

**MINUTES OF A REGULAR MEETING OF
THE ROCK ISLAND POLICE PENSION FUND
BOARD OF TRUSTEES
APRIL 26, 2023**

A regular meeting of the Rock Island Police Pension Fund Board of Trustees was held via videoconference on Wednesday, April 26, 2023 at 4:30 p.m. without a quorum of the public body physically present because of a disaster declaration related to COVID-19 public health concerns affecting the City of Rock Island. The Rock Island Police Pension Fund Board President determined that an in-person meeting with all participants was not practical, prudent or feasible because of the disaster, pursuant to notice.

CALL TO ORDER: Trustee Morris called the meeting to order at 4:31 p.m.

ROLL CALL:

PRESENT: Trustee Linda Barnes (April 2025), Trustee James Morris (May 2024), Trustee Aaron Curry (May 2025) and Trustee Tim Muehler (May 2025)

ABSENT: Trustee Kondon Karzin (May 2025)

ALSO PRESENT: Attorney Brian LaBardi, Reimer Dobrovolny & LaBardi PC; Attorney Thomas Duda, Law Offices of Thomas W. Duda; Kevin Cavanaugh, Sara Gutierrez and Noelle Jacobs, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *January 25, 2023 Regular Meeting:* The Board reviewed the January 25, 2023 regular meeting minutes. A motion was made by Trustee Morris and seconded by Trustee Curry to approve the January 25, 2023 regular minutes as written. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler

NAYS: None

ABSENT: Trustee Karzin

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eleven-month period ending February 28, 2023 prepared by L&A. As of February 28, 2023, the net position held in trust for pension benefits is \$39,975,602.05 for a change in position of \$323,036.18. 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, 2022 through February 28, 2023 for total disbursements of \$208,139.02. A motion was made by Trustee Barnes and seconded by Trustee Muehler to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$208,139.02. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler

NAYS: None

ABSENT: Trustee Karzin

Additional Bills, if any: Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice may be issued and that upon receipt they will provide the invoice to Attorney LaBardi to determine if the invoice should be remitted for payment. If needed the Board will hold a special meeting to discuss the Illinois Department of Insurance Compliance Fee invoice. Updates will be provided as they become available.

Discussion/Possible Action – Cash Management Policy: The Board reviewed the Cash Management Policy and determined that no changes are required at this time.

ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC *Disability Application – Steven Marty:* Attorney LaBardi discussed the Steven Marty disability matter noting that the Appellate Court dismissed the appeal for Mr. Marty’s disability and the Board is to have another hearing due to the Trial Court order to remand. The Board determined that the hearing will be set for Thursday, June 29, 2023 at 1:00 p.m. in the Community Room at the Rock Island Police Department and a Notice of Hearing will be issued by Reimer, Dobrovoly & LaBardi, PC. An update will be provided at the next regular meeting.

Mr. Duda left the meeting at 4:44 p.m.

INVESTMENT REPORT: IPOPIF – Verus Advisory, Inc.: The Board reviewed the IPOPIF Investment Performance Report Monthly Statement prepared by Verus Advisory, Inc. for the period ending February 28, 2023. As of February 28, 2023, the one-month total return is (2.2%) and the inception-to-date return is (6.2%) for an ending market value of \$8,858,278,672.

State Street Statements: The Board reviewed the State Street Statement for the month ending February 28, 2023. The beginning value is \$41,205,707.70, the ending value is \$39,970,834.27, the month-to-date net return is (2.22%) and the inception-to-date net return is 4.31%.

COMMUNICATIONS AND REPORTS: Affidavits of Continued Eligibility: L&A informed the Board that third request Affidavits of Continued Eligibility were mailed to the outstanding pensioners via certified mail on March 29, 2023 and a due date of April 14, 2023. To date, two affidavits remain outstanding. A motion was made by Trustee Morris and seconded by Trustee Barnes to suspend the two outstanding pensioner’s direct deposit beginning with the May payroll cycle and to hold the checks at the Human Resources Department located in the Rock Island City Hall until a completed affidavit is received. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

Post Meeting Note: L&A noted one of the outstanding pensioner’s affidavit was received on May 1, 2023.

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest are due by May 1, 2023.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration and Reimbursable Expenses: The Board discussed the upcoming 2023 annual Trustee training opportunities. A motion was made by Trustee Morris and seconded by Trustee Curry to approve the registration fees for all Trustees interested in attending annual training for 2023. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Tyler Anast-Schneider, Nicholas Castro, Jacob Hast, Jonathan McDonald, Dakota McManus and Blake Moe:* The Board reviewed the Applications for Membership submitted by Tyler Anast-Schneider, Nicholas Castro, Jacob Hast, Jonathan McDonald, Dakota McManus and Blake Moe. A motion was made by Trustee Morris and seconded by Trustee Barnes to accept Tyler Anast-Schneider, Nicholas Castro, Jacob Hast, Blake Moe effective August 22, 2022, Jonathan McDonald effective December 27, 2022 and Dakota McManus effective November 14, 2022 into the Rock Island Police Pension Fund effective their respective dates of hire, as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefit – Phillip Anderson Jr.:* The Board reviewed the deferred regular retirement benefit calculation for Phillip Anderson Jr. prepared by L&A. Sergeant Anderson had an entry date of June 3, 2002, retirement date of March 3, 2023, effective date of pension of March 28, 2025, 50 years of age at date of retirement, 20 years of creditable service, applicable salary of \$96,877.03, applicable pension percentage of 50%, amount of originally granted monthly pension of \$4,036.54 and amount of originally granted annual pension of \$48,438.48. A motion was made by Trustee Morris and seconded by Trustee Curry to approve Phillip Anderson Jr.'s deferred regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

Deceased Surviving Spouse – Shari Hutton: The Board noted that surviving spouse Shari Hutton passed away February 7, 2023 and her pension benefit has ceased.

IPOPIF: *Discussion/Possible Action – Resolution Establishing an Additional Representative for the Enterprise Cash Flow Module (eCFM):* The Board discussed updating the eCFM and determined that no changes are required at this time.

Review/Possibly Approve – Resolution for Authorized Agents and Account Representatives from IPOPIF: The Board discussed updating the Authorized Agents and Account Representatives on behalf of the Rock Island Police Pension Fund. A motion was made by Trustee Morris and seconded by Trustee Barnes to adopt Resolution 2023-01 appointing Trustees Muehler and Barnes as the Authorized Agents and maintain Finance Manager Jessica Sager and L&A Representative Susan Hill as the Account Representatives. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

OLD BUSINESS: *Appointed Member Term Update:* The Board noted that Trustee Curry’s appointment expires June 29, 2023 and he has been reappointed to the Rock Island Police Pension Fund Board of Trustees by the Mayor of Rock Island for a two-year term, expiring May 31, 2025.

NEW BUSINESS: *Portability Update – Dustin Miles:* The Board discussed Dustin Miles’ transfer of creditable service of 11 years, 2 months, 24 days from the Rock Island Police Pension Fund to the Milan Police Pension Fund. The Board noted that the required transfer amount from the Rock Island Police Pension Fund to the Milan Police Pension Fund is \$201,712.54. A motion was made by Trustee Morris and seconded by Trustee Curry to authorize L&A to issue payment in the amount of \$201,712.54 to the Milan Police Pension Fund for Dustin Miles’ transfer of creditable service as discussed. Motion carried by roll call vote.
AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

Certify Board Election Results – Active and Retired Member Positions: L&A conducted an election for one of the active member positions on the Rock Island Police Pension Fund Board of Trustees. Timothy Muehler ran unopposed and was reelected for a two-year term expiring May 13, 2025. A motion was made by Trustee Morris and seconded by Trustee Barnes to certify the active member election results. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

L&A also conducted an election for the retired member position on the Rock Island Police Pension Fund Board of Trustees. Gene Karzin ran unopposed and was reelected for a two-year term expiring May 13, 2025. A motion was made by Trustee Morris and seconded by Trustee Muehler to certify the retired member election results. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler
NAYS: None
ABSENT: Trustee Karzin

Discussion/Possible Action – Cyber Risk Insurance Coverage: The Board discussed obtaining cyber risk insurance coverage and determined that they will not maintain a cyber risk insurance policy at this time. Updates will be provided as they become available.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

Review Preliminary Actuarial Valuation: The Board reviewed the preliminary Actuarial Valuation prepared by L&A. The final report will be reviewed by the Board at the next regular meeting.

Review Letter of Credit: The Board noted that the Federal Home Loan Bank of Chicago provided an Irrevocable Letter of Credit to the Rock Island Police Pension Fund. No further action is required.

ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC (CONTINUED): *Disability Application – Phillip Ledbetter:* Attorney LaBardi apprised the Board that Phillip Ledbetter is in process of

completing his independent medical examinations and that once those have been completed and the final report has been received, the exhibits will be distributed to the Board for their review and the matter will be set for a hearing. An update will be provided at the next regular meeting.

Legal Updates: The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney LaBardi discussed recent court cases and decisions, as well as general pension matters with the Board.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Morris and seconded by Trustee Barnes to adjourn the meeting at 5:41 p.m. Motion carried by roll call vote.

AYES: Trustees Morris, Barnes, Curry and Muehler

NAYS: None

ABSENT: Trustee Karzin

The next regular meeting is scheduled for July 26, 2023 at 4:30 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 07/26/2023.

Minutes prepared by Sara Gutierrez, Pension Services Administrator, Lauterbach & Amen, LLP