

ST. CHARLES POLICE PENSION FUND

1515 West Main Street
St. Charles, Illinois 60174

MEETING MINUTES Wednesday, June 7, 2023 11:30 a.m. – St. Charles Police Department

NOTE: These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. They are intended to make an official record of the action taken by the Board and to include some discussion points as understood by the minute taker. They may not reference some of the individual attendee's comments nor the complete comments, if referenced.

MEETING CALLED TO ORDER

Secretary Heike called to order the Regular Meeting of the St. Charles Police Pension Board at 11:27 a.m.

ROLL CALL

Members Present: Steve Heike, Secretary; Bill Hannah, Trustee/Finance Director; Tim Beam, Vice President; and James Keegan, Trustee

Members Absent: None

Others Present: Brian LaBardi, Reimer & Dobrovolny, PC; John Falduto, Sawyer Falduto; Edward Lavin, Sawyer Falduto; Brooks Boyce, STCPD; Ryan Carrigan, STCPD; Cheryl Shimp, Recording Secretary

OLD BUSINESS

Election Results – An election for the position of Active Member was held in April with the following results:

Joe Bonifas – 0 Votes
Russ Haywood – 7 Votes
Ryan Carrigan – 32 Votes

Motion: To certify the results for the Active Member election and Ryan Carrigan to the position for a 2-year term.

Maker: Keegan

Second: Heike

Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Heike – Aye. 4 Ayes, 0 Nays, 1 Vacant. All in favor. Motion carried.

Motion: To elect the following officers for the St. Charles Police Pension Board: Heike – President, Beam – Vice President, Carrigan – Secretary and Keegan – Assistant Secretary.

Maker: Hannah

Second: Carrigan

Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

APPROVE PREVIOUS MEETING MINUTES

Motion: To approve the minutes of the March 1, 2023 Regular Meeting as presented.
Maker: Keegan
Second: Heike
Voice Vote: 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

Boyce left meeting at 11:33 a.m. Due to conflicting schedules, the Board will be going out of order on the agenda.

QUARTERLY FINANCIAL REPORT/PRESENTATION OF BILLS FOR DISBURSEMENT

Quarterly Report – Hannah gave brief overview of the quarterly financial report for the Fund. The ending balance for the last quarter was \$45.2M. Hannah noted that these numbers were unaudited as they are currently in the process of an audit. Attachment A, expenditures for the last quarter, was presented in the amount of \$148,846.18.

Motion: To approve the Treasurer’s Financial Report as well as Attachment A as presented.
Maker: Keegan
Second: Beam
Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

Bank Resolution – A resolution updating the signatures for the new officers for the BMO Harris account was presented.

Motion: To approve the updated resolution for signatures for the BMO Harris Bank account as follows: Steve Heike, President; Ryan Carrigan, Secretary; John Harrill, Treasurer; and William Hannah, Trustee; effective immediately.
Maker: Heike
Second: Carrigan
Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

Motion: To remove Brooks Boyce as a signer on the Schwab account.
Maker: Beam
Second: Keegan
Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

Table the resolution for the Schwab account changes to the next meeting.

Authorized Agents for IPPOPF – With the change in officers, need to update the Authorized Agents for the IPPOPF accounts. There are two (2) Authorized Agents required. After a brief discussion, it was determined that Heike and Carrigan should be the Authorized Agents for IPPOPF.

Motion: To approve Resolution R23-002 appointing as Authorized Agents to IPPOPF Steve Heike and Ryan Carrigan.
Maker: Beam
Second: Hannah
Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

INVESTMENT ACTIVITIES

Falduto distributed the quarterly investment performance report. The quarter began with \$491,596 in the Schwab account and ended with \$495,958. The Schwab account is the cash account being held for benefit payments. It was noted that the equities and bonds being held in the consolidated fund were both showing positive results. Discussion was held on inflation and rising interest rates.

Motion: To approve the Investment Report as presented.
Maker: Beam
Second: Keegan
Roll Call: Keegan – Aye, Hannah – Aye, Beam – Aye, Carrigan – Aye, Heike – Aye. 5 Ayes, 0 Nays, 0 Absent. All in favor. Motion carried.

Cash Management Policy – No changes to the policy

Consolidated Fund Statement of Results – Falduto gave a brief overview on the statement for the entire Consolidated Fund. In regards to the St. Charles Police Pension Fund, the Fund started the quarter at \$42.5M and ended the quarter at \$44.2M up 5.24% YTD and up 4.71% since inception. The current asset allocation is 55/45 equity allocations to bond allocations. The Versus statements were not available. Table to the next meeting.

Hannah left the meeting at 11:55 a.m.

APPLICATIONS FOR MEMBERSHIP

Heike reported that the Department hired Parker J. Henderson was hired on 03/20/2023 as a lateral hire from LaGrange. Ofc. Henderson is a Tier 2 employee. Unknown if Ofc. Henderson will be transferring his time from LaGrange.

Motion: To accept the application for membership into the St. Charles Police Pension Fund for Parker Henderson as a Tier 2 employee.
Maker: Beam
Second: Keegan
Roll Call: Heike – Aye, Beam – Aye, Keegan – Aye, Carrigan – Aye. 4 Ayes, 0 Nays, 1 Absent. All in favor. Motion carried.

APPLICATIONS FOR BENEFITS

Kern – LaBardi reported that Scott Kern has presented himself for his annual examination and per this examination, still remains disabled.

- Motion:** To accept the annual examination results and continue benefits for Scott Kern for another year subject to an annual evaluation in accordance with the Pension Code.
Maker: Beam
Second: Keegan
Roll Call: Heike – Aye, Beam – Aye, Keegan – Aye, Carrigan – Aye. 4 Ayes, 0 Nays, 1 Absent. All in favor. Motion carried.

Anyon – No change in status. Table to the next meeting.

Grove Retirement – Heike reported that Chris Grove retired on 12/30/2021 and will be turning 50 on 09/14. Grove was hired on 04/11/1996 and is retiring with 25 yrs 8 mos 20 dys. Grove is eligible for a 62.5% pension on an annual salary of \$111,354.36, which equates to a monthly benefit of \$5799.71. Grove is a Tier 1 employee.

- Motion:** To approve the retirement benefits of Chris Grove as a Tier 1 employee with a monthly benefit of \$5799.71 effective 09/14/2023.
Maker: Beam
Second: Carrigan
Roll Call: Heike – Aye, Beam – Aye, Keegan – Aye, Carrigan – Aye. 4 Ayes, 0 Nays, 1 Absent. All in favor. Motion carried.

McCowan Retirement – Heike reported that Mike McCowan retired on 06/02/2023 with 26 years of service and will be turning 50 in July. McCowan was hired on 03/31/1997 with a last day worked of 06/02/2023 and deferred pension beginning 07/28/2023. McCowan is eligible for a 65% deferred pension to on an annual salary of \$150,960.40, which equates to a monthly benefit of \$8177.02. McCowan is a Tier 1 employee.

- Motion:** To approve the retirement benefits of Mike McCowan as a Tier 1 employee with a monthly benefit of \$8177.02 effective 07/28/2023.
Maker: Beam
Second: Keegan
Roll Call: Heike – Aye, Beam – Aye, Keegan – Aye, Carrigan – Aye. 4 Ayes, 0 Nays, 1 Absent. All in favor. Motion carried.

Schomer Retirement – Heike reported that Jerry Schomer submitted an application for a deferred retirement pension, however, not all the paperwork is available at this time. Schomer will be retiring from the Department with 23 years of service and is eligible for a 57.5% pension. Table to the next meeting.

Beam left the meeting at 12:15 p.m.

ATTORNEY'S REPORT

LaBardi reported that he received a returned disability application for Wolow. Will process this application and discuss at the next meeting.

The Appellate Court ruled on the Consolidation Lawsuit finding that the Consolidation Law was constitutional. The petitioners have now filed with the Supreme Court and the Illinois Supreme Court agreed to hear the case. It is unknown when the case will be heard as the Supreme Court is not in session again until September. Any ruling may not be rendered until early 2024.

LaBardi noted that Carrigan, as a new trustee, is required to obtain 16 hours of initial trustee training. There is training available both on line and in person. Training may be found on the IPPFA website. It was also recommended that FOIA and OMA training also be obtained, which may be found on the Illinois Attorney General's website. New trustees have one year to obtain this training.

Motion: To approve trustee training expenses for Ryan Carrigan.
Maker: Keegan
Second: Carrigan
Roll Call: Heike – Aye, Keegan – Aye, Carrigan – Aye. 3 Ayes, 0 Nays, 2 Absent. All in favor.
Motion carried.

PUBLIC COMMENTS

None. Keegan noted that the Department will be hiring 4 new lateral officers in the near future. Targeting mid-July for hire dates.

ADJOURNMENT

There being no further business to discuss, motion to adjourn by Trustee Keegan. Seconded by Trustee Carrigan.

Motion: To adjourn the meeting at 12:26 p.m.
Maker: Keegan
Second: Carrigan
Voice Vote: 3 Ayes, 0 Nays, 2 Absent. All in favor. Motion carried.

The meeting was adjourned at 12:26 p.m. The next regular meeting is scheduled for September 6, 2023.

Respectfully submitted,



President



Secretary