



# ROCKTON POLICE PENSION FUND

110 East Main Street  
Rockton, Illinois 61072



## MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES JANUARY 26, 2022

A regular meeting of the Rockton Police Pension Fund Board of Trustees was held on Wednesday, January 26, 2022 at 4:00 p.m. in the Rockton Municipal Center located at 110 E. Main Street, Rockton, Illinois 61072, pursuant to notice.

**CALL TO ORDER:** Trustee Lans called the meeting to order at 4:01 p.m.

**ROLL CALL:**

**PRESENT:** Trustees Bruce Lans, Dean Camacho, Ronald Montgomery, Michael Johnson and Russell Schaefer

**ABSENT:** None

**ALSO PRESENT:** Village Collector Corine Hughes, Village of Rockton; Dave Harrington, Sawyer Falduto Asset Management, LLC; Attorney Chris Potthoff, Reimer Dobrovolny & LaBardi PC; Molly Weslow, Lauterbach & Amen, LLP (L&A)

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

**APPROVAL OF MEETING MINUTES:** *October 27, 2021 Regular Meeting:* The Board reviewed the October 27, 2021 regular meeting minutes. A motion was made by Trustee Montgomery and seconded by Trustee Lans to approve the October 27, 2021 regular 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.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Harrington presented the Quarterly Investment Performance Report for the period ending December 31, 2021. As of December 31, 2021, the fourth quarter net return is 2.8% versus the fourth quarter account benchmark of 3.6%. The investment return for the quarter is \$256,894 for an ending market value of \$9,385,722. The current asset allocation is as follows: Fixed Income at 53.3%, Equities at 46.3% and Cash Equivalents at 0.4%. Mr. Harrington 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 Lans and seconded by Trustee Schaefer to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* The Board discussed the Investment Policy and determined that no changes are required at this time.

*Post Consolidation Services Proposal:* Mr. Harrington presented an overview of post-consolidation services offered by Sawyer Falduto Asset Management, LLC. A motion was made by Trustee Lans and seconded by Trustee Johnson to retain Sawyer Falduto Asset Management, LLC for post-consolidation services at the monthly rate of \$500 on a month-to-month basis. Motion carried by roll call vote.

**AYES:** Trustees Lans, Camacho, Montgomery, Johnson and Schaefer

**NAYS:** None

**ABSENT:** None

*Consolidation Related Matters:* This item was not discussed.

**ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the six-month period ending November 30, 2021, prepared by L&A. As of November 30, 2021, the net position held in trust for pension benefits is \$9,306,078.63 for a change in position of \$637,826.44. 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 September 1, 2021 through November 30, 2021 for total disbursements of \$19,614.32. A motion was made by Trustee Camacho and seconded by Trustee Montgomery to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$19,614.32. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

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

- Reimer Dobrovlny & LaBardi PC invoice #27788 in the amount of \$750 for legal services rendered
- Lauterbach & Amen, LLP invoice # 62000 in the amount \$850 for monthly Accounting and Benefit Administration and PSA Services for November 2021
- Lauterbach & Amen, LLP invoice # 62814 in the amount \$850 for monthly Accounting and Benefits Administration and PSA Services for December 2021

A motion was made by Trustee Lans and seconded by Trustee Johnson to approve the additional bills as presented. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

*Discussion/Possible Action – Auto-Pay Invoices:* The Board noted that they will not be engaging in Auto-Pay for L&A monthly invoices.

**TREASURER’S REPORT – JAYE QUIMBY:** *Update of Impact to Pension Fund Resulting from Recent Discovery by Village of Rockton of Payroll Errors in Payments to Members Over Multiple Years:* Ms. Hughes informed the Board that a repayment schedule has been implemented for the next payroll cycle for all overpaid and underpaid active members. No further action is needed at this time.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC (CONTINUED):** The Board discussed the cash balance needed to fund pension benefit and administration expenses. The Board authorized Sawyer Falduto Asset Management, LLC to transfer \$55,000 to the Schwab Money Market account.

**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, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

**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.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Contribution Refund – Larry Brostrom:* The Board reviewed the contribution refund request submitted by Larry Brostrom. A motion was made by Trustee Camacho and seconded by Trustee Lans to approve Larry Brostrom’s contribution refund in the amount of \$6,661.79 paid directly to himself issued on January 31, 2022. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

*Contribution Refund – Matthew Carnrike:* The Board reviewed the contribution refund request submitted by Matthew Carnrike. A motion was made by Trustee Camcho and seconded by Trustee Johnson to approve Matthew Carnrike’s contribution refund in the amount of \$320.64 paid directly to himself issued on December 31, 2021. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

*Contribution Refund – Ryan O’Mara:* The Board reviewed the contribution refund request submitted by Ryan O’Mara. A motion was made by Trustee Camacho and seconded by Trustee Montgomery to approve Ryan O’Mara’s contribution refund in the amount of \$172.50 paid directly to himself issued on December 31, 2021. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

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

**OLD BUSINESS:** *Review/Approve – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Lans and seconded by Trustee Johnson to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

**NEW BUSINESS:** *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Montgomery and seconded by Trustee Johnson to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

**ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC:** *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney Potthoff discussed recent court cases and decisions, as well as consolidation and general pension matters with the Board.

*Ms. Hughes left the meeting at 4:55 p.m.*

The Board acknowledged the IPOPIF Notice of Transfer Date as March 1, 2022. A motion was made by Trustee Lans and seconded by Trustee Schaefer to authorize Trustee Camacho to issue correspondence on behalf of the Rockton Police Pension Fund to the IPOPIF Board of Trustees and request an extension to a later tranche date no sooner than June 1, 2022. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

**NEW BUSINESS (CONTINUED):** *Discussion/Possible Action – Appointment of Authorized Representatives in Accordance with IPOPIF Administrative Rule 2021-01:* The Board noted that this item was tabled until the next regular meeting.

*Acknowledge IPOPIF Notice of Transfer Date, Adopt Resolution of Notice and Executive Exhibits:* The Board noted that this item was tabled until the next regular meeting.

*Review/Approve – Local Account Collateralization:* The Board noted that this item was tabled until the next regular meeting.

*Discussion/Adoption – Cash Management Policy/Guidelines:* The Board discussed cash management guidelines for the Rockton Police Pension Fund. A motion was made by Trustee Lans and seconded by Trustee Montgomery to direct Sawyer Falduto Asset Management, LLC to allow cash to accumulate by ceasing to invest in securities including but not limited to bond payments and maturities. Motion carried by roll call vote.

AYES: Trustees Lans, Camacho, Montgomery, Johnson and Schaefer  
NAYS: None  
ABSENT: None

*Discussion/Possible Action to be taken on all IPOPIF Requests Pertaining to Consolidation:* This item was not discussed.

*Review Trustee Term Expirations and Election Procedures:* The Board noted that the appointed Trustee position held by Trustee Montgomery is expiring in May 2022 and he wishes to remain on the Board. The Board will contact the Village and seek reappointment of Trustee Montgomery to the Board.

**ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI PC (CONTINUED):** *QILDRO Update – Stephen Dickson:* Attorney Pothoff informed the Board that Stephen Dickson’s QILDRO is in process. Further discussion will be held at the next regular meeting.

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

**ADJOURNMENT:** A motion was made by Trustee Johnson and seconded by Trustee Montgomery to adjourn the meeting at 5:26 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 27, 2022 at 4:00 p.m.

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Board President or Secretary

Minutes approved by the Board of Trustees on \_\_\_\_\_.

*Minutes prepared by Molly Weslow, Pension Services Administrator, Lauterbach & Amen, LLP*