

**CORRECTED MINUTES
ROCKFORD POLICE PENSION BOARD
FEBRUARY 17, 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
Scott Laue, Trustee

ABSENT: Randy Berke

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

GUESTS: None

STAFF: Karla Hunter, Finance
Carrie Hagerty, Finance Director

The February 17, 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 Mueller and seconded by Stevens to approve the December 16, 2021 minutes of the Board meeting as amended. APPROVED.

Motion by Mueller and seconded by Stevens to approve the January 20, 2022 minutes of the Board meeting as amended. APPROVED.

PUBLIC COMMENT

NONE

PENSION FUND CONSOLIDATION DISCUSSION

Piotrowski stated that the police pension fund had an original consolidation date of March 1; recently the Rockford Police Pension Fund was reassigned the date of June 1. Piotrowski stated he is more comfortable with the June timeline. Attorney Holzwarth asked if the notice of transfer letters should be sent now. Piotrowski responded yes, after that, we can start coordinating with all parties. Attorney Holzwarth stated after checking the court records, there was still no decision from the judge regarding the litigation for the pension consolidation.

CASH & INVESTMENTS

Piotrowski stated that the start to the year was challenging, equity and bond markets experienced significant volatility. The total fund composite is approximately \$227.4 million as of January 31. The

portfolio is in compliance, with approximately 34.5% in fixed income and 1.4% in cash. The plan had a return of negative 2.8% for the month, the longer term numbers continue to be strong; the one year number is positive 9.6%, the three year number is positive 11.1%, the five, seven, and ten year numbers as well. For the month, the US equity composite was negative 4.9%, non-US market composite was negative 4.1%, and the real estate return was 0.9%. The Federal **Reserve** has seven meetings scheduled this year and is expected to raise interest rates by .25 basis points each meeting.

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 Laue

Nays: None

CITY BILLS

Motion by Mueller and seconded by Stevens to approve January postage charges of \$79.10. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

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

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve payment to HolmstromKennedyPC for January attorney fees for general matters in the amount of \$753.75. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to HolmstromKennedyPC for January attorney fees for the disability application for Michael Landgraaf for services rendered in the amount of \$270.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to HolmstromKennedyPC for January attorney fees for the disability application for Katherine Anderson for services rendered in the amount of \$1,372.50. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to HolmstromKennedyPC for January attorney fees for the consolidation of funds into the Illinois Police Officer Pension Investment Fund (IPOPIF) in the amount of \$3,195.00. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the payment to Segall Bryant & Hamill for investment management fees for October 1, 2021 through December 31, 2021 in the amount of \$19,775.35. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the payment to Kayne Anderson Rudnick for investment management fees for the period of October 1, 2021 through December 31, 2021 in the amount of \$31,255.97. APPROVED.

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

ATTORNEY'S REPORT

Motion by Mueller and seconded by Stevens to approve the separation of service letter and attachments. APPROVED.

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

Motion by Mueller and seconded by Stevens to keep the closed session minutes on list be kept confidential. APPROVED.

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

Attorney Holzwarth stated that she reviewed Lacari's Power of Attorney paperwork and everything is in order.

NEW BUSINESS

Motion by Mueller and seconded by Stevens to approve the amendment to the investment consulting agreement with Marquette. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the first increase for James Gulley in the amount of \$173.55 and a monthly amount of \$5,958.43/\$71,501.16 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the retroactive COLA increase for Mark Jacobi for a new monthly amount of \$7,487.22/\$89,846.64 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the retroactive COLA increase for Bryce Lambrecht for a new monthly amount of \$6,454.50/\$77,454.00 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the service pension for Jeffrey Schroder effective February 11, 2022 for an initial prorated amount of \$3,900.20 and a monthly benefit amount of \$6,066.98/\$72,803.78 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the service pension for Bradley Shelton effective February 5, 2022 for an initial prorated amount of \$5,917.72 and a monthly benefit amount of \$6,904.01/\$82,848.15 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the service pension for Kurt Whisenand effective March 9, 2022 for an initial prorated amount of \$6,721.42 and a monthly benefit amount of \$9,059.31/\$108,711.72 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve surviving spouse benefits for Lois Peterson for a prorated amount of \$7,857.41 (Jan. retro) and a monthly amount of \$9,021.47/\$108,257.64 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the surviving spouse application benefits for Carole Erickson for a prorated amount of \$1,686.86 (Jan. retro) and a monthly amount of \$2,752.25/\$33,027.00 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the termination of benefits for John Oliver due to his death on February 7, 2022. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the surviving spouse benefits for Linda Oliver for a prorated amount of \$4,033.88 and a monthly benefit amount of \$5,378.51/\$64,542.12 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

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

Motion by Mueller and seconded by Stevens to approve the refund application for Zachary Smith in the amount of \$10,744.76. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to mail solicitations of nominations for retiree trustee position. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the response letter to Robert Mattocks widow. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

PAYROLL

Motion by Mueller and seconded by Stevens to approve the January actual payroll in the amount of \$1,871,780.81. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion by Mueller and seconded by Stevens to approve the February estimated payroll in the amount of \$1,905,660.68. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Mueller, Stevens, and Laue

Nays: None

Motion to adjourn was made and seconded at 9:20 a.m.