

CORRECTED MINUTES ROCKFORD POLICE PENSION BOARD JANUARY 20, 2022

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

ABSENT: Scott Laue, Trustee

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

GUESTS: None

STAFF: Karla Hunter, Finance
Carrie Hagerty, Finance Director

The January 20, 2022 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 Stevens and seconded by Berke to table the December 16, 2021 minutes of the Board meeting. APPROVED.

PUBLIC COMMENT

NONE

CASH & INVESTMENTS

Piotrowski stated the total fund composite is approximately \$235.7 million as of December 31. Equities performed extremely well. The portfolio is in compliance, with approximately 33% in fixed income and 2% in cash. The plan had a return of 2.6% for the month of December, positive 4.4% for the fourth quarter; the plan ended the year with a return rate of positive 12.4%. For the month, the US equity composite was up 5.1%, non-US market was up 3.4%, real estate was up 2.2% and the global tactical composite was up 3.7%. There was a significant improvement in commercial real estate over the last two quarters. DFA's performance has improved in the shorter term. Going forward it is anticipated that the market will be more challenging; interest rates and bond yields are going to rise.

They have announced and published the transfer dates for all Article 3 pension funds. They have also started the outreach process to Article 3 funds to gather historical data from the plan and through their service providers. Attorney Holzwarth stated the judge is going to rule on the request for a stay next Tuesday. Upon the completion of the asset transfers, Marquette would attend the March and

April meeting. Marquette would assist the remainder of the year on any GASB disclosures or any needs the fund may have. After that time, once the assets have moved there would not be anything for Marquette to report on. Piotrowski stated that Marquette would be flexible on the termination date of the contract. Further discussion ensued regarding retaining Marquette and the consolidation.

Motion by Mueller and seconded by Stevens to approve purchases and sales as shown on the attachment to the agenda. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

CITY BILLS

Motion by Mueller and seconded by Stevens to approve December postage charges of \$85.95. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve January City Services of \$7,491.67. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve payment to HolmstromKennedyPC for December attorney fees for general matters in the amount of \$1,395.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to HolmstromKennedyPC for the disability application for Michael Landgraff for services rendered in the amount of \$270.00 and reimbursement for medical fees in the amount of \$146.86 for a total of \$416.86. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to HolmstromKennedyPC for the disability application for Katherine Anderson in the amount of \$2,790.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to Northern Trust for investment management fees for October 1, 2021 through December 31, 2021 in the amount of \$6,220.74. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to Marquette Associates for investment consulting services for the period of January 1, 2022 through March 31, 2022 in the amount of \$21,134.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

ATTORNEY'S REPORT

Attorney Holzwarth stated that the expected asset transfer date is March 1, 2022. The litigation will be back in court on Tuesday, January 25.

Motion by Mueller and seconded by Berke to approve the resolution as presented approving Jeff Nielsen and Karla Hunter as authorized agents. APPROVED

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

Motion by Mueller and seconded by Stevens to approve the Transfer Notice Letter to Investment Advisor and Custodian. APPROVED

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

OLD BUSINESS

The "Exit Letter" is tabled until next month.

NEW BUSINESS

Motion by Mueller and seconded by Stevens to approve the annual increases on the spreadsheet attached for the regular pension retirees in the amount of \$36,419.41, \$905.13 for disability increases and a total monthly amount of \$37,324.54. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the first increase for Dana Smith for a benefit increase in the amount of \$1,615.23 and a monthly benefit amount of \$3,686.04. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the first increase for Colin Kvooll for a benefit increase amount of \$743.18 and a monthly benefit amount of \$5,958.45/\$71,501.40 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the **first increase** for Scot Mastroianni for a benefit increase amount of \$534.41 and a monthly benefit amount of \$4,567.67/\$54,812.04. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the service pension for Mark Sorensen effective January 8, 2022 for an initial prorated amount of \$3,662.48 and a monthly benefit amount

of \$4,730.70/\$56,768.35 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the termination of benefits for Delbert Peterson due to his death on January 4, 2022. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to lay over surviving spouse benefits for Lois Peterson until February. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the surviving spouse benefits for Mary Ann Nimmo for a monthly benefit amount of \$7,299.73 effective December 2, 2021 due to the death of Thomas Nimmo. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the surviving spouse benefits for Arline Licari for a monthly benefit amount of \$3,199.99 and a prorated amount of \$533.33, contingent on **our** attorney reviewing the Power of Attorney document to the death of Francis Licari on November 25, 2021. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve termination of the pension for Roger Erickson due to his death on January 11, 2022. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

PAYROLL

Motion by Mueller and seconded by Stevens to approve the December actual payroll in the amount of \$1,834,757.89. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the January estimated payroll in the amount of \$1,883,171.24. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Berke

Nays: None

Motion to adjourn was made and seconded at 9:45 a.m.