



**Prospect Heights Police Pension Board Minutes
CITY HALL
8 NORTH ELMHURST ROAD
PROSPECT HEIGHTS, IL 60070**

**REGULAR MEETING
Tuesday
January 9, 2024 at 9 AM**

Call to Order - At 9:02 AM, President Lange called to order the Regular Meeting of the Prospect Heights Police Pension Board at City Hall, 8 N Elmhurst Road, Prospect Heights, IL 60070.

Roll Call – Recording Secretary Schultheis called roll. A quorum was present.

TRUSTEES PRESENT – President Lange, Trustees Sigsworth and Huitink

ABSENT – Trustees Kearns and Minniear with previous notification

OTHER OFFICIALS PRESENT – Recording Secretary Schultheis, Accountant Birkenheier (via phone), Attorney LaBardi, Senior PSA Secor

Approval of Minutes

A. October 10, 2023 Regular Meeting Minutes – President Lange moved to approve the October 10, 2023 Regular Meeting Minutes as presented; seconded by Trustee Sigsworth.

ROLL CALL VOTE:

AYES -	Lange, Sigsworth, Huitink
NAYS -	None
ABSENT -	Minniear, Kearns

Motion carried 3 – 0, two absent.

Public Comments – Treasurer Tibbits asked that his request that the Police Pension Board meetings be recorded and that the recordings be retained for the sake of transparency be put in the Minutes.

Approval of Expenditures

A. Karen Schultheis, Recording Secretary January 09, 2024 1st Quarter Meeting

\$125.00

B. Invoices

- a. Invoice# 29756 – Reimer Dobrovoly & LaBardi Quarterly Retainer Fee (October – December, 2023) - **\$750.00**; Disability Application of Todd Godair - **\$50.00 = \$800.00**
- b. Invoice #83572 - **\$600.00**; Preparation of the Municipal Compliance Report
- c. Invoice #83776 - **\$1,445.00**; Preparation of the Illinois Department of Insurance for fiscal year ended.
- d. Invoice #84249 - **\$760.00**; Professional Services for October, 2023
- e. Invoice #85231 - **\$760.00** November 2023 Accounting and Benefits
- f. Invoice #29894 - **\$800.00** Legal Services rendered

C. Payment of Expenditures - Trustee Lange moved for omnibus approval of Karen Schultheis, Recording Secretary January 09, 2024 1st Quarter Meeting - \$125.00, Invoice # 29756 – Reimer Dobrovoly & LaBardi Quarterly Retainer Fee (October – December, 2023) - \$750.00; Disability Application of Todd Godair - \$50.00 = \$800.00, Invoice #83572 - \$600.00; Preparation of the Municipal Compliance Report, Invoice #83776 - \$1,445.00; Preparation of the Illinois Department of Insurance for fiscal year ended, Invoice #84249 - \$760.00; Professional Services for October, 2023, Invoice #85231 - \$760.00 November 2023 Accounting and Benefits and Invoice #29894 - \$1808.70 Legal Services rendered; seconded by Trustee Sigsworth.

ROLL CALL VOTE:

AYES -	Sigsworth, Huitink, Lange
NAYS -	None
ABSENT -	Minnear, Kearns

Motion carried 3 – 0, two absent.

Trustee Huitink asked why the Pension Board had to pay for Mr. Godair’s application. Attorney LaBardi said that the doctors are on the Board.

Pension Board Legal Counsel Report –

BMO Harris Collateralization Agreement – Attorney LaBardi said that the BMO collateralization letter of credit expires the end of February. If a new letter of credit is issued, the Pension Board does not have to take any action.

This item should be followed as it is time critical and will need immediate action if a new Letter of Credit is not issued.

Pension Board Lauterbach and Amen Monthly Financial Report

A. Crista Birkenheier – reviewed the Financial Report. The Net Position held in trust for the pension benefits is \$20,917,939.46. The total contributions for the seven months ended in November, 2023 was \$533,660.46, of which \$396,134,63 came from the City.

Trustee Huitink asked if there was a non-active member eligible for future payments. Accountant Birkenheier said that there was a Tier 1 who retired 7/30/2010 – Mary Lundgren. She would need to reach out to the City to receive benefits. She was active with the City less than 20 years.

President Lange moved to approve the Financial Report as presented; seconded by Trustee Sigsworth.

ROLL CALL VOTE:

AYES -	Huitink, Lange, Sigsworth
NAYS -	None
ABSENT -	Minnear, Kearns

Motion carried 3 – 0, two absent.

B. Discussion and possible action – Lauterbach & Amen proposal – Senior PSA Amanda Secor outlined the roles and responsibilities that Lauterbach and Amen would assume. She said that there were 20 dedicated professionals to PSA – they would provide the Minutes, be a liaison to Lauterbach and Amen, put together the Agenda, bring ipads to each meeting for the Trustees, handle FOIA’s, each trustee would have a unique login, they would maintain membership files, conduct elections, keep certificates updated, and handle affidavits. They would also track trustee training. Trustee Huitink asked about digitizing records. Senior PSA Secor said Jennifer Flores is already provided that as a service.

Trustee Huitink noted that Accountant Birkenheier was already providing some of those services. Senior PSA Secor said that those services were being supplied on an a la carte basis, and paid for separately.

She also stated that the cost was based on a calculation for member payments and annual affidavits. After noting that the yearly rate was costly for the fund, Trustee Huitink wanted more information before agreeing to the services.

Senior PSA Secor noted that the rates, once locked in were good until 4/20/2026.

President Lange asked that Lauterbach and Amen and the Board review the costs and services in 2025. He said that it should be an Agenda item.

Old Business

A. Approval of Colleen Zitkus transfer of Credible Service from Lincolnwood Police Department – President Lange moved to approve the Colleen Zitkus transfer of credible service from Lincolnwood Police Department; seconded by Trustee Sigsworth.

ROLL CALL VOTE: AYES - Lange, Sigsworth, Huitink
 NAYS - None
 ABSENT - Minniear, Kearns

Motion carried 3 – 0, two absent

B. Approval of Prospect Heights Police MCR- With IPOPIF Actuarial Valuation – Accountant Birkenheier said that there were no changes to the Actuary report. She said that the IPOPIF report has been completed. Attorney LaBardi said that this report should have been submitted in December but was held up by the City’s delayed audit results due to the Airport’s delayed audit submission.

Trustee Huitink noted that the City did not accept the recommendation of the actuary. He noted that he had made a presentation to the Council, and had highlighted the historical contribution. He suggested that since the recommendations were not accepted, the actuarial computations were not viable. Attorney LaBardi said that as long as a letter was generated, the City could ignore the actuarial recommendation.

Trustee Huitink said that the City of Prospect Heights is committed to increase funding to the Pension Board via new revenue sources. He noted that the City and the Board had a good relationship, and he believed that it would be beneficial for the Pension Board to continue to interact with the City Council. President Lange suggested that the Board have annual meetings with the City Council.

President Lange moved to approve the actuarial recommendation of \$1,625,822; seconded by Trustee Sigsworth.

ROLL CALL VOTE: AYES - Sigsworth, Huitink, Lange
 NAYS - None
 ABSENT - Minniear, Kearns

Motion carried 3 – 0, two absent

President Lange moved to approve the Municipal Compliance Report as presented; seconded by Trustee Sigsworth.

ROLL CALL VOTE: AYES - Huitink, Lange, Sigsworth
NAYS - None
ABSENT - Minniear, Kearns

Motion carried 3 – 0, two absent

C. Invoice #82982 - \$760.00 September 2023 Accounting and Benefits – pre-approved at the October, 2023 meeting with documentation pending – No action required

New Business

A. Approval of annual COLA increases – President Lange moved to approve the annual COLA increases; seconded by Trustee Sigsworth.

ROLL CALL VOTE: AYES - Lange, Sigsworth, Huitink
NAYS - None
ABSENT - Minniear, Kearns

Motion carried 3 – 0, two absent

B. Semi-Annual review of closed executive session minutes to determine if needs to remain Confidential - None

C. Determine need for election of beneficiary and active trustees and/or reappointment of appointed trustees - request for reappointment of appointed trustees - President Lange, Trustee Sigsworth and Trustee Minniear have their terms expiring April 30, 2024. There will need to be an election. The elections are usually conducted by Lauterbach and Amen. President Lange asked Senior PSA if there had been any update on a discounted price for PSA services.

Senior PSA Secor said that the monthly price of the 2024-25 had been lowered to \$725; and \$745 for 2026 and that an engagement letter would be sent out with the new proposal.

President Lange moved to accept the new rates and proposal for PSA services from Lauterbach and Amen; seconded by Trustee Sigsworth.

ROLL CALL VOTE: AYES - Sigsworth, Huitink, Lange
NAYS - None
ABSENT - Minniear, Kearns

Motion carried 3 – 0, two absent

D. Schedule annual examinations for disabled firefighters /police officers under age of 50 - None

E. Annual verifications of eligibility for beneficiaries – This was completed for 2023. The PSA representative will send out updated verifications which will coincide with the fiscal year. – No action taken.

F. Review/update contracts with vendors (accountants, actuaries, attorneys, investment managers/advisors or consultants) – No action taken

G. Obtain predatory lending certification forms from Illinois regulated banks - None

H. Determine status/need for extension of Letter of Credit or alternative collateralization for Pension Fund operating accounts – Previous discussion. No action taken.

I. Approval of the Police Pension Board Actuarial Funding Report and Recommended City Contribution of \$1,625,822 - Previous action taken.

Next Regular Meeting Date – Tuesday, April 9, 2024 at 9 AM – City Hall. 8 North Elmhurst Road, Prospect Heights, IL 60070

Adjournment – At 10:05 AM, President Lange moved to Adjourn; seconded by Trustee Sigsworth.

VOICE VOTE: All Ayes, No Nays
Motion carried 3 – 0, Trustees Kearns and Minniear absent.

Approved by the Prospect Heights Police Pension Board on this the 9th day of April, 2024.

President Lange