



**VERNON HILLS POLICE PENSION FUND**  
290 Evergreen Drive, Vernon Hills, Illinois | 847-362-4449

Mark Sosnoski	Jeff Cielak	Chris Buhrmester	Mark Peterson	Todd Renihan
President	Vice President	Secretary	Assistant Secretary	Trustee

**MINUTES OF A REGULAR MEETING OF THE VERNON HILLS POLICE  
PENSION FUND BOARD OF TRUSTEES  
MAY 7, 2020**

A regular meeting of the Vernon Hills Police Pension Fund Board of Trustees was held via videoconference in accordance with Section 6 of Governor Pritzker's Executive Order 2020-33 (COVID-19 Executive Order No. 31) on Thursday, May 7, 2020 at 10:00 a.m. pursuant to notice.

**CALL TO ORDER:** Trustee Sosnoski called the meeting to order at 10:01 a.m.

**ROLL CALL:**

**PRESENT:** Trustees Mark Sosnoski, Jeff Cielak, Todd Renihan, Chris Buhrmester and Mark Peterson

**ABSENT:** None

**ALSO PRESENT:** Treasurer Anne Fairbairn, Village of Vernon Hills; Keri O'Brien and Erika Feldman, Lauterbach & Amen, LLP (L&A); Attorney Ericka Thomas, Ottosen DiNolfo; Mary Tomanek, Graystone Consulting

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

**INVESTMENT REPORT – GRAYSTONE CONSULTING:** *Quarterly Performance Review:* Ms. Tomanek presented the Quarterly Performance Review for the period ending March 31, 2020. As of March 31, 2020, the quarter-to-date net return is (13.51%) and the ending market value is \$47,167,473. The current asset allocation is as follows: fixed income at 37.3% and equities at 58.6%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter. All questions were answered by Ms. Tomanek.

*Purchase and/or Sale of Securities:* There were no recommended changes at this time.

*Review/Update Investment Policy:* Ms. Tomanek reviewed the updated investment policy prepared by Graystone Consulting. The Board discussed the amended policy, which has been updated to include language to comply with the Illinois Sustainability Investment Act effective January 1, 2020. A motion was made by Trustee Sosnoski and seconded by Trustee Peterson to adopt and execute the updated investment policy as presented and to direct L&A to file the investment policy with the Illinois Department of Insurance within 30 days of execution. Motion carried by roll call vote.

**AYES:** Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski

**NAYS:** None

**ABSENT:** None

Attorney Thomas advised the Board that she will review the investment policy and will provide an updated version for the Board's review at the next regular meeting.

The Board rescheduled the next regular meeting on August 20, 2020 to August 27, 2020 at 10:00 a.m.

**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 March 31, 2020 prepared by L&A. As of March 31, 2020, the net position held in trust for pension benefits is \$47,084,482.58 for a change in position of (\$3,352,284.52). 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 January 1, 2020 through March 31, 2020 for total disbursements of \$173,903.67. A motion was made by Trustee Sosnoski and seconded by Trustee Cielak to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$173,903.67. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

*Additional Bills, if any – Illinois Department of Insurance Compliance Fee:* The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Sosnoski and seconded by Trustee Renihan to approve payment of the IDOI Compliance Fee in an amount not to exceed \$8,000, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

**APPROVAL OF MEETING MINUTES:** *February 6, 2020 Regular Meeting:* The Board reviewed the February 6, 2020 regular meeting minutes. A motion was made by Trustee Sosnoski and seconded by Trustee Renihan to approve the February 6, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

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

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1, 2020.

*Affidavits of Continued Eligibility:* The Board noted that due to the health and safety concerns associated with COVID-19, L&A will not issue Affidavits of Continued Eligibility to pensioners with the April payroll cycle. L&A informed the Board that they will continue to monitor the ongoing situation and maintain communication with the Board, in order to issue Affidavits of Continued Eligibility as soon as reasonably possible. A status update will be provided to the Board as more information becomes available.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE PENSION FUND:** The Board noted that Applications for Membership are in process for John Kohler and Zachary Watson. A motion was made by Trustee Sosnoski and seconded by Trustee Cielak to accept John Kohler and Zachary Watson into the Vernon Hills Police Pension Fund effective February 28, 2020, as Tier II participants upon receipt of the Applications for Membership. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Status of Disability Application – Joseph Reyna:* Attorney Thomas informed the Board that Joseph Reyna’s medical records have been received and that due to health and safety concerns surrounding COVID-19, medical offices are not scheduling IME’s at this time. The IME’s will be scheduled as soon as reasonably practical. A motion was made by Trustee Sosnoski and seconded by Trustee Renihan to table this item until the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

*Approve Regular Retirement Benefits – Vincent Utter:* The Board reviewed the regular retirement benefit calculation for Vincent Utter prepared by L&A. Commander Utter had an entry date of April 16, 1992, retirement date of April 16, 2020, effective date of pension of April 17, 2020, 53 years of age at date of retirement, 28 years of creditable service, applicable salary of \$144,549, applicable pension percentage of 70.00%, amount of originally granted monthly pension of \$8,432.03 and amount of originally granted annual pension of \$101,184.36. A motion was made by Trustee Renihan and seconded by Trustee Sosnoski to approve Vincent Utter’s regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

**OLD BUSINESS:** *Portability Update – James Levicki:* The Board noted that L&A mailed correspondence to James Levicki regarding his request to calculate the transfer of creditable service from the Mount Prospect Police Pension Fund to the Vernon Hills Police Pension Fund, but no response has been received to date. Further discussion will be held at the next regular meeting.

*Contribution Deduction Correction for Career Development:* Treasurer Fairbairn advised the Board that the contribution deductions have been corrected and remitted to the Vernon Hills Police Pension Fund in full. No further action is required.

**NEW BUSINESS:** *Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letter:* The Board reviewed the L&A five-year engagement letter for actuarial services in the annual amounts as follows: \$5,275 for the year ended 2020; \$5,450 for the year ended 2021; \$5,600 for the year ended 2022; \$5,750 for the year ended 2023 and \$5,855 for the year ended 2024.

The Board reviewed the L&A five-year engagement letter for accounting services in the annual amounts as follows: \$20,130 for the year ended 2020; \$20,620 for the year ended 2021; \$20,855 for the year ended 2022; \$21,420 for the year ended 2023 and \$21,925 for the year ended 2024.

A motion was made by Trustee Sosnoski and seconded by Trustee Cielak to engage L&A for actuarial and accounting services in the annual amounts as presented. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

**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 Fees and Reimbursable Expenses:* The Board noted that the Village of Vernon Hills will reimburse the Vernon Hills Police Pension Fund in the total amount of \$390.62 for prepaid lodging expenses due to the cancellation of the 2020 IPPFA MidAmerican Pension Conference. A motion was made by Trustee Sosnoski and seconded by Trustee Cielak to accept the reimbursement as stated. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

**ATTORNEY’S REPORT – OTTOSEN DINOLFO:** *Legal Updates:* Attorney Thomas discussed information on handling meetings and disability matters during the COVID-19 pandemic and provided updates on the investment consolidated boards. Attorney Thomas noted that the Board will ratify all action items from today’s meeting at the next regular meeting.

*Annual Independent Medical Examination (IME) – James Koch, Joseph Reyna and Richard Black:* Attorney Thomas apprised the Board that medical offices are not scheduling IME’s at this time due to health and safety concerns surrounding COVID-19. The IME’s will be scheduled as soon as reasonably practical. 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 Sosnoski and seconded by Trustee Peterson to adjourn the meeting at 11:08 a.m. Motion carried by roll call vote.

AYES: Trustees Peterson, Cielak, Renihan, Buhrmester and Sosnoski  
NAYS: None  
ABSENT: None

The next regular meeting is scheduled for August 27, 2020 at 10:00 a.m.

  
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Board President or Secretary

Minutes approved by the Board of Trustees on 10/5/20.

*Minutes prepared by Keri O’Brien, Pension Services Administrator, Lauterbach & Amen, LLP.*