

**MINUTES OF THE REGULAR MEETING OF THE
ARLINGTON HEIGHTS POLICE PENSION FUND BOARD OF TRUSTEES
MULDER COMMUNITY ROOM, POLICE DEPARTMENT
200 E. SIGWALT STREET
WEDNESDAY, JANUARY 22, 2025**

President Petar Milutinovic called the meeting to order at 5:30 PM. Roll call was taken with:

Board Members Present: Petar Milutinovic, President
Steven Klopach, Vice President
Tom Henderson, Secretary
Bill Falk, Assistant Secretary
Harry Malone, Trustee

Board Members Absent: None

Also Present: Jeff Goodloe, Pension Board Attorney, Mary Ellen Juarez, Assistant Director, Finance, Kim Peterson, Recording Secretary

PUBLIC COMMENTS

Keith Moens, Arlington Heights resident, asked if now that all of the assets have been transferred to IPOPIF, did the Board receive a Third Quarter Investment Statement, which Ms. Juarez advised that IPOPIF has not released their December Statement yet.

APPROVAL OF MINUTES

A. October 23, 2024

Mr. Henderson moved, seconded by Mr. Falk, to approve the minutes of the regular board meeting held on October 23, 2024. The motion passed unanimously.

TREASURER'S REPORT

A. Report from the Village Treasurer

Ms. Juarez advised that the balance on the Cash Flow report is only thru November, as they have not received a December Statement yet. Ms. Juarez stated that they always may be a month behind at the Quarterly Board Meetings, depending on how quickly IPOPIF distributes the Statements. Ms. Juarez advised that at the end of November, the Fund had \$201 million and in terms of Cash Flow, the year ended with \$556,463. The Village had to subsidize the property taxes that did not come in from Cook County, which totaled \$4,190,000. The Illinois Funds Account ended with close to \$3 million. Ms. Juarez advised that she spoke with IPOPIF and they only require a seven-day notice to withdraw funds, therefore she thinks as much money as possible should be kept in the Illinois Funds Account, as it gains the most interest there and a balance of about \$50,000 should be kept in the Chase Checking Account. Ms. Juarez stated that they can just draw down from the Illinois Funds Account when money is needed to pay for the pensions until it runs out. Ms. Juarez asked if the Board is comfortable with keeping \$50,000 in the checking account and if they want to leave a cushion in the Illinois Funds Account or would they rather she transfer the money to IPOPIF and take advantage of the higher interest rates. Since she only needs seven days to initiate the transfer, that is definitely an option. Ms. Juarez advised that she will be watching this fund a lot more

now than she did before. Mr. Henderson advised that the Board did discuss keeping a month and a half of benefit payments in one of the accounts so that it is more accessible, as well as keeping the property taxes. Mr. Henderson asked the Board if they want to keep the property taxes or have them sent to the State for investment and just have Ms. Juarez request the money monthly when she needs to make benefit payments. Mr. Malone suggested that it's better to keep the money invested right up until it's needed. Ms. Juarez asked how much money do they want to keep in the Illinois Funds Account, as well as the checking account. Mr. Malone stated that he thinks \$50,000 should be kept in the checking account and the Illinois Funds Account should only have the minimum amount in it to keep it open. Mr. Goodloe advised that most other Boards are establishing a repeat monthly withdrawal to make benefit payments and setting a minimum target balance in the checking account and sweeping everything else into the consolidated fund and it comes in.

Mr. Henderson moved, seconded by Mr. Klopach, to sweep all cash, except for \$50,000 in the Chase Checking Account, to IPOPIF. Roll Call was taken. The motion passed unanimously.

Mr. Henderson moved, seconded by Mr. Milutinovic, to instruct Assistant Finance Director Mary Ellen Juarez to withdraw from IPOPIF on a monthly basis an amount necessary to make benefit payments and to cover administrative costs. Roll Call was taken. The motion passed unanimously.

PAYMENT OF BILLS

A. Approval of the Check Register

Mr. Henderson moved, seconded by Mr. Falk, to approve checks #760 through 766, and the checks to Kim Peterson and Goodloe and Puchalski. Roll Call was taken. The motion passed unanimously.

Mr. Milutinovic advised that Tom Kuehne, the Village's Finance Director and the Pension Board's Treasurer, is retiring on January 30th and is being replaced by Melissa Gallagher on February 3rd. Ms. Gallaher will assume all of the permissions as authorized agent with IPOPIF. Ms. Juarez will continue to be an authorized agent as well. Mr. Milutinovic advised that this item will be placed on the next agenda for the Board's official approval. Ms. Juarez stated that she will update the Chase Checking Account and Illinois Funds Account to reflect this change.

REPORTS

A. IPOPIF Third Quarter Statements

Mr. Henderson advised that Pension Board reviewed the statements, therefore he is not going to go through them.

OLD BUSINESS

A. Disability Application – status update for Officer Nickolas Trudeau

Mr. Goodloe advised that the process slowed down a bit as he worked through some additional records and body camera footage that he received from the Village in response to the subpoena he issued regarding the incident in question. Mr. Goodloe stated that three psychiatrists have been selected to examine Officer Trudeau, so he just need to get the appointment dates confirmed. He expects the appointments will take place within the next few weeks and once he gets those reports back an evidentiary hearing will hopefully get scheduled.

B. Operating Account (In-Flow) adjustment to monthly drawdown

Mr. Henderson advised this item was already covered.

C. Final transfer of assets to IPOPIF

Mr. Milutinovic advised he spoke with Dave Wall last week regarding the \$5 million left in the US Bank Account. Mr. Wall stated a letter was sent to US Bank instructing them to sweep all of this cash into the IPOPIF consolidated fund.

D. Annual Physical Examination – Nicole Grelecki

Mr. Goodloe advised that the 2025 physical examination has been set up for Ms. Grelecki and pursuant to the Board's direction, a different doctor was chosen to examine her, which will take place February 11th.

NEW BUSINESS

A. Annual Budget Approval for 2025

Ms. Juarez advised that the property taxes and contributions for 2025 will be \$4,427,000.

Mr. Falk moved, seconded by Mr. Milutinovic, to approve the annual budget for 2025. The motion passed unanimously.

B. Semi-Annual Review of Closed Session

Mr. Henderson advised there are no closed session minutes to review.

C. Statement of Economic Interest

Mr. Milutinovic advised that he filed everyone's information with the County and they'll email everyone sometime in March, with a due date of May 1st.

D. Approve annual Cost of Living Adjustments (COLA'S) for pensioners

Mr. Henderson moved, seconded by Mr. Klopach, to approve the Cost-of-Living Adjustment for retirees commencing January 1st. Roll Call was taken. The motion passed unanimously.

E. Review of Trustee term expirations and election procedures

Mr. Milutinovic advised that all of the elected Trustees are up for reelection this year. Mr. Milutinovic stated that he will handle the election, which will take place in April.

F. New Hire Joseph F. Tonkovic – December 29, 2024

Mr. Milutinovic moved, seconded by Mr. Falk, to accept Joseph F. Tonkovic into the pension fund as a Tier 2 participant. The motion passed unanimously.

G. Resignation of Kenneth Ruff – December 12, 2024

Mr. Milutinovic advised that Kenneth Ruff resigned and has transferred to Naperville PD. He has not formally requested repayment of his contributions.

OTHER BUSINESS

Mr. Milutinovic advised that the Illinois Public Pension Fund Association (IPPFA) spring conference will be held on May 7 – 8 and asked for a motion to approve expenditures.

Mr. Malone moved, seconded by Mr. Milutinovic to approve the necessary expenses for those who will be attending the spring conference. Roll Call was taken. The motion passed anonymously.

ADJOURNMENT

Mr. Henderson moved, seconded by Mr. Malone to adjourn the meeting at 6:19 PM. The motion passed unanimously.