



# Niles Police Pension Fund

7000 W. Touhy Avenue, Niles, Illinois 60714



Michael Boba  
President

Eric Lambrechts  
Vice President

Patrick Hoffmann  
Secretary

Marimel Lim  
Asst. Secretary

Jim Grammas  
Trustee

## MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES APRIL 6, 2022

A regular meeting of the Niles Police Pension Fund Board of Trustees was held on Wednesday, April 6, 2022 at 1:00 p.m. at the Police Department located at 7000 W. Touhy Avenue, Niles, Illinois 60714, pursuant to notice.

**CALL TO ORDER:** Trustee Boba called the meeting to order at 1:02 p.m.

### ROLL CALL:

**PRESENT:** Trustees Michael Boba, Patrick Hoffmann, Marimel Lim (*via teleconference*), Jim Grammas and Eric Lambrechts (*via teleconference*)

**ABSENT:** None

**ALSO PRESENT:** Attorney Carolyn Clifford, Ottosen; John Falduto and Tom Sawyer (*via teleconference*), Sawyer Falduto Asset Management, LLC; Michelle Rice, Trinette Gardner, Megan Snell and Delia Dadirlat, Lauterbach & Amen, LLP (L&A); Treasurer Kent Oliven, Village of Niles

**PUBLIC COMMENT:** There were no public comments.

**APPROVAL OF MEETING MINUTES:** *January 12, 2022 Regular Meeting:* The Board reviewed the January 12, 2022 regular meeting minutes. A motion was made by Trustee Grammas and seconded by Trustee Lambrechts to approve the January 12, 2022 regular meeting minutes as written. Motion carried by roll call vote.

**AYES:** Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts

**NAYS:** None

**ABSENT:** None

**TREASURER'S REPORT:** *Status of Village Audit for Fiscal Year Ending April 30, 2021:* Treasurer Oliven noted that the Village audit for fiscal year ending April 30, 2021 continues to be in progress and should be finalized soon.

Treasurer Oliven provided the Board with an update regarding the status of Cook County tax deposits.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the ten-month period ending February 28, 2022 prepared by L&A. As of February 28, 2022, the net position held in trust for pension benefits is \$47,593,529.38 for a change in position of \$1,868,434.79. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period December 1, 2021 through February 28, 2022 for total disbursements of \$230,462.54. A motion was made by Trustee Grammas and seconded by Trustee Hoffmann to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$230,462.54. Motion carried by roll call vote.

**AYES:** Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts

**NAYS:** None

**ABSENT:** None

*Additional Bills, if any – IDOI Compliance Fee:* The Board noted that the IDOI Compliance Fee invoice will be issued. A motion was made by Trustee Boba and seconded by Trustee Grammas to approve payment of the IDOI Compliance Fee, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending March 31, 2022. As of March 31, 2022, the net return for the first quarter is (6.3%) versus the first quarter account benchmark of (5.3%). The investment return for the quarter is (\$3,172,122) for an ending market value of \$48,265,258. The current asset allocation is as follows: Fixed Income at 35.2%, Equities at 63.2% and Cash Equivalents at 1.6%. Mr. Falduto reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Grammas and seconded by Trustee Hoffmann to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

*Review/Update Investment Policy and/or Asset Allocation, if needed:* The Board discussed the Investment Policy and determined that no changes are required at this time.

*Mr. Sawyer left the meeting at 1:25 p.m.*

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board was reminded that the Statement of Economic Interest are due by May 1, 2022. Attorney Clifford provided the Board with guidance information outlining the requirements of the new form for review.

*Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the April payroll cycle. A status update will be provided at the next regular meeting.

**ILLINOIS POLICE OFFICER PENSION INVESTMENT FUND (IPOPIF) (TRANCHE TBD):** *Notice of Asset Transfer Date:* The Board noted that the Niles Police Pension Fund has been notified by IPOPIF that its asset transfer is not yet scheduled and will be a date to be determined.

*Review of IPOPIF Checklist:* The Board reviewed the IPOPIF checklist prepared by Attorney Clifford.

*Review/Approval of Resolution Appointing Authorized Agents, Review/Approval of Transfer Notice Letter to Investment Advisor and Custodian, Review of Cash Flow Projections, Review/Approval of Transition Cash Retention and Identification of Local Account(s) for Cash:* The Board tabled these items until the next regular meeting.

*Review/Approval of Collateralization Agreement for BMO Harris Account:* The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard \$250,000 FDIC insurance coverage. A motion was made by Trustee Boba and seconded by Trustee Hoffmann to authorize Trustee Boba to execute the tri-party pledge depository agreement on behalf of the Fund. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

*Review/Approval of eCFM Portal Form and Appointment of Account Representatives for Portal:* The Board tabled this item for discussion until the next regular meeting.

*Amendments to and Future Termination of Investment Professional and Custodial Agreements:* The Board will review this item at the next regular meeting.

*Status of Arlington Heights PPF v. Pritzker:* Attorney Clifford discussed the status of the *Arlington Heights PPF v. Pritzker* lawsuit which is still pending before the Kane County Circuit Court.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Application for Membership – Kyle Danalewich:* The Board reviewed the Application for Membership submitted by Kyle Danalewich. A motion was made by Trustee Boba and seconded by Trustee Hoffmann to accept Kyle Danalewich into the Niles Police Pension Fund effective January 17, 2022 as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

*Contribution Refund – Estate of Joseph Lazo:* The Board reviewed the contribution refund paperwork received from the Estate of Joseph Lazo for purposes of the refund of Lazo's contributions to the FUND. A motion was made by Trustee Boba and seconded by Trustee Grammas to approve the contribution refund to the Estate of Joseph Lazo in the amount of \$106,971.46. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Deceased Pensioner – Stanley Sosnowski/Approve Surviving Spouse Benefit – Mary Ann Sosnowski:* The Board noted that pensioner Stanley Sosnowski passed away February 12, 2022. The Board reviewed the surviving spouse benefit for Mary Ann Sosnowski with an effective date of February 13, 2022 in the monthly amount of \$9,490.98 with no additional increases. A motion was made by Trustee Boba and seconded by Trustee Grammas to terminate the pension benefit for Stanley Sosnowski due to his passing and to approve the surviving spouse benefit for Mary Ann Sosnowski calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

*Danielle Helma Disability Application – Status of IME Reports and Hearing Date:* Attorney Clifford apprised the Board on the status of the disability application for Danielle Helma and noted her IMEs are currently in process. Further discussion will be held at the next regular meeting.

*Nicholas Beyer Disability Application – Status of IME Appointments and Village's Motion to Intervene and Applicant's Motion to Exclude Trustee Boba:* Attorney Clifford reviewed the status of Nicholas Beyer's disability application and noted that all medical records have been received. Attorney Clifford discussed the Motion to Intervene submitted by the Village of Niles and the submission of the Applicant's Motion to Exclude Trustee Boba. Further discussion will be held at the next regular meeting.

**OLD BUSINESS:** *Status of Holiday Pay Issue:* Attorney Clifford apprised the Board on the status of the holiday pay issue with the Village. Further discussion will be held at the next regular meeting.

*Annual Independent Medical Examinations – James Griesenauer and Jerry Mercado:* Attorney Clifford noted that the annual independent medical examinations for James Griesenauer determined to be

inconclusive and further testing is required. James Griesenauer will be sent for a functional capacity evaluation and further discussion will be held at the next regular meeting.

Attorney Clifford apprised the Board that Jerry Mercado's independent medical examination is in process. Further discussion will be held at the next regular meeting.

*Status of Letter to Village on Funding:* Attorney Clifford apprised the Board that she is in the process of preparing correspondence to send to the Village regarding funding. Updates will be provided to the Board as they become available.

**NEW BUSINESS:** *Review/Approve – Resolution Establishing Signatory Authority:* The Board reviewed the Resolution Establishing Signatory Authority prepared by Attorney Clifford. A motion was made by Trustee Boba and seconded by Trustee Grammas to adopt Resolution 2022-02, establishing Trustees Boba and Hoffmann and Treasurer Oliven as the authorized signers for the Niles Police Pension Fund. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts

NAYS: None

ABSENT: None

*Discussion/Possible Action – Pension Payroll Date Compliance:* The Board reviewed the memorandum and supplemental documentation provided by L&A regarding pension benefit payroll date compliance. A motion was made by Trustee Grammas and seconded by Trustee Hoffmann to direct L&A to send communication to pensioners advising of the adjusted pension benefit payroll date to be issued on the last business day of the month, in compliance with state statute. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts

NAYS: None

ABSENT: None

*Dependent Benefit Workers Compensation Offset – Ivy Zourkas:* L&A apprised the Board that Steven Zourkas's dependent turns age 18 in December 2022. L&A requested the Board provide communication upon the termination of workers compensation benefits for Steven Zourkas's dependent. Updates will be provided to the Board as they become available.

*Certify Board Election Results – Active Member Position:* The Board noted there is an ongoing election for both of the active member positions and ballots are due April 18, 2022. Further discussion will be held at the next regular meeting.

**ATTORNEY'S REPORT – OTTOSEN:** *Quarterly Insights:* The Board was provided the second Quarter Pension Insights prepared by Ottosen.

**TRUSTEE TRAINING UPDATES:** *Approval of Trustee Training Registration Fees and Reimbursable Expenses:* The Board discussed the required 8 hours of continuing education. A motion was made by Trustee Boba and seconded by Trustee Grammas to approve registration fees and reasonable expenses for Trustees to complete the required training. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts

NAYS: None

ABSENT: None

**CLOSED SESSION, IF NEEDED:** There was no closed session needed.

**ADJOURNMENT:** A motion was made by Trustee Boba and seconded by Trustee Hoffmann to adjourn the meeting at 2:26 p.m. Motion carried by roll call vote.

AYES: Trustees Boba, Hoffmann, Lim, Grammas and Lambrechts  
NAYS: None  
ABSENT: None

The next regular meeting is scheduled for July 13, 2022 at 1:00 p.m.

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Board Secretary

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Date Approved by Board

*Minutes prepared by Michelle Rice, Pension Services Administrator, Lauterbach & Amen, LLP*