

**APPROVED MINUTES**

**VILLAGE OF NORTHFIELD  
BOARD OF TRUSTEES OF THE POLICE PENSION FUND**

October 19, 2022

Minutes of the Board of Trustees of the Police Pension Fund meeting held on Thursday, October 19, 2022 Village of Northfield, Multi-Purpose Room, 2<sup>st</sup> floor, 361 Happ Road, Northfield, IL.

**ROLL CALL**

President Kenneth E. Smith called the meeting to order at 3:30 p.m. Roll call was as follows:

**Trustees Present:**

Kenneth Smith  
William Lustig  
Tom Hanus  
Gordon Scott  
Don Whiteman

**Non-Trustees Present**

Kathleen Morley Village Finance Director  
Carolyn Clifford, Ottosen DiNolfo  
Michael May, Lauterbach & Amen  
Kevin Cavanaugh, Lauterbach & Amen  
Rafael Robledo, Northfield Police Officer  
Keith Schemm, Lauterbach and Amen  
Steve Gilmour, Northfield Corporal

Mr. Smith noted there was a quorum present.

**PUBLIC COMMENT**

No public comment was made.

**APPROVAL OF MINUTES**

The next item was to approve the pension meeting minutes of August 17, 2022. Mr. Hanus made a motion to accept the minutes, seconded by Mr. Whiteman, and upon a roll call vote, motion passed:

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

**REVIEW OF ACTUARIAL VALUATION**

Keith Schemm and Kevin Cavanaugh from Lauterbach and Amen, presented the Board with the Actuarial Valuation of the Northfield Police Pension Fund ending April 20, 2022. Mr. Schemm reviewed the report in detail with the Board members and answered their questions.

**RECOMMENDATION OF TAX LEVY TO VILLAGE AND CERITIFICATION OF MUNICIPAL COMPLIANCE REPORT**

The recommended contribution for next fiscal year is \$1,681,780 which is a 4.54% decrease from the prior year. Software implemented last year by L&A calculated a projected surviving spouse benefit to include cost of living adjustment in error. Mr. Cavanaugh told the Board he has the final Municipal Compliance Report, and there were no changes to the draft, and the

Board could approve the MCR. Carolyn Clifford provided the Board with a draft tax levy letter that outlined the Board's request. Mr. Hanus made a motion to accept the Actuarial Valuation as presented, to certify the MCR and to request from the Village a tax levy in the amount of \$1,681,780, seconded by Mr. Lustig and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

**FINANCIAL STATEMENTS (L &A)**

Mr. May reviewed the report with the Board members, as well as the Statement of Net Position. The total net position of the fund as of August 31, 2022 was \$22,203,078.50

**APPROVAL OF BILLS (L&A)**

Mr. May distributed a copy of the Quarterly Vendor Check Report, which details all bills paid by the Pension Board from June 1, 2022 through August 31, 2022. The total amount paid was \$86,146.20. Mr. Whiteman made a motion to approve the Financial Statement and the payment of the bills, seconded by Mr. Hanus and upon roll call vote, motion passed:

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

**ILLINOIS PUBLIC OFFICERS PENSION INVESTMENT FUND (IPOPIF)**

Ms. Clifford reviewed the Illinois Police Officers' Pension Investment Fund investment report ending June 30, 2022, by Verus Investments. The report gives an overview of the asset allocations for the consolidated funds. The State Street Statements of Transaction Detail has not yet been received.

Ms. Clifford discussed the Review of Cash Projections, Cash Need and Cash Management Procedures. She developed a chart which indicates cash management items and the details and directives. The Board discussed the status of the eCFM portal setup; it was noted that Ms. Morley has been unable to transfer excess cash to IPOPIF due to a delay in the portal being established. Upon review and extensive discussion, the Board determined it would continue to work with the cash currently on hand in the local account to pay benefits through February 2023, instead of transferring any more money to IPOPIF, or setting up repeat withdrawal instructions from IPOPIF. The Board will reevaluate cash management at the next meeting.

**APPLICATION FOR MEMBERSHIP/WITHDRAWAL/TRANSFERS/BENEFITS**

Corporal Nana Owusu retired from the Northfield Police Department after 20 years of service. He is deferring his pension until he reaches age 50. L&A will be preparing the deferred retirement calculations and will submit it to the Board at a later date, for review and approval.

Three Northfield Police Officers, who lateraled from Chicago Police Department, discussed with the Board an option that is available to purchase up to five years of optional creditable service. There was a lack of clarity regarding the procedure and a few of the officers had already received their payout of employee contributions from Chicago's police pension fund. The Board, L&A and the attorney are looking into possible avenues to buy back time. When L&A runs some

different scenarios for this service purchase, the Board will set a special meeting to review the options with the officers.

**REVIEW/APPROVE ANNUAL STATEMENT FOR THE ILLINOIS DEPARTMENT OF INSURANCE**

The Board and Ms. Clifford reviewed the DOI Annual Statement, which is due on October 31, 2022. There were a few changes that needed to be made. Mr. Whiteman made a motion to approve the Annual Interrogatory Statement with the following changes: **A03**, defining the tax levy components and structure; **M19**, change the signers on the pension funds accounts, removing Steve Noble and Thomas Hanus and adding Kathleen Morley and Donald Whiteman; **I108**, we answer No; **I108a**. We have been unable to transfer cash due to delay in portal being established. Seconded by Mr. Hanus and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

**STATUS OF VILLAGE AUDIT**

Ms. Morley advised the Board that the Village audit was to be in final form by October 20th. Once it is completed, she will sure Lauterbach has it to file with the DOI Annual Statement by October 31, 2022.

**NEW BUSINESS**

The Board reviewed the proposed quarterly meeting schedule for 2023:

**Wednesday, January 18, 2023 at 3:30 p.m.    Wednesday, April 19, 2023 at 3:30 p.m.**  
**Wednesday, August 16, 2023 at 3:30 p.m.    Wednesday, October 18, 2023 at 3:30 p.m.**

Mr. Whiteman made a motion to approve the quarterly meeting dates for 2023, seconded by Mr. Lustig and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

The Board discussed the Fiduciary Liability Insurance policy for 2023. Mr. Morley said that the renewal generally comes due January 1<sup>st</sup>. Mr. Whiteman made a motion for the Board to authorized Ms. Morley to renew the Fiduciary Liability Insurance policy for calendar year 2023, seconded by Mr. Hanus and upon a voice vote, motion passed.

AYES: Smith, Lustig, Hanus, Scott, Whiteman  
NAYS: None

**TRAINING**

Ms. Clifford provided the Board with legal updates and some information on upcoming training opportunities.

**CLOSED SESSION**

None

**ADJOURNMENT**

With no further business to discuss, Mr. Lustig made a motion to adjourn at 6:00 p.m., seconded by Mr. Hanus and upon a roll call vote, motion passed:

AYES: Smith, Lustig, Hanus, Scott, Whiteman

NAYS: None

Respectfully submitted,

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Donald Whiteman, Secretary

Minutes prepared by Maureen French, Administrative Assistant. Minutes approved the Board of Trustees at its meeting on \_\_\_\_\_2023.