



Agenda
Village of Glen Ellyn
Police Pension Board Special Meeting
Thursday, October 10, 2024
4:30 PM
Glen Ellyn Civic Center, Galligan Board Room

Visitors are most welcome to attend all meetings of the Police Pension Board and can find copies of the Agenda at the meeting or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring reasonable accommodation in order to participate in a meeting should contact The Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

- A. Call to Order**
- B. Roll Call**
- C. Public Comment**
- D. Approval of Minutes**
 - 1) July 17, 2024 Meeting
- E. Accountant's Report**
 - 1) Lauterbach and Amen will present the monthly financial report
 - 2) Presentation and approval of bills as listed in the monthly financial report
 - 3) Additional Bills
 - 4) Cash Management Policy
- F. Investment Report**
 - 1) IPOPIF - Verus Advisory Inc.
- G. Communication and Reports**
 - 1) Affidavits of Continued Eligibility
- H. Trustee Training Updates**
 - 1) Approval of Trustee Training Registration Fees & Reimbursable Expenses
- I. Approval of Membership/Withdrawals from Fund**
- J. Applications for Retirement/Disability Benefits**
- K. Old Business**
 - 1) Portability Update - Caitlin Tabor
 - 2) Portability Updates - Kevin Lombard
 - 3) Review/Adopt - Municipal Compliance Report
- L. New Business**
 - 1) Establish 2025 Board Meeting Dates
- M. Attorney Report**
 - 1) Annual Independent Medical Examinations - Thomas Hartzell and Raymond Munch

2) Legal Updates

N. Public Hearing on Thomas Roman Benefit Issue

O. Motion to adjourn to closed executive session for the purpose of considering the evidence produced at the public hearing, provided that a written decision setting forth the Police Pension Board's determinative reasoning is issued thereafter, pursuant to 5 ILCS 120/2 (c) (4).

P. Return to Open Session to Adopt Decision on Thomas Roman Benefit Issue

Q. Adjourn



Minutes
 Village of Glen Ellyn
 Police Pension Board Meeting
 Regular Meeting
 July 17, 2024
 4:30 PM
 Civic Center Room 306

Board or Commission: Police Pension
Meeting: Regular
Quorum: No

Date: July 17, 2024
Called to Order: 4:30 p.m.
Adjourned: 5:21 p.m.

MEMBER ATTENDANCE:

Jim Monson	President	Absent
John Adduci	Trustee	Present
William Housey Jr.	Trustee	Present
James King	Trustee	Present
Anthony Terranova	Trustee	Present

Also Present:

Patrick Brankin	Finance Director
Elisa Pollina	Recording Secretary
Richard Lamb	Lauterbach & Amen

Public:

A. CALL TO ORDER

The July 17, 2024 meeting of the Police Pension Board was called to order by Trustee Terranova at 4:30 pm at the Glen Ellyn Civic Center, Room 306.

B. PUBLIC COMMENT – None

C. 1. APPROVAL OF MINUTES FROM APRIL 17, 2024 MEETING

MOTION TO APPROVE MINUTES FROM APRIL 17, 2024 POLICE PENSION BOARD MEETING AS AMMENDED

MOTION BY: John Adduci, Trustee

SECONDED BY: Bill Housey, Trustee

RESULT: UNANIMOUS APPROVAL

2. Semi-Annual Review of Closed Session Meeting Minutes – None

D. Accountant’s Report

1. Lauterbach and Amen present the monthly financial report: Richard Lamb from Lauterbach and Amen reviews the financial report month ending May 31, 2024 with the Police Pension Board.

Statement of Net Position as of May 31, 2024 – Total Assets - \$39,600,561.17, Total Contributions - \$1,101,983.88, Total Additions - \$2,730,501.27, Pension Benefits - \$1,402,064.11; Change in Position- \$1,328,437,16.

Revenue Report as of May 31, 2024 – Total Contributions – \$236,216.06; Total Investment Income - \$1,089,407.92; Total Revenue \$1,325.623.98.

Expense Report as of May 31, 2024 – Total Expenses - \$308,488.68

Richard Lamb reviews the cash analysis, revenue, expense, contribution, payroll, quarterly disbursement, and transfer reports in detail. After reviewing the transfer report, Trustee Housey emphasizes that the transfers to consolidated funds should be held in interest-bearing accounts.

Trustee Housing motioned to accept the monthly financial report as presented; Trustee King seconded the motion.

APPROVAL [UNANIMOUS]
MOVER: William Housey, Trustee
SECONDER: James King, Trustee
AYES: Adduci, Terranova, Housey, King

2. Presentation and Approval of bills as listed in the monthly financial report – Trustee Terranova motioned to approve the quarterly disbursement report and the payment of bills in the amount of \$29,138.21; Trustee King seconded the motion.

APPROVAL [UNANIMOUS]
MOVER: Anthony Terranova, Trustee
SECONDER: James King, Trustee
AYES: Adduci, Terranova, Housey, King

3. Additional Bills – None

4. Cash Management Policy – No action at this time.

E. Investment Report

1. IPOPIF Versus Advisory Inc. – The Police Pension received and reviewed the performance of the

IPOPIF report.

F. Communication and Reports

1. Affidavits of Continued Eligibility – Richard Lamb announces that all affidavits have been submitted, with none outstanding. Lamb has forwarded all affidavits to the Police Pension.

2. Active Member File Maintenance – Lamb has provided all active member files, noting that this is part of our PSA service. He also presented a breakdown of each active member's information, along with letters detailing any missing information. These letters have been submitted to the Police Pension.

G. Trustee Training Updates

1. Approval of Trustee Training Registration Fees and Reimbursable Expenses

Trustee Terranova motioned to approve reimbursement expenses for James Monson for the Spring Training Conference in the amount of \$571.78; Trustee Adduci seconded the motion.

APPROVAL [UNANIMOUS]
MOVER: Anthony Terranova, Trustee
SECONDER: John Adduci, Trustee
AYES: Adduci, Terranova, Housey, King

Trustee Adduci motioned to approve reimbursement expenses for Anthony Terranova for the Spring Training Conference in the amount of \$558.12; Trustee Housey seconded the motion

APPROVAL [UNANIMOUS]
MOVER: John Adduci, Trustee
SECONDER: Bill Housey, Trustee
AYES: Adduci, Housey, King
ABSTAIN: Terranova

H. Approval of Membership / Withdrawals from Fund

1. Applications for Membership – Matthew Goy and Caitlin Sciabica

Trustee Terranova motioned to accept the application of Officer Matthew Goy born August 5, 2001 as a Tier 2 member with no previous credible service into the Police Pension effective on July 17, 2024. Trustee Adduci seconded the motion.

APPROVAL [UNANIMOUS]
MOVER: Anthony Terranova, Trustee
SECONDER: John Adduci, Trustee
AYES: Adduci, Housey, King, Terranova

Trustee Terranova motioned to accept the application of Officer Caitlin Sciabica born August 4, 2001 as a Tier 2 member with no previous credible service into the Police Pension effective on July 17, 2024. Trustee King seconded the motion.

APPROVAL [UNANIMOUS]

MOVER: Anthony Terranova, Trustee

SECONDER: James King, Trustee

AYES: Adduci, Housey, King, Terranova

2. Contribution Refund – Sam Carius – Trustee Terranova provided an update stating that Sam Carius, a former officer who recently resigned to accept a position as a CSO in Glen Ellyn, has requested a full refund from the Police Pension fund in the amount of \$56,437.37 and direct rollover into an IRA.

Trustee Terranova motioned to approve the contribution refund in the amount of \$56,437.37. Trustee King seconded the motion.

APPROVAL [UNANIMOUS]

MOVER: Anthony Terranova, Trustee

SECONDER: James King, Trustee

AYES: Adduci, Housey, King, Terranova

I. APPLICATIONS FOR RETIREMENT / DISABILITY BENEFITS

1. Approval of Surviving Spouse Benefits – Carol Ryan

Trustee Terranova motioned to approve Spousal Benefits to Carol Ryan in the amount of the monthly benefits of \$3,573.53 with no COLA increases; Trustee Adduci seconded the motion.

APPROVAL [UNANIMOUS]

MOVER: Anthony Terranova, Trustee

SECONDER: John Adduci, Trustee

AYES: Adduci, Housey, King, Terranova

2. Approval of Regular Retirement Benefits – Stephen Miko, Joseph Nemchock, and Janet Terranova. Terranova stated that three individuals have retired but are not yet eligible to collect their pensions. We worked to determine what their monthly pensionable salaries will be.

Trustee Terranova motioned to approve retirement pension for Stephen Miko in the prorated monthly amount of \$1,426.96 effective July 22, 2029 with the full month benefit beginning August 21, 2029 in the amount of \$4,423.57. Trustee King seconded the

motion.

APPROVAL [UNANIMOUS]

MOVER: Anthony Terranova, Trustee

SECONDER: James King, Trustee

AYES: Adduci, Housey, King, Terranova

Trustee Terranova motioned to approve retirement pension for Joseph Nemchock, retired January 6, 2023, in the pro-rated monthly amount of \$3,358.38 with the full month benefit beginning January 1, 2030 in the amount of \$4,019.77. Trustee Adduci seconded the motion.

APPROVAL [UNANIMOUS]

MOVER: Anthony Terranova, Trustee

SECONDER: John Adduci, Trustee

AYES: Adduci, Housey, King, Terranova

Trustee King motioned to approve retirement pension for Janet Terranova in the pro-rated monthly amount of \$4,124.64 effective October 11, 2027 with the full month benefit beginning November 1, 2027 in the amount of \$6,088.76. Trustee Housey seconded the motion.

APPROVAL [UNANIMOUS]

MOVER: James King, Trustee

SECONDER: Bill Housey, Trustee

AYES: Adduci, Housey, King

ABSTAINS: Terranova

J. OLD BUSINESS

1. Portability Updates – Caitlin Tabor – No update
2. Benefits Discrepancy – Thomas Roman – Finance Director Brankin announced that a public hearing is scheduled for August 29, 2024, at 4:30 p.m.
3. IDOI Annual Statement – Richard Lamb reported that the IDOI Annual Statement has been filed, confirming compliance. Trustee Adduci motioned to accept the IDOI statement, and Trustee King seconded the motion. The motion unanimously passed.
4. Review Updated Letter of Credit – No action needed.

K. NEW BUSINESS

1. Review/Approve – Actuarial Valuation and Tax Levy Request

Trustee Adduci motioned to approve the final Actuarial Valuation report as provided; Trustee King seconded the motion. The motion unanimously passed

2. Review/Adopt Municipal Compliance Report – Richard Lamb announced that the report will be presented at the 4th quarter meeting. He noted that this report provides a snapshot of the fiscal year performance. It will be added to the agenda for that meeting.

3. Board of Officer Elections – President, Vice President, Secretary and Assistant Secretary - Trustee Terranova motioned to maintain the current board officers and to forgo holding an officer election; Trustee Adduci seconded the motion. The motion unanimously passed.

Pension Board:

Trustee Monson as President

Trustee Terranova as Secretary

Finance Director Brankin as Treasurer

Trustee Housey as Vice President

President Adduci as Assistant Secretary

4. FOIA Officer and OMA Designee – Trustee Terranova motioned to nominate President Monson as the FOIA Officer and OMA Designee; Trustee King seconded the motion. The motion unanimously passed.

L. ATTORNEY'S REPORT – Annual Independent Medical Examination – Thomas Hartzell and Raymond Munch – This will be moved to the next meeting agenda.

M. CLOSED SESSION, IF NEEDED – Closed session is not needed.

N. ADJOURNMENT – Trustee King motioned and Trustee Adduci seconded to adjourn the meeting. The meeting was adjourned at 5:21 p.m.

Submitted by Elisa Pollina, Recording Secretary

Reviewed by Finance Director Brankin



**Glen Ellyn Police Pension
Board**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 10/10/2024 4:30 PM
Department: Finance
Department Head: Patrick Brankin
Category: Report
Prepared By: Patrick Brankin

**AGENDA ITEM (ID
2024-709)**

DOC ID: 2024-709

IPOPIF - Verus Advisory Inc.

Statement of the Issue:

Analysis:

Budget Impact:

Contribution to Strategic Plan

Action Requested:

Attachments:

1. IPOPIF August 2024
2. Verus Statement August 2024



Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$40,864,719.75	\$38,214,782.11
Contributions	\$52,000.00	\$262,400.00
Withdrawals	(\$63,636.00)	(\$610,375.65)
Transfers In/Out	\$0.00	\$0.00
Income	\$20,354.24	\$152,024.56
Administrative Expense	(\$691.64)	(\$4,761.42)
Investment Expense	(\$1,012.83)	(\$4,494.64)
Investment Manager Fees	(\$2,664.05)	(\$5,936.93)
IFA Loan Repayment	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Realized Gain/Loss	\$59,453.58	\$931,926.61
Unrealized Gain/Loss	\$728,394.22	\$2,721,352.63
Ending Balance	\$41,656,917.27	\$41,656,917.27

Performance Summary:

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	1.97%	4.38%	9.98%	16.09%	N/A	N/A	N/A	5.59%	04/01/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

GLEN ELLYN POLICE PENSION FUND

Fund Name: IPOPIF Pool

Month Ended: August 31, 2024



Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$40,864,719.75	\$38,214,782.11
Contributions	\$52,000.00	\$262,400.00
Withdrawals	(\$63,636.00)	(\$610,375.65)
Transfers In/Out	\$0.00	\$0.00
Income	\$20,354.24	\$152,024.56
Administrative Expense	(\$691.64)	(\$4,761.42)
Investment Expense	(\$1,012.83)	(\$4,494.64)
Investment Manager Fees	(\$2,664.05)	(\$5,936.93)
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Adjustment	\$0.00	\$0.00
Realized Gain/Loss	\$59,453.58	\$931,926.61
Unrealized Gain/Loss	\$728,394.22	\$2,721,352.63
Ending Balance	\$41,656,917.27	\$41,656,917.27

Unit Value Summary:

	Current Period	Year to Date
Beginning Units	3,518,677.797	3,549,038.901
Unit Purchases from Additions	4,407.512	23,291.172
Unit Sales from Withdrawals	(5,431.692)	(54,676.455)
Ending Units	3,517,653.617	3,517,653.617
Period Beginning Net Asset Value per Unit	\$11.613658	\$10.767643
Period Ending Net Asset Value per Unit	\$11.842245	\$11.842245

Performance Summary:

GLEN ELLYN POLICE PENSION FUND

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	1.97%	4.38%	9.98%	16.09%	N/A	N/A	N/A	5.90%	04/06/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

Statement of Transaction Detail for the Month Ending 08/31/2024

GLEN ELLYN POLICE PENSION FUND

Trade Date	Settle Date	Description	Amount	Unit Value	Units
IPOPIF Pool					
08/20/2024	08/21/2024	Redemptions	(63,636.00)	11.715687	(5,431.6917)
08/29/2024	08/30/2024	Contribution	52,000.00	11.798039	4,407.5121



Aug 2024 Statement Supplement

Asset Flows

Period	New Asset Transfers	Cash Contributions	Cash Withdrawals
August 2024	Zero	\$91 million	\$45 million
CY 2024	Zero	\$442 million	\$369 million

Expenses Paid

Period	Administrative Expenses	Investment Expenses	Investment Manager Fees
8/1/2024	\$182,984.92	\$267,961.78	\$704,820.00
CY 2024	\$1,251,396.01	\$1,181,438.81	\$1,563,812.99

- Expenses are paid from the IPOPf Pool and allocated proportionately by member value.
- Investment expenses exclude investment manager fees.

Investment Pool Details

Date	Units	Value	Unit Price
7/31/24	930,927,793.1850	10,811,476,800.75	11.613658
8/31/24	934,877,747.4501	11,071,051,678.37	11.842245

A spreadsheet with complete unit and expense detail history is linked on the [Article 3 Fund Reports page](#) as [-IPOPf Unit and Expense information](#)

NAV and Receivable Calculations Under Development

The IPOPf [Valuation and Cost Rule](#), AR-2022-01, stipulates that the Net Asset Value (NAV) for each Participating Police Pension Fund will include receivables representing proportionate amounts due from late-transferring pension funds for all Costs, IFA Loan Repayments, and interest. These calculations are under development.

Resources

- Monthly statement overview: [Link to Statement Overview](#)
- Monthly financial reports: <https://www.ipopif.org/reports/monthly-financial-reports/>
- Monthly and quarterly investment reports: <https://www.ipopif.org/reports/investment-reports/>
- IPOPf Board Meeting Calendar: <https://www.ipopif.org/meetings/calendar/>

Total Fund
Asset Allocation & Performance (Net of Fees) - Preliminary

Illinois Police Officers' Pension Investment Fund
Period Ending: August 31, 2024

	Market Value	% of Portfolio	Target (%)	1 Mo	Fiscal YTD	YTD	1 Yr	2023	Since Inception	Inception Date
Total Fund with Member and Transition Accounts	11,078,622,107	100.0	100.0	2.0	4.5	10.1	16.3	13.7	5.7	03/01/22
<i>Policy Index</i>				2.0	4.6	10.3	16.4	14.2	5.7	
<i>Policy Index- Broad Based</i>				2.3	4.7	11.1	17.9	16.8	5.4	
IPOPIF Investment Portfolio	11,078,622,107	100.0	100.0	2.0	4.5	10.1	16.3	13.7	5.6	04/01/22
<i>Policy Index</i>				2.0	4.6	10.3	16.4	14.2	5.7	
<i>Policy Index- Broad Based</i>				2.3	4.7	11.1	17.9	16.8	5.3	
Growth	6,434,767,273	58.1	58.0	2.2	5.0	13.9	21.2	19.4	7.3	04/01/22
<i>Growth Benchmark</i>				2.2	5.3	14.1	21.5	19.5	7.2	
RhumbLine Russell 1000 Index	2,515,967,233	22.7	23.0	2.4	3.8	18.6	26.5	26.5	14.2	03/15/22
<i>Russell 1000 Index</i>				2.4	3.9	18.6	26.6	26.5	14.4	
RhumbLine Russell 2000 Index	566,956,405	5.1	5.0	-1.5	8.5	10.4	18.4	16.8	6.8	03/15/22
<i>Russell 2000 Index</i>				-1.5	8.5	10.4	18.5	16.9	7.1	
SSgA Non-US Developed Index	2,133,777,632	19.3	19.0	3.3	6.6	12.1	19.8	18.3	10.3	03/10/22
<i>MSCI World ex U.S. (Net)</i>				3.3	6.6	11.9	19.4	17.9	9.9	
International Developed Small Cap Equity	556,026,799	5.0	5.0	2.3	5.4	8.6	14.9	12.9	2.2	04/01/22
<i>MSCI World ex U.S. Small Cap Index (Net)</i>				1.9	7.5	8.6	14.8	12.6	1.9	
Acadian ACWI ex US Small-Cap Fund	281,563,953	2.5	2.5	1.8	5.2	-	-	-	13.8	01/30/24
<i>MSCI AC World ex USA Small Cap (Net)</i>				1.8	5.7	-	-	-	11.3	
WCM International Small Cap Growth Fund	140,031,420	1.3	1.3	4.3	5.6	-	-	-	4.2	03/01/24
<i>MSCI AC World ex USA Small Cap (Net)</i>				1.8	5.7	-	-	-	9.5	
LSV International Small Cap Value Equity Fund	134,431,426	1.2	1.3	1.3	5.9	-	-	-	9.3	03/01/24
<i>S&P Developed Ex-U.S. SmallCap (Net)</i>				1.5	5.8	-	-	-	9.1	
Emerging Market Equities	662,039,204	6.0	6.0	1.0	1.7	9.5	14.9	9.7	1.7	04/01/22
<i>MSCI Emerging Markets (Net)</i>				1.6	1.9	9.5	15.1	9.8	1.4	
SSgA Emerging Markets Equity Index	162,253,416	1.5	1.5	0.7	1.4	8.7	14.0	9.6	2.2	03/10/22
<i>MSCI Emerging Markets (Net)</i>				1.6	1.9	9.5	15.1	9.8	3.3	
SSgA Emerging Markets ex China Equity	499,785,788	4.5	4.5	1.1	1.9	-	-	-	7.6	05/01/24
<i>MSCI Emerging Markets ex China (Net)</i>				1.8	2.7	-	-	-	8.8	
Income	1,716,371,800	15.5	16.0	1.7	3.4	6.2	12.7	12.8	3.6	04/01/22
<i>Income Benchmark</i>				1.7	3.4	6.1	12.5	12.6	4.6	
SSgA High Yield Corporate Credit	753,921,253	6.8	7.0	1.6	3.7	6.4	12.7	13.8	4.9	03/18/22
<i>Spliced SSgA U.S. High Yield Index</i>				1.6	3.6	6.3	12.5	13.5	4.8	
SSgA EMD Hard Index Fund	651,692,255	5.9	6.0	2.3	4.2	6.7	13.6	11.2	3.7	03/14/22
<i>Spliced SSgA EMD Hard Index</i>				2.3	4.2	6.7	13.4	11.1	3.8	

The Principal USPA Real Estate Fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability.

Total Fund
Asset Allocation & Performance (Net of Fees) - Preliminary

Illinois Police Officers' Pension Investment Fund
Period Ending: August 31, 2024

	Market Value	% of Portfolio	Target (%)	1 Mo	Fiscal YTD	YTD	1 Yr	2023	Since Inception	Inception Date
Bank Loans	310,758,292	2.8	3.0	0.5	1.3	-	-	-	4.1	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>				0.6	1.3	-	-	-	4.1	
Ares Institutional Loan Fund	104,003,782	0.9	1.0	0.7	1.5	-	-	-	4.5	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>				0.6	1.3	-	-	-	4.1	
Aristotle Institutional Loan Fund	206,754,510	1.9	2.0	0.5	1.2	-	-	-	3.9	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>				0.6	1.3	-	-	-	4.1	
Real Assets	637,238,742	5.8	6.0	4.7	9.2	7.9	12.7	5.6	0.9	04/01/22
<i>Real Assets Benchmark</i>				4.2	8.4	7.0	10.4	4.7	-2.5	
SSgA REITs Index	478,957,956	4.3	4.0	6.4	12.6	11.9	21.1	13.9	1.2	03/16/22
<i>Dow Jones U.S. Select REIT Total Return Index</i>				6.4	12.6	12.0	21.1	14.0	1.3	
Principal USPA	158,280,786	1.4	2.0	0.0	0.3	-2.6	-7.3	-10.7	-6.8	04/06/22
Risk Mitigation	2,290,141,152	20.7	20.0	1.0	2.4	3.8	6.6	5.0	2.5	04/01/22
<i>Risk Mitigation Benchmark</i>				1.0	2.3	3.7	6.6	4.9	2.4	
SSgA US Treasury Index	323,699,836	2.9	3.0	1.3	3.5	-	-	-	6.1	05/01/24
<i>Blmbg. U.S. Treasury Index</i>				1.3	3.5	-	-	-	6.1	
SSgA Core Fixed Income Index	353,630,595	3.2	3.0	1.4	3.8	3.2	7.3	5.6	0.0	03/17/22
<i>Blmbg. U.S. Aggregate Index</i>				1.4	3.8	3.1	7.3	5.5	0.0	
SSgA Short-Term Gov't/Credit Index	1,071,138,305	9.7	10.0	0.9	2.1	3.6	6.3	4.6	2.6	03/17/22
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>				0.9	2.1	3.5	6.3	4.6	2.6	
SSgA US TIPS Index	320,044,476	2.9	3.0	0.8	1.5	3.8	6.3	4.6	1.7	03/17/22
<i>Blmbg. U.S. TIPS 0-5 Year</i>				0.6	1.5	3.8	6.3	4.6	1.8	
Cash	221,627,941	2.0	1.0	0.4	0.9	3.4	5.3	5.0	3.8	03/22/22
<i>90 Day U.S. Treasury Bill</i>				0.5	0.9	3.6	5.5	5.0	4.1	
IPOPIF Pool Fixed Income Transition	103,139	0.0	-							
Member Accounts	-	0.0	-							

The Principal USPA Real Estate Fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability.

Performance Return Calculations

Performance is calculated using Time Weighted Rates of Return (TWRR) methodologies. Monthly returns are geometrically linked and annualized for periods longer than one year.

Data Source

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Manager Line Up

<u>Manager</u>	<u>Inception Date</u>	<u>Data Source</u>	<u>Manager</u>	<u>Inception Date</u>	<u>Data Source</u>
RhumbLine Russell 1000 Index Fund	3/15/2022	State Street	SSgA EMD Hard Index Fund	3/14/2022	State Street
RhumbLine Russell 2000 Index Fund	3/15/2022	State Street	Ares Institutional Loan Fund	3/1/2024	Ares
SSgA Non-US Developed Index Fund	3/10/2022	State Street	Aristotle Institutional Loan Fund	3/1/2024	Aristotle
SSgA Non-US Developed SC Index Fund	3/10/2022	State Street	Principal USPA	4/6/2022	State Street
Acadian ACWI ex US Small-Cap Fund	1/30/2024	State Street	SSgA REITs Index Fund	3/10/2022	State Street
WCM International Small Cap Growth Fund	3/1/2024	WCM	SSgA US Treasury Index Fund	5/1/2024	State Street
LSV International Small Cap Value Equity Fund	3/1/2024	LSV	SSgA Core Fixed Income Index Fund	3/17/2022	State Street
SSgA Emerging Markets Equity Index Fund	3/1/2022	State Street	SSgA Short-Term Gov't/Credit Index Fund	3/17/2022	State Street
SSGA Emerging Markets ex China Equity Index Fund	5/1/2024	State Street	SSgA US TIPS Index Fund	3/17/2022	State Street
SSgA High Yield Corporate Credit	3/18/2022	State Street	Cash	3/22/2022	State Street

Custom Benchmark Composition

<u>Benchmark</u>	<u>Time period</u>	<u>Composition</u>
Policy Index -Broad Benchmark	4/1/2022 - Present	70% MSCI ACWI IMI (Net) and 30% Bloomberg Global Multiverse.
Spliced SSgA EMD Hard Benchmark	7/1/2023 - Present	100% JPM EMBI Global Diversified Index
Spliced SSgA EMD Hard Benchmark	3/14/2022 - 6/30/2022	100% JPM EMBI Global Core Index
Spliced SSgA U.S. High Yield Index	12/1/2022 - Present	100% ICE BofA US High yield Master II Constrained
Spliced SSgA U.S. High Yield Index	4/1/2022 - 11/30/2022	100% Bloomberg U.S. High Yield Very Liquid Index

Total Fund

Data Sources and Methodology Page

Illinois Police Officers' Pension Investment Fund

Period Ending: July 31, 2024

Policy Index Composition

As of 8/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	2%	3.4%			
MSCI Emerging Markets ex China	4%	6.9%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	2%				10.0%
Bloomberg 1-3 Year Gov/Credit Index	11%				55.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 6/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	4%	6.9%			
MSCI Emerging Markets ex China	2%	3.4%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	2%				10.0%
Bloomberg 1-3 Year Gov/Credit Index	11%				55.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 4/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	6%	10.3%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 7/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	3%	5.2%			
MSCI Emerging Markets ex China	3%	5.2%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	1%				5.0%
Bloomberg 1-3 Year Gov/Credit Index	12%				60.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 5/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	5%	8.6%			
MSCI Emerging Markets ex China	1%	1.7%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	1%				5.0%
Bloomberg 1-3 Year Gov/Credit Index	12%				60.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 3/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	8.5%		53.1%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	1.5%		9.4%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

Total Fund
Data Sources and Methodology Page

Illinois Police Officers' Pension Investment Fund
Period Ending: July 31, 2024

Policy Index Composition					
As of 5/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 1/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	18%	36.0%			
Russell 2000	5%	10.0%			
MSCI World ex U.S.	15%	30.0%			
MSCI World ex U.S. Small Cap	5%	10.0%			
MSCI Emerging Markets	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

As of 3/31/2022	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 3000	23%	46.0%			
MSCI ACWI ex USA IMI	20%	40.0%			
MSCI Emerging Markets IMI	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
50% JPM EMBI GD/50% JPM GBI EM GD	6%		37.5%		
NCREIF Property Index	2%			66.7%	
Dow Jones US Select REIT Index	4%			33.3%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

THE VILLAGE OF GLEN ELLYN, ILLINOIS

POLICE PENSION FUND

PUBLIC ACT 95-0950
MUNICIPAL COMPLIANCE REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

535 Duane Street
Glen Ellyn, IL 60137
Phone: 630.469.1187
Fax: 630.469.8849
www.glenellyn.org



September 19, 2024

Members of the Pension Board of Trustees
Glen Ellyn Police Pension Fund
Glen Ellyn, Illinois

Enclosed please find a copy of your Municipal Compliance Report for the Glen Ellyn Police Pension Fund for the fiscal year ended December 31, 2023. We have prepared the report with the most recent information available at our office. Should you have more current information, or notice any inaccuracies, we are prepared to make any necessary revisions and return them to you.

The President and Secretary of the Pension Fund are required to sign the report on page 3. If not already included with the enclosed report, please also include a copy of the Pension Fund's most recent investment policy.

The signed Public Act 95-0950 - Municipal Compliance Report must be provided to the Municipality before the tax levy is filed on the last Tuesday in December. We are sending the report via email to promote an environmentally-friendly work atmosphere.

If you have any questions regarding this report, please contact your Client Manager or PSA.

Respectfully submitted,

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

The Pension Board certifies to the Board of Trustees of the Village of Glen Ellyn, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total cash and investments, including accrued interest, of the fund at market value and the total net position of the Pension Fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Cash and Investments (including accrued interest)	<u>\$38,269,358</u>	<u>\$33,989,666</u>
Total Net Position	<u>\$38,269,224</u>	<u>\$33,989,666</u>

- 2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

Estimated Receipts - Employee Contributions	<u>\$470,100</u>
Estimated Receipts - All Other Sources	
Investment Earnings	<u>\$2,487,500</u>
Municipal Contribution	<u>\$2,762,669</u>

- 3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

(a) Pay all Pensions and Other Obligations	<u>\$3,652,500</u>
(b) Annual Requirement of the Fund as Determined by:	
Illinois Police Officers' Pension Investment Fund	<u>\$1,920,006</u>
Private Actuary - Foster & Foster	
Recommended Municipal Contribution	<u>\$2,762,669</u>
Statutory Municipal Contribution	<u>\$2,195,261</u>

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

- 4) The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Net Income Received from Investment of Assets	<u>\$4,556,704</u>	<u>(\$4,760,732)</u>
Assumed Investment Return		
Illinois Police Officers' Pension Investment Fund	<u>6.800%</u>	<u>6.800%</u>
Private Actuary - Foster & Foster	<u>6.500%</u>	<u>6.500%</u>
Actual Investment Return	<u>12.612%</u>	<u>(13.054)%</u>

- 5) The total number of active employees who are financially contributing to the fund:

Number of Active Members	<u>43</u>
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- 6) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	<u>Number of</u>	<u>Total Amount Disbursed</u>
(i) Regular Retirement Pension	<u>30</u>	<u>\$2,336,598</u>
(ii) Disability Pension	<u>3</u>	<u>\$170,677</u>
(iii) Survivors and Child Benefits	<u>5</u>	<u>\$346,517</u>
Totals	<u>38</u>	<u>\$2,853,792</u>

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

7) The funded ratio of the fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Police Officers' Pension Investment Fund	<u>67.03%</u>	<u>68.83%</u>
Private Actuary - Foster & Foster	<u>62.19%</u>	<u>67.35%</u>

8) The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

Unfunded Liability:

Illinois Police Officers' Pension Investment Fund	<u>\$19,676,396</u>
Private Actuary - Foster & Foster	<u>\$24,779,806</u>

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

9) Please see attached Investment/Cash Management policy if applicable

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL POLICE
PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §3-143 of the Illinois Pension Code 40 ILCS 5/3-143, that the preceding report is true and accurate.

Adopted this _____ day of _____, 2024

President _____ Date _____

Secretary _____ Date _____

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

INDEX OF ASSUMPTIONS

- 1) Total Cash and Investments - as Reported at Market Value in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

Total Net Position - as Reported in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

- 2) Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended December 31, 2023 plus 5.58% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources:

Investment Earnings - Cash and Investments as Reported in the Audited Financial Statements for the Year Ended December 31, 2023, times 6.5% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

Municipal Contributions - Recommended Tax Levy Requirement as Reported by Foster & Foster, Actuarial Valuation for the Year Ended December 31, 2023.

- 3) (a) Pay all Pensions and Other Obligations - Total Non-Investment Deductions as Reported in the Audited Financial Statements for the Year Ended December 31, 2023, plus a 25% Increase, Rounded to the Nearest \$100.

(b) Annual Requirement of the Fund as Determined by:

Illinois Police Officers' Pension Investment Fund - Suggested Amount of Tax Levy as Reported in the December 31, 2023 Actuarial Valuation.

Private Actuary - Foster & Foster:

Recommended Amount of Tax Levy as Reported by Foster & Foster in the December 31, 2023 Actuarial Valuation.

Statutorily Required Amount of Tax Levy as Reported by Foster & Foster in the December 31, 2023 Actuarial Valuation.

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

INDEX OF ASSUMPTIONS

- 4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended December 31, 2023 and 2022.

Assumed Investment Return:

Illinois Police Officers' Pension Investment Fund - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Years Ended December 31, 2023 and 2022 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Years Ended December 31, 2023 and 2022 Actuarial Valuations.

Actual Investment Return -Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning and Ending Balances of the Fiscal Year Cash Investments, Excluding Net Investment Income, Gains, and Losses for the Fiscal Year Return Being calculated, as Reported in the Audited Financial Statements for the Fiscal Years Ended December 31, 2023 and 2022.

- 5) Number of Active Members - Illinois Department of Insurance Annual Statement for December 31, 2023 - Schedule P.
- 6) (i) Regular Retirement Pension - Illinois Department of Insurance Annual Statement for December 31, 2023 - Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.
- (ii) Disability Pension - Same as above.
- (iii) Survivors and Child Benefits - Same as above.

**THE VILLAGE OF GLEN ELLYN, ILLINOIS
POLICE PENSION FUND**

**Public Act 95-950 - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2023**

INDEX OF ASSUMPTIONS

7) The funded ratio of the fund:

Illinois Police Officers' Pension Investment Fund - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2023 and 2022 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the December 31, 2023 and 2022 Actuarial Valuations.

8) Unfunded Liability:

Illinois Police Officers' Pension Investment Fund - Deferred Asset (Unfunded Accrued Liability) as Reported in the December 31, 2023 Actuarial Valuation.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Foster & Foster in the December 31, 2023 Actuarial Valuation.

Legal and Legislative Update

Officer Entitled to Disability Benefits after Municipality Fails to Provide Employment

Ohlicher v. The Retirement Board of the Policemen's Annuity and Benefit Fund of the City of Chicago, 2024 IL App (1st) 231699-U

Plaintiff applied for duty disability benefits after injuring his right elbow when attempting to arrest an uncooperative subject. He was diagnosed with right elbow nerve damage. Plaintiff underwent surgery and physical therapy but continued to report persistent pain in his right elbow. A functional capacity evaluation revealed he had reduced grip strength in his right hand as compared to his left hand.

Nevertheless, Plaintiff's treating doctor released him to perform light duty with a 10-pound lifting restriction. Light duty positions required the officer be able to safely carry, handle, and use his service weapon. The doctor opined, without explanation, Plaintiff could not safely carry, handle, or use his department-approved firearm despite Plaintiff's service weapon weighing less than 10 pounds. Plaintiff never attempted to qualify with his service weapon

In This Issue...

- 1 Officer Entitled to Disability Benefits after Municipality Fails to Provide Employment**
- 2 Can Employers Withhold Employment Taxes on PEDAs Benefits?**
- 3**
- 4 Decade Old Motor Vehicle Accident Not Casually Related to Disability
FPIF Updates Rules on Cash Management & Cost Allocation**
- 5 Public Meetings Must be "Convenient and Open" to the Public

Agenda Specificity & Remote Attendance Under the Open Meetings Act**
- 6 Shifting Arguments Midstream Results in Denial of Duty Disability**
- 7**
- 8 Suggested Agenda Items for January**

The Pension Board retained Dr. M. Bryan Neal to perform an independent medical examination. Dr. Neal opined Plaintiff could perform limited, light duty and safely, carry, handle, and use his firearm without restriction.

Before the Pension Board held a hearing on his disability application, Plaintiff reported to the Chicago Police Department Medical Section (“CPD Medical”) to obtain a light duty position. Plaintiff provided CPD medical with his treating doctor’s opinion, but did not provide Dr. Neal’s contradictory report. CPD Medical refused to provide Plaintiff with a light-duty assignment.

After hearing the evidence, the Pension Board denied his application for duty disability benefits, finding both doctors cleared Plaintiff for light duty. The only restriction imposed by Plaintiff’s treating doctor was a 10-pound limit, and there was no evidence this restriction prohibited him from safely carrying, handling, and using his service weapon, particularly since he never attempted to qualify. Plaintiff again returned to CPD Medical to be reinstated to a light duty position. CPD Medical referred Plaintiff to Dr. Kristin Houseknecht, who opined he is unable to safely carry and handle a firearm. CPD Medical refused to assign Plaintiff a light duty position.

On administrative review, Plaintiff argued he was denied a disability benefit, yet unable to return to work due to the City’s employment decision. Citing the Illinois Supreme Court’s decision in *Kouzoukas v. The Retirement Board of the Policeman’s Annuity and Benefit Fund*, Plaintiff asserted he was in a “catch-22” position, as he is unable to work but is not receiving disability benefits. Accordingly, Plaintiff argued he should have been awarded disability benefits once the City failed/refused to assign him a light duty position. The Circuit Court of Cook County rejected Plaintiff’s argument and affirmed the decision of the Pension Board, finding its decision was not contrary to the manifest weight of the evidence. Plaintiff appealed.

The Appellate Court found the City’s failure/refusal to assign Plaintiff a light duty position made the Pension Board’s decision contrary to the manifest weight of the evidence. Once again, citing *Kouzoukas*, the Appellate Court found the Pension Board did not have exclusive jurisdiction over the award of Plaintiff’s disability benefits since the City’s employment decision placed him in a “catch-22” position, thereby requiring the award of disability benefits. In this regard, the Appellate Court stated it was bound by the prior ruling in *Kouzoukas*.

It should be noted there is some conflicting case law involving Article 3 and 4 Pension Funds where reviewing courts found an applicant can be found not disabled yet still unable to report to duty. Those cases would seem to conflict with this decision and the reasoning adopted in *Kouzoukas*. The Pension Board petitioned the Illinois Supreme Court to review the Appellate Court’s decision. The Illinois Supreme Court recently denied the Board’s petition for leave to appeal. ❖

Can Employers Withhold Employment Taxes on PEDA Benefits?

Bitner v. City of Pekin, 2024 IL App (4th) 230718

Plaintiffs, Christopher Bitner and John Brooks, sued their former employer, defendant, the City of Pekin, seeking a declaratory judgment that defendant unlawfully withheld employment taxes and deducted sick and compensatory time from benefits they received pursuant to the Public Employee Disability Act (Disability Act) (5 ILCS 345/0.01 et seq.). The litigation culminated in cross-motions for summary judgment, and the circuit court entered summary judgment for plaintiffs. The appellate court, in turn, reversed the circuit court and remanded for further proceedings. The appellate court viewed the dispositive issues as follows: (1) whether the Disability Act prohibits employers from withholding employment taxes, (2) whether plaintiffs’ claims are governed by a 5-year or 10-year statute of limitations, and (3) whether there exists a genuine issue of material fact to prohibit summary judgment. Defendant

admitted it withheld employment taxes from Disability Act benefits.

Plaintiffs' motion outlined the undisputed facts in the case, namely, both plaintiffs suffered injuries in the line of duty while employed by defendant, were unable to work due to their line-of-duty injuries, and both had employment taxes withheld from PEDAs benefits. Defendants admitted withholding taxes but contested other issues.

The circuit court adopted wholesale plaintiffs' proposed order, granting them summary judgment on July 20, 2023; entered judgment for plaintiffs; and awarded plaintiffs prejudgment interest, costs, and attorney fees.

A. The Disability Act

The first legal question interpreted the Disability Act's language. Specifically, does it prohibit an employer from withholding employment taxes?

The Disability Act provides that when an eligible employee suffers a line-of-duty injury and cannot work, "he shall continue to be paid by the employing public entity on the same basis as he was paid before the injury, with no deduction from his sick leave credits, compensatory time for overtime accumulations or vacation, or service credits in a public employee pension fund during the time he is unable to perform his duties due to the result of the injury."

Based on the statute's plain language, the appellate court found that the phrase "on the same basis as he was paid before the injury" was not a prohibition on withholding employment taxes. The language immediately following this phrase lists improper deductions—sick leave credits, accrued vacation and compensatory time, or service credits. These categories are not taxes, nor are they comparable to employment taxes.

The Disability Act's plain language is unambiguous and its meaning is clear. The Disability Act contains no mention of taxes or anything comparable to taxes and therefore does not prohibit an employer from withholding employment taxes from an employee's benefits. The appellate court noted that while other statutes or regulations may prohibit tax withholding from disability benefits,

plaintiffs did not seek relief nor judgment under those other statutes or regulations. Keep in mind, this narrow declaratory judgment case is solely about interpreting the Disability Act.

B. The Statute of Limitations

The parties next fought over the applicable statute of limitations. Defendant argued the five-year statute of limitations ("SOL") applied, barring some claims. Plaintiffs maintained a 10-year SOL applied and did not bar any claims.

The Disability Act does not contain a SOL provision. Section 13-205 of the Civil Code provides "all civil actions not otherwise provided for[] shall be commenced within 5 years next after the cause of action accrued." By contrast, section 13-206 of the Code provides for a 10-year statute of limitations cause of actions on written contracts, like CBAs.

Plaintiffs maintained they brought a breach of contract claim against defendant, claiming the CBA required defendant to "comply with the [Disability Act] regarding on-duty claims," and that their declaratory judgment action amounted to a breach of contract action. The appellate court pointed out Plaintiff's did not file a grievance, as required by the CBA on this PEDA issue, writing "[t]his dissonance is deafening. On one hand plaintiffs emphasize the importance of the CBA, and on the other they minimize the CBA. Plaintiffs cannot prevail on both claims."

The appellate court concluded plaintiffs' second amended complaint falls under the Civil Code's catchall five-year SOL for civil actions without an otherwise applicable limitations period.

C. Genuine Issue of Material Fact

Summary judgment cannot be entered if there remains a genuine issue of material fact in the case. Perhaps there is no better example of a contested fact issue than dueling affidavits. Because the record contained evidence to support defendant's position – and dueling affidavits – the appellate court found a genuine issue of material fact. Consequently, it concluded the circuit court wrongly entered summary judgment for plaintiffs and remanded the case. ❖

Decade Old Motor Vehicle Accident Not Casually Related to Disability

Blasz v. The Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago, 2024 IL App (1st) 231406-U

Michele Blasz applied for duty disability benefits related to injuries to her neck and the left side of her back. On July 29, 2008, Blasz performed undercover “controlled buys” of narcotics. Afterwards, Blasz drove back to the police station. Blasz testified her responsibility was like a regular patrol officer during the drive back to the police station but acknowledged she also provided security to the other officers. Blasz was rear-ended while waiting to turn into the police parking lot. She sustained injuries in the accident and sought medical treatment but continued to work until September 6, 2019. She then sought duty disability benefits.

On February 25, 2021, the Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago (“Pension Board”) held a hearing and denied Blasz's duty disability application but granted her ordinary disability benefits.

Blasz's hearing revealed she continued to suffer symptoms since her July 2008 accident. In a letter dated August 2, 2008, Dr. Ari Bernstein opined Blasz suffered from thoracic, cervical, and lumbar strains from her July 2008 accident. In September 2019, Dr. Christopher Bergin opined Blasz had been “persistently symptomatic” since her accident. Blasz was also diagnosed with multiple sclerosis. In July 2020, Blasz underwent cervical surgery. Dr. Bergin opined Blasz's symptoms were related to her July 2008 accident.

The Pension Board retained Dr. Jay Levin to perform an independent medical examination of Blasz's cervical spine. Dr. Levin opined Blasz was “approximately 50% improved since her date of injury.” Dr. Levin opined the accident was unrelated to Blasz's multiple sclerosis diagnosis and determined Blasz could work limited, light duty, and required no additional treatment.

The Pension Board denied Blasz's application for duty disability benefits, because it found no evidence that plaintiff was engaged in a police activity involving special risk not assumed by citizens in the ordinary walks of life.

Blasz filed a petition for administrative review in the Cook County Circuit Court. The Circuit Court reversed and remanded with instructions for the Pension Board to make an express finding on causation. The Pension Board again denied Blasz duty disability benefits, and she again sought administrative review. The Circuit Court affirmed the Pension Board, and Blasz appealed.

The First District Appellate Court held the Pension Board's decision was not against the manifest weight of the evidence. It relied on Dr. Levin's opinion Blasz required no additional treatment, Blasz worked for 10 years after the accident, and Dr. Bergin's notes contained qualifying language and assumptions due to a lack of treatment between 2009 to 2019. Taken together, the Appellate Court held the Pension Board's decision was supported by the record.

The Appellate Court did not address whether Blasz's injury was sustained in an “act of duty.” Because it found Blasz's disability was not casually related to the July 2008 motor vehicle accident, the issue of whether the accident was an “act of duty” was rendered moot. ❖

FPIF Updates Rules on Cash Management & Cost Allocation

On August 2, 2024, the Firefighters' Pension Investment Fund (FPIF) adopted changes to its rules for cash management and cost allocation to participating Funds. The change to the cash management rules simply recommends funds comply with recent guidance from the DOI on local cash management providing monies not needed imminently to make benefit payments or cover expenses should be kept for investment at FPIF and not in a local account.

The FPIF rule on cost allocation dictates how operating costs of the FPIF are shared amongst participating funds. An amendment to that rule

provides, “Specific costs that are incurred by FPIF to address or accommodate the needs or challenges of, or circumstances caused by, a particular Participating Pension Fund or group of particular Participating Pension Funds, which are not, in the determination of the Executive Director, customary for the typical needs, challenges, or circumstances of a Participating Pension Fund, and which the Executive Director determines should not or cannot in fairness be allocated proportionately among all Participating Pension Funds as described in Section 9-2(b), will be allocated to that particular Participating Pension Fund or group of particular Participating Pension Fund (sic).”

Obviously, the text of this rule seems intentionally vague and gives broad discretion to the Executive Director. How it will be employed remains to be seen but at first blush, it seems to be directed at those funds who participated in the consolidation lawsuit as an effort to force any costs borne by FPIF in that litigation onto the plaintiff firefighter pension funds. Both rules are available for review of the FPIF website. ❖

Public Meetings Must be “Convenient and Open” to the Public

Public Access Opinion 24-010

Recent events in the Village of Dolton have made numerous headlines and resulted in this binding opinion from the Public Access Counselor (PAC) at the Attorney General’s Office finding the Village Board violated the Open Meetings Act (OMA) by restricting access to several meetings.

The complaining parties in this case alleged that at multiple recent meetings of the Village Board, numerous restrictions were put in place to prevent a significant number of public from attending. They alleged roads were blocked, parking was restricted, and a capacity of 45 persons was applied for the Board meeting room. In response, the Village suggested the restrictions were a necessary safety precaution.

Under the OMA, public meetings must be held at “times and places which are convenient and open to the public”. (5 ILCS 120/2.01). Courts have

interpreted this requirement to mean a meeting held in an “ill-suited, unaccommodating, or unadvantageous place” may violate the OMA even though the public was not per se prohibited from attending. (See *Gerwin v. Livingston County Bd.*, 345 Ill.App3d 352 4th Dist. 2003). The public body is not required to make any necessary change to accommodate large crowds, but courts have required “reasonable accessibility”.

Applying these requirements to the situation in Dolton, the PAC found the Village had ample advance notice a large crowd would attend the meeting making the regular meeting space insufficient. In response, the Village made no effort to increase accessibility by moving to a larger room or offering a live stream from another location. While the Village suggested the restrictions were necessary due to threats made against the Mayor and members of the Board, scant evidence in support of that conclusion was provided. As a result, the PAC found the Village Board had violated the OMA by failing to move the meetings to a larger room or offer an alternative overflow room or make any effort at all to accommodate the large crowd of which it had advance notice.

In the pension board context, large crowds are rare. However, inasmuch as few people regularly attend, some regular meeting locations may be small even for the usual attendees. Special meetings such as disability hearings may bring a larger crowd. It is important for pension boards to be mindful of both capacity and access restrictions to ensure any meeting is “convenient and open” to anyone wishing to attend. ❖

Agenda Specificity & Remote Attendance Under the Open Meetings Act

Public Access Opinion 24-007

The Public Access Counselor (PAC) at the Attorney General’s Office recently issued a binding opinion giving public bodies guidance on two aspects of the Open Meetings Act (OMA). A complaint was filed with the PAC alleging the Village of Princeville Board of Trustees violated the OMA when it

approved a vehicle purchase without specifically listing that item on the agenda and allowing the Board President to remotely attend several meetings.

At a meeting in March 2024, the Board approved purchase of a truck for the public works department. The agenda simply stated, “Report from the Superintendent of Public Works”. The Board agreed this agenda item was insufficient to support its action purchasing the truck at the March meeting. It subsequently specifically listed an agenda item for purchase of the truck at its April 2024 meeting and re-voted to approve purchase of the truck. The PAC noted the OMA provides agendas must “set forth the general subject matter of any resolution or ordinance that will be the subject of final action at the meeting.” (See 5 ILCS 120/2.02(c)). As a result, the Board violated the OMA when it approved the truck purchase at its March meeting, but any violation was subsequently cured when it was specifically listed and re-voted on the purchase at the subsequent meeting.

As for the remote attendance issue, the Village President was employed by the United States Postal Service. In this capacity, he frequently traveled and as a result, attended multiple Village Board meetings remotely. While the OMA allows for remote attendance, the member attending remotely must be unable to attend in person due to (1) personal illness or disability, (2) employment purposes or the business of the public body, (3) a family or other emergency, or (4) unexpected childcare obligations. (See 5 ILCS 120/7(a)). In this case, the Village President argued he was precluded from physically attending due to employment purposes. The OMA does not define, and no cases have interpreted the meaning of “employment purposes” under this Section of the OMA. The PAC approved of the President’s remote attendance in these situations. Specifically, it found, “actions in the course of executing a person’s job responsibilities fit the plain and ordinary meaning of “employment purposes” under Section 7(a)(ii) of the OMA. It follows that a public body member’s conflicting obligation to his employer is an employment purpose.”

How does this apply to your pension board operations? First, it is important to ensure any agenda posted at least 48 hours in advance sufficiently identifies any action items. As for remote attendance, it is important to note a few additional requirements. First, in order for a member to participate remotely a quorum (3 members in the case of a pension board) must be physically present. The member wishing to attend remotely must be unable to physically attend due to one of the reasons enumerated above. Finally, the Board must make a motion to allow the member to participate remotely in accordance with its rules. ❖

Shifting Arguments Midstream Cannot Overcome Denial of Duty Disability

Rose v. Ret. Bd. of Firemen's Annuity & Benefit Fund of Chicago, 2024 IL App (1st) 231717-U

Plaintiff was employed by the Chicago Fire Department (CFD) in August 2006. She filed an application for duty disability benefits, alleging that during retraining on February 18, 2021, she “flew backwards to the ground,” hit her head and shoulder on the concrete floor and lost consciousness for “a few seconds.” As a result, she was diagnosed with “Concussion, Post concussion syndrome, rt rotator cuff tendinitis, full thickness rt rotator cuff repair (9/14/21) and migraines.” Plaintiff also claimed to experience various neurological issues from the fall. While the record reflected plaintiff had a sprained right shoulder in late 2006, it was devoid of any details regarding that injury, i.e., how it occurred, how it was treated, or the severity of the issue.

At the disability hearing, plaintiff provided treating physician’s reports that causally connected her shoulder injury and subsequent surgery to the February 2022 incident. However, another treating physician indicated her shoulder’s condition was of “indeterminate chronicity.” Additionally, the Pension Board’s consulting physician noted applicant’s reported “delayed onset right shoulder pain” following the February 2021 fall, pointing out reports of “mild right shoulder pain,” and her right shoulder examination was “normal.” He further cast doubt on applicant’s claims that

repeated overuse or a contusion from the 2021 fall caused or contributed to the need for surgery.

The Board's physician ultimately opined plaintiff needed surgery due to "chronic degenerative shoulder problems," and the results of the surgery caused her inability to return to work, as there was "no question" she lacked adequate range of motion or strength to do the work. In other words, while disabled, there was no connection to the fall as applicant claimed.

The Board voted to deny duty disability benefits, finding the "weight of the medical evidence in the record," including the manner of plaintiff's fall, the lack of findings of a shoulder injury immediately after the incident, and the delay in reporting shoulder symptoms, showed plaintiff had "degenerative pre-existing tears in her right shoulder." The Board found plaintiff's surgery was "the cause of her current limitations in the functioning of her right shoulder," and the fall on February 18, 2021, did not cause the need for that surgery, but "was necessitated by the degenerative condition she already had in her right shoulder prior to February 18, 2021."

Plaintiff filed a complaint for administrative review with the circuit court. In her brief before the circuit court, plaintiff stated she had suffered a sprained right shoulder while on duty on November 29, 2006. She asserted the Board "failed to consider that [she] did in fact sustain a prior duty injury to her right shoulder in November 2006, which likely caused the degeneration leading to her surgery and current disability."

The circuit court entered an order affirming the Board's decision, finding the Board's determination of fact that plaintiff's shoulder injury resulted from chronic degeneration and surgery, not from her fall on February 18, 2021, was not against the manifest weight of the evidence. The court also found plaintiff did not raise before the Board her preexisting 2006 injury that was exacerbated by the February 2021 training incident. The court stated it could not consider new or additional evidence not presented to the Board.

The appellate court affirmed the Pension Board's denial of duty disability benefits where the evidence supported the Board's determination plaintiff's shoulder surgery was not caused by a duty-related incident. In its decision, the appellate court re-iterated the burden of proof is on the applicant, the appellate court will only consider the board's decision and the evidence and arguments presented, and that it, under the manifest weight standard, will not re-weigh the evidence as long as there is some evidence to support the Board's decision.

The appellate court found the applicant did not challenge the Board's finding her disability resulted from the September 2021 surgery to treat a chronic shoulder condition, nor did she challenge the denial of duty disability benefits based on any head-related condition sustained from the fall on February 18, 2021. Plaintiff solely argued on appeal that the Board failed to consider plaintiff sustained a prior duty injury to her right shoulder in November 2006, which "likely" caused the degeneration leading to her surgery and current disability. This was a new argument, as the 2006 injury was not raised substantively before the Board. The appellate court found this new argument was simply not supported in the record or the proceedings before the Board. It found plaintiff failed to meet her burden, as she presented no argument or evidence her current disability was the result of a duty-related injury that occurred in November 2006.

Plaintiff was essentially attempting to shift her burden onto the Board, suggesting it was the Board's burden to inquire further into the November 2006 incident. However, it is black-letter law that plaintiff, not the Board, must show a duty-related accident was a causative factor contributing to her current disability. ❖

Suggested Agenda Items for January (or 1st Quarter)

- Approval of annual COLA increases.
- Semi-annual review of closed executive session minutes to determine if needs to remain confidential.
- Determine need for election of beneficiary and active Trustees and/or re-appointment of appointed Trustees – request for re-appointment of appointed Trustees.
- Schedule annual examinations for disabled firefighters/police officers under age 50.
- Annual verifications of eligibility for beneficiaries.
- Review/update contracts with vendors (accountants, actuaries, attorneys, investment managers/advisors or consultants).
- Obtain predatory lending certification forms from Illinois regulated banks.
- Determine status/need for extension of Letter of Credit or alternative collateralization for Pension Fund operating accounts.

REIMER DOBROVOLNY & LABARDI PC NEWS

- September 24-26, 2024, RDL managing partner Rick Reimer attended the Force Science Conference in Chicago.
- September 24-27, 2024, RDL partners Brian LaBardi and Vince Mancini attended and presented at the IPPFA MidAmerican Pension Conference in Lincolnshire.
- November 1, 2024, RDL partner Brian LaBardi will present at the IPFA fall conference in Addison.

Legal and Legislative Update

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This publication constitutes advertising material. Information contained herein should not be considered legal advice.

***Legal and Legislative Update* is published periodically. Questions may be directed to:**

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