

# Bradley Police Pension Fund Board

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147 South Michigan Avenue

Bradley, Illinois 60915-0066

815/933-3315

## MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES MONDAY, JANUARY 22, 2018

A regular meeting of the Board of Trustees of the Bradley Police Pension Fund was held on **Monday, January 22, at 1:00 pm** at the Bradley Village Hall Council Chambers located at 147 S. Michigan Avenue, Bradley, IL, for the purpose of conducting regular business.

**CALL TO ORDER:** President Trudeau called the meeting to order at 1:01 pm.

### ROLL CALL:

**PRESENT:** Trustees Philip Trudeau, Brett Dersien, Joe Martino and Jeff Hackley

**ABSENT:** None

**ALSO PRESENT:** Dave Harrington and John Falduto, Sawyer Falduto Asset Management; Allison Barrett and Lora Murphy, Lauterbach & Amen, LLP (L&A), Board Attorney Rick Reimer, Reimer Dobrovolny & Karlson, LLC (via teleconference); Village Administrator Catherine Wojnarowski and Finance Director Brian Patoska, Village of Bradley

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *October 23, 2017 Regular Meeting Minutes and November 29, 2017 Special Meeting Minutes:* The Board reviewed the minutes from the October 23, 2017 regular meeting and the November 29, 2017 special meeting. A motion was made by Trustee Hackley and seconded by Trustee Martino to approve the October 23, 2017 regular meeting minutes and the November 29, 2017 special meeting minutes as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* There were no closed session meeting minutes for review.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* The Board noted that Lauterbach & Amen, LLP will prepare the monthly financial report upon receipt of all necessary documentation. A report will be available for review at the next regularly scheduled meeting.

*Presentation and Approval of Bills:* The Board noted that the Vendor Checks Report will be completed upon receipt of all necessary documentation. The report will be prepared and available for review at the next regularly scheduled meeting.

*Additional Bills, if any:* The Board reviewed the following additional bills for approval:

- L&A invoice #25883 in the amount of \$350.00 for a portability benefit calculation.
- Reimbursement to Trustee Trudeau in the amount of \$14.50 for the cost of obtaining court documents for the Jeck/Hamlin QILDRO.

A motion was made by Trustee Hackley and seconded by Trustee Dersien to approve the additional reimbursement as presented and to table the L&A invoice until the next regularly scheduled meeting. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino  
NAYS: None  
ABSENT: None

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending December 31, 2017. As of December 31, 2017, the quarter-to-date total net return is 3.39% for an investment return of \$539,661 and an ending market value of \$16,148,417. The current asset allocation is as follows: Fixed Income at 39.7%, Equities at 59.7% and Cash Equivalents at 0.6%. The Market Commentary was reviewed by Mr. Harrington. The Equity and Fixed Income Portfolios, and Transaction Ledger Report were also reviewed. All questions were answered by Mr. Falduto and Mr. Harrington.

The Board discussed transferring funds from the Homestar account to the Schwab account. A motion was made by Trustee Hackley and seconded by Trustee Trudeau to transfer \$350,000 from the Homestar account to the Schwab account. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino  
NAYS: None  
ABSENT: None

The Board noted that the transition of Schwab receiving all active member contributions and tax levy revenue, instead of Homestar, is in process. An update will be provided at the next regularly scheduled meeting.

*Review/Update Investment Policy:* There were no updates necessary to the Investment Policy at this time.

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2018. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2018.

*2018 Mileage Rate:* The Board noted that the IRS standard business mileage rate used for reimbursement increased to \$0.545 per mile effective January 1, 2018.

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

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND:** *Application for Membership – Kathryn Novak:* The Board reviewed the Application for Membership submitted by Kathryn Novak. A motion was made Trustee Trudeau and seconded by Trustee Hackley to accept Kathryn Novak into the Bradley Police Pension Fund, effective 12/18/17, as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino  
NAYS: None  
ABSENT: None

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** There were no applications for retirement or disability benefits at this time.

**OLD BUSINESS:** There was no old business to discuss at this time.

**NEW BUSINESS:** *Discussion/Possible Action of Jeck/Hamlin QILDRO:* The Board discussed with Mr. Reimer, via teleconference, that pensioner James Jeck’s original QILDRO benefit calculations were miscalculated, per L&A’s review of benefits. The miscalculation has resulted in an overpayment to the alternate payee in an amount of \$9,225.19. A motion was made by Trustee Hackley and seconded by Trustee Trudeau to authorize L&A to remit to the alternate payee the correct QILDRO amount of \$1,247.48 effective February 2018. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino

NAYS: None

ABSENT: None

The Board noted that correspondence will be sent to the payee and alternate payee notifying both of the overpayment of the QILDRO and repayment. A motion was made by Trustee Trudeau and seconded by Trustee Hackley to authorize L&A to issue correspondence to Mr. Jeck and Ms. Hamlin regarding the identified overpayment and offer Ms. Hamlin several repayment schedules from which she must elect within 45 days; otherwise a monthly repayment schedule of \$200.00 will be implemented effective with the March 2018 payroll. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino

NAYS: None

ABSENT: None

*Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2018 Cost of Living Adjustments (see attached) as calculated by L&A. A motion was made by Trustee Trudeau and seconded by Trustee Dersien to approve the 2018 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Trudeau, Dersien, Hackley and Martino

NAYS: None

ABSENT: None

*Review Trustee Term Expirations and Election Procedures:* The Board noted that the active member terms currently by Trustee Trudeau and Trustee Dersien and the retired member term currently held by Trustee Hackley are expiring in April 2018. Trustees Trudeau, Trustee Dersien and Trustee Hackley wishes to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for the two active member Trustee positions and retired member Trustee position.

**ATTORNEY’S REPORT:** *Legal Updates:* The Board reviewed the *Legal and Legislative Update* newsletter by Reimer, Dobrovolny & Karlson, LLC.

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

**ADJOURNMENT:** A motion was made by Trustee Hackley and seconded by Trustee Martino to adjourn the meeting at 2:30 pm. Motion carried unanimously by voice vote.

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The next regular meeting of the Bradley Police Pension Fund will be held on **Monday, April 23, 2018 at 1:00 pm.**

*Respectfully submitted,*

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Brett Dersien, Secretary

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Date Approved by Board

*Minutes prepared by Lora Murphy, Pension Services Administrator, Lauterbach & Amen, LLP*