESTS:

STAFF: Karla Hunter, Finance
Carrie Hagerty, Finance Director
Shurice Hunter, HR Director

The September 16, 2021 Rockford Police Pension Board convened at City Hall 425 E. State St., Jeff Nielsen called the meeting to order 8:05 a.m.

Motion by Mueller and seconded by Berke to table the August 19, 2021 minutes of the Board meeting. APPROVED.

PUBLIC COMMENT

NONE

CASH & INVESTMENTS

Piotrowski presented the August flash report. The month of August was a continuation performance in the second quarter. The market value of the fund is currently \$233.8 million as of August 31. The portfolio continues to be underweight to fixed income, with subsequent overweight's to equities, both US and non US and a slight overweight to real estate. We do not need to sell any investments for benefit payments this month. For the month of August, the pension fund had a return of positive 1.6%, year-to-date the fund is positive 10.1%. Both numbers are outperforming the policy benchmark. Fixed income for the month was negative 0.2%, US Equity composite was up 2.5%, and the non US Equity the composite was up 3.1%. Growth stocks continued to outperform value stocks. Segall Bryant & Hamill was in line for the month negative 0.2%. Kayne Anderson did underperform for the month 1.7% relative to 2.2%. Fidelity outperformed for the month up 3.9% relative to their benchmark at 1.8%. DFA did underperform for the month.

Nielsen questioned the status of the police pension consolidation.

Piotrowski stated that the consolidation will probably happen in the early part of 2022. Attorney Holzwarth stated there might be a decision prior to Sept. 24 regarding the lawsuit against the police pension consolidation. Piotrowski stated that the judge is aware that fire pension funds will start being moved on October 1.

In regards to the performance of DFA, Piotrowski believes that the more value oriented areas of the market will do well the remainder of the year. One of the options is to passively manage the fund with the Vanguard Index fund.

Motion by Mueller and seconded by Stevens to approve the cash and investment report from Marquette Associates. 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 August postage charges of \$86.84. APPROVED.

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

Nays: None

Motion by Mueller and seconded by Stevens to approve September City Services of \$7,385.00. APPROVED.

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

Nays: None

Motion by Mueller and seconded by Stevens to approve the August bill from HolmstromKennedyPC for general matters in the amount of \$3,063.75. APPROVED.

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

Nays: None

Motion by Mueller and seconded by Stevens to approve the August bill from HolmstromKennedyPC for Annual Medical Reviews for fees in the amount of \$641.25. APPROVED.

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

Nays: None

Motion by Mueller and seconded by Stevens to approve the August bill from HolmstromKennedyPC for the disability application for Michael Landgraff in the amount of \$360.00 for services and \$266.68 for disbursements. APPROVED.

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

Nays: None

Motion by Mueller and seconded by Stevens to approve the August bill from HolmstromKennedyPC for the disability application for Katherine Anderson in the amount of \$697.50 for professional services and \$25.00 for disbursements. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue
Nays: None

Motion by Mueller and seconded by Stevens to table payment to Rockford Pain Center for the Annual Medical Examination for Christina Whisenand in the amount of \$210.00 until receipt of report. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue
Nays: None

Motion by Mueller and seconded by Stevens to reverse original motion and approve payment to Rockford Pain Center for the Annual Medical Examination for Christina Whisenand in the amount of \$210.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue
Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to Woodlake Medical Management, Inc. for the Matthew Krantz Annual Medical Examination in the amount of \$3,790.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue
Nays: None

ATTORNEY'S REPORT

Attorney Holzwarth stated she would be requesting approval of the annual funding to the City Council. Finance Director Hagerty stated there were no questions after the actuarial report was presented to City Council.

Motion by Mueller and seconded by Stevens to approve the letter to City Council regarding the funding of the Police Pension in the amount of \$10,514,567 for the 2022 budget. APPROVED.

Ayes: Nielsen, Mueller, Stevens, Berke, and Laue
Nays: None

Attorney Holzwarth reported on a medical provider's location in an unsafe area. The board discussed further.

OLD BUSINESS

The "Exit Letter" for officers leaving the Rockford Police department was tabled until next month.

Hunter reported that all the affidavits have been returned.

NEW BUSINESS

Motion by Mueller and seconded by Stevens to approve the transfer of creditable service for Jonathan Rickard. 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 termination of surviving spouse benefits for Loretta Belter due to her death on July 25, 2021. 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 termination of surviving spouse benefits for Rosemarie Gambini due to her death on September 6, 2021. 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 Stevens and seconded by Stevens to approve the pension benefit application for Jeffrey Davis effective September 1, 2021 for a prorated amount of \$5,534.37, and monthly amount of \$5,725.21/\$68,702.56 annually. 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 pension benefit application for Timothy Stec effective September 23, 2021 for a prorated amount of \$1,410.38 and monthly amount of \$5,288.92/\$63,467.08 annually. 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 first increase of pension benefits for Juan Tapia effective September 1, 2021 for a prorated amount of \$124.74 and monthly amount of \$4,282.84/\$51,394.08 annually. 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 retroactive adjustments per the contract agreement for 2019-2021 as listed below. The board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Nays: None

The following police were included in the 2019-2021 contract settled in 2021:

Last Name	First Name	Retro Payment	Monthly Increase	New Monthly Amount	New Annual Amount
ALDRICH	CHRISTOPHER	1,052.27	354.70	5,371.67	64,460.05

ANDREWS	JEFFERY	1,373.03	354.70	5,306.67	63,680.05
ARMENDARIZ	LEROY	2,851.10	165.32	3,850.99	46,211.88
BARABASZ	JEFFREY	2,504.31	89.75	4,607.69	55,292.26
CHRISTENSEN	TAMMY	795.54	95.22	4,887.98	58,655.75
CLARK	MICHAEL	3,422.91	114.37	5,939.22	71,270.64
CUNNINGHAM	BARRY	3,067.55	291.70	6,702.71	80,432.55
DANFORTH	JOSEPH	1,319.28	375.21	5,613.04	67,356.44
DEVLIEGER	RICHARD	3,087.25	181.96	4,181.63	50,179.55
DRAGER	TODD	407.61	252.72	3,781.04	45,372.42
DULGAR	DONALD	1,314.37	348.25	5,242.69	62,912.23
ESCHEN	TIMOTHY	4,570.21	228.88	5,260.00	63,119.98
GRADICK	JOHN	3,294.86	114.37	5,833.13	69,997.56
GULLEY	JAMES	2,957.34	381.99	5,784.88	69,418.51
HACKBARTH	DUANE	3,493.04	113.14	5,845.07	70,140.84
JIMENEZ	MARK	3,398.36	121.51	6,197.37	74,368.47
KRANTZ	MATTHEW	2,570.28	248.22	5,768.40	69,220.79
LARSON	BRAD	1,384.47	354.70	5,306.67	63,680.05
LYONS	SHALENE	2,200.29	92.32	4,708.24	56,498.90
OGDEN	MARY ANN	4,663.55	272.26	6,349.20	76,190.38
PATERSON	DAVID	1,928.85	459.25	6,970.26	83,643.08
PRUITT	MAURICE	4,135.63	233.95	5,376.38	64,516.57
ROSSOW	JAMES	2,500.95	395.63	5,918.98	71,027.74
SOCKWELL	CURTIS	2,391.01	204.36	4,696.43	56,357.13
TAPIA	JUAN	2,247.53	178.65	4,158.10	49,897.20
VERUCHI	ROBERT	4,033.42	259.95	5,973.76	71,685.08
		<u>66,965.01</u>	<u>6,283.08</u>		

September 1, 2021 (Juan Tapia)

	First Increase	New Monthly Amount	New Annual Amount
TAPIA JUAN			
	124.74	4,282.84	51,394.08

Motion by Mueller and seconded by Stevens to approve the Annual Funding Letter with corrected date. 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 Stevens and seconded by Stevens to approve the September payroll estimate in the amount of \$1,872,039.38. 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 9:13 a.m.