

Quarterly Meeting of the
Champaign Police Pension Board
Wednesday, April 19, 2023, 10:00 am
CPPF Office: 10 Henson Pl, Ste 2, Champaign, IL 61820

Minutes

Meeting at the CPPF office called to order at 9:56 am by Patrick Simons, President.

In attendance:

Patrick Simons, President
Anthony Ackerman, Vice-President
Patrick Kelly, Treasurer
Mike Murphy, Secretary
Brian Maloney, Assistant Secretary
Mary Nye, &Co Consulting
Joan Keeler, Office Manager
David Gordon, Fund Clerk

AndCo Investment Performance Review & Rebalancing Recommendations

Mary Nye presented the Investment Performance Review of March 31, 2023, including a 1st Quarter 2023 Market Environment Review, and the Proposed Rebalanced Portfolio report with Market Value as of 4/17/23. (Attachment A) Both were reviewed and discussed. Ackerman made a motion to rebalance according to the recommendation by moving \$260k from Fiduciary, \$250k from MFS Growth Fund, and \$1m each from Victory Sycamore, Kayne Anderson, and AF EuroPacific. Segall Bryant will receive \$1m, and \$2.15m will be deposited into Optimum. Seconded by Murphy. All in favor. Motion carries.

Kemper CPA Financial Statements

First quarter Compiled Financial Statements (Attachment B) were reviewed and discussed. Kelly made a motion to accept the financial statements submitted by accountant Mary Tollakson. Seconded by Maloney. All in favor. Motion carries.

Approval of Minutes

After being reviewed by the Board, Ackerman made a motion to approve the minutes of the Quarterly Meeting of January 25, 2023. (Attachment C) Seconded by Murphy. All in favor. Motion carries.

Approval of Authorizations

First quarter 2023 authorizations were reviewed during the meeting. Murphy made a motion to approve first quarter authorizations. Seconded by Maloney. All in favor. Motion carries.

Old Business:

R. Justus Clinton Application for Non-Duty Disability

Friday, April 14, 2023 was the Special Board Meeting for Clinton's Application.

Consolidation Status

The Board was updated on the Class Action Consolidation lawsuit against the IPOPIF.

Adrian Walker Westfield

The minor surviving son of Jonathan Westfield turned 18 on [REDACTED] at which time his monthly benefit ended. A courtesy letter was sent to alert his mother, the guardian, at the Board's request.

Expanded Eligibility for *Some* Surviving Spouses

Public Act 102-0811 (1/1/23) provides a benefit for surviving spouses at least 62 years of age who were married at least 5 years prior to the officer's death. Benefit is limited to the lesser of 15 years or the spouse's death.

A motion to approve Shirley Schweighart (Soucie) for the expanded eligibility was made by Ackerman and seconded by Murphy. All in favor. Motion carries.

A motion to approve Marcia Wilkinson for the expanded eligibility was made by Ackerman and seconded by Murphy. All in favor. Motion carries.

Legal Counsel

Options for CPPF's legal representation were discussed.

New Business:

New Officers:

None

Hire Date

Terminations:

Brandon Fayne

Date

2/20/2023

Refund of Contributions:

Emily Bradley

Dakota Owen

Ki Jung Kwon

Last Day

12/26/2022

9/1/2020

11/5/2022

Annual Fitness for Duty: Chad Tennill

After discussion of the need to verify annually, A motion to accept Chad Tennill's Physician's Certificate that he is still disabled was made by Ackerman and seconded by Kelly. All in favor. Motion carries.

Proof of Life Affidavits

Done biennially in April. Mailed 4/14/23. The possibility of Board Members verifying status for those whom they are in contact was discussed.

Chief Tyler's Meritorious Service Award

The mayor's office was informed there are 111 retirees who qualify with 20+ years of CPD service.

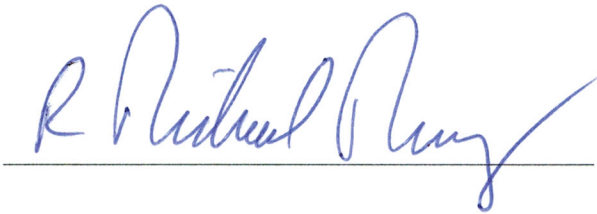
R. Michael Murphy's Mayoral Board Appointment

Trustee Murphy's mayoral board appointment expires 5/30/23. President Simons has requested of the Mayor's office that Mr. Murphy's appointment be continued.

There was no audience participation.

At 10:55 am a motion to adjourn was made by Murphy and seconded by Maloney. All in favor. Motion carries.

Next regular quarterly meeting, Wednesday, July 26, 2023 at 10:00 am.

A handwritten signature in blue ink, reading "R. Michael Murphy", is written over a horizontal line.

Champaign Police Pension Fund

Proposed Rebalanced Portfolio

Manager	Style	April 17, 2023		IPS Target	Recommended Rebalance	Rebalanced Allocation	IPS	
		Market Value	Current Allocation				Min	Max
Equity	Fiduciary	25,370,887	17.0%	18.0%	(260,000)	16.8%	15.0%	20.0%
	MFS Growth Fund	25,201,708	16.9%	18.0%	(250,000)	16.7%	15.0%	20.0%
	Victory Sycamore	8,745,480	5.9%	6.0%	(1,000,000)	5.2%	4.0%	8.0%
	Kayne Anderson	8,558,754	5.7%	6.0%	(1,000,000)	5.1%	4.0%	8.0%
	DFA Intl Core Equity	6,987,094	4.7%	5.5%		4.7%	4.0%	7.0%
	AF EuroPacific	8,053,397	5.4%	5.5%	(1,000,000)	4.7%	4.0%	7.0%
Principal Real Estate*		13,602,587	9.1%	5.0%		9.1%	0.0%	10.0%
Total Equity Portfolio		96,519,906	64.6%	64.0%	(3,510,000)	62.2%	45.0%	65.0%
Fixed Income	Segall Bryant	25,570,070	17.1%	18.0%	1,000,000	17.8%	17.5%	27.5%
	Optimum	26,447,421	17.7%	18.0%	2,510,000	19.4%	17.5%	27.5%
	Cash	133,467	0.1%	0.0%		0.1%	0.0%	0.0%
	Cash Annuity	765,986	0.5%	0.0%		0.5%	0.0%	10.0%
Total Fixed Income + Cash + Cash Equivalents Portfolio		52,916,945	35.4%	36.0%	3,510,000	37.8%	35.0%	55.0%
Total Portfolio:		149,436,851	100.0%	100.0%	0	100.0%		

* As of 03/31/2023



Champaign Police Pension Fund

Compiled Financial Statements –
Modified Cash Basis

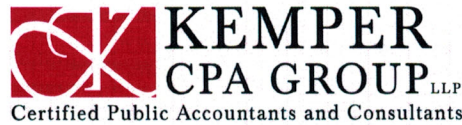
For the Three Months and Nine Months Ended March 31, 2023

Champaign Police Pension Fund

Compiled Financial Statements – Modified Cash Basis
For the Three Months and Nine Months Ended March 31, 2023

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To the Board of Trustees of
The Champaign Police Pension Fund
Champaign, IL 61820

Plan management is responsible for the accompanying financial statements of the Champaign Police Pension Fund, which comprise the statement of plan net position – modified cash basis as of March 31, 2023, and the related statement of changes in plan net position – modified cash basis for the three months and nine months then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by plan management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Plan management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Plan's net position and changes in net plan position. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on page 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of plan management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.

We are not independent with respect to the Champaign Police Pension Fund.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants
Champaign, Illinois
April 14, 2023

Champaign Police Pension Fund
Statement of Plan Net Position - Modified Cash Basis
March 31, 2023

ASSETS

Cash		
Cash in Bank - Checking	<u>\$ 105,726.03</u>	
Total Cash		<u>\$ 105,726.03</u>
First Midwest Bank Trust Accounts		
Segall Bryant & Hamill	25,708,008.37	
Annuity Accounts	49,356,719.31	
Kayne Anderson Rudnick	8,558,754.28	
Fiduciary Management	25,161,938.30	
Optimum Quanvest Corporation	26,621,323.54	
Principal Financial Group	<u>13,602,586.64</u>	
Total Trust Accounts		<u>149,009,330.44</u>
Total Assets		<u><u>\$ 149,115,056.47</u></u>

LIABILITIES

Liabilities	
Total Liabilities	<u>\$ -</u>

PLAN NET POSITION

Plan Net Position	
Plan Net Position	<u>149,115,056.47</u>
Total Plan Net Position	<u>149,115,056.47</u>
Total Liabilities and Plan Net Position	<u><u>\$ 149,115,056.47</u></u>

Champaign Police Pension Fund
Statement of Changes in Plan Net Position - Modified Cash Basis
For the Three Months and Nine Months Ended March 31, 2023

	<u>3 Months Ended March 31, 2023</u>	<u>9 Months Ended March 31, 2023</u>
Additions		
Real Estate Tax	\$ -	\$ 3,732,537.35
Replacement Tax	-	653,250.08
Other Employer Contributions	60,985.00	3,810,985.00
Pension Contributions	268,208.70	731,181.61
Interest on Checking Account	8.17	29.54
Interest on Investments	368,030.84	1,005,501.38
Dividends	183,773.25	721,744.99
Accrued Income Variation	(43,674.36)	65,895.28
Miscellaneous Revenue	718.83	3,700.88
	<u>838,050.43</u>	<u>10,724,826.11</u>
Subtotal		
Gains and Losses		
Realized Gains and Losses	361,558.76	512,956.44
Unrealized Gains and Losses	5,363,935.89	5,566,258.93
	<u>5,725,494.65</u>	<u>6,079,215.37</u>
Total Gains and Losses		
	<u>6,563,545.08</u>	<u>16,804,041.48</u>
Total Additions		
Less Investment Expense		
Management Fees	(19,248.56)	(39,404.00)
Investment Services	(69,460.95)	(185,202.03)
Consulting Services	(27,000.00)	(40,500.00)
	<u>(115,709.51)</u>	<u>(265,106.03)</u>
Total Investment Expense		
Net Additions	<u>6,447,835.57</u>	<u>16,538,935.45</u>

Champaign Police Pension Fund
Statement of Changes in Plan Net Position - Modified Cash Basis (continued)
For the Three Months and Nine Months Ended March 31, 2023

	<u>3 Months Ended March 31, 2023</u>	<u>9 Months Ended March 31, 2023</u>
Deductions		
Benefits and Refunds		
Retiree Pensions	\$ 1,739,867.85	\$ 5,133,803.30
Surviving Spouse Pensions	235,269.69	649,493.97
Surviving Children Pensions	13,434.63	40,303.89
Duty Disability Pensions	307,793.91	860,354.43
Non-Duty Disability Pensions	36,143.28	107,677.50
Refunds of Contributions	<u>8,073.66</u>	<u>8,073.66</u>
Total Benefits and Refunds	<u>2,340,583.02</u>	<u>6,799,706.75</u>
Administrative Expenses		
Rent	1,800.00	5,400.00
Utilities	768.58	1,632.20
Telephone	615.79	1,359.84
Bank Charges	313.55	894.94
Accounting Services	13,445.00	56,765.00
Legal Services	7,690.22	22,224.59
Actuarial Services	400.00	750.00
Medical Services	-	10,540.00
Postage and Office Expense	544.36	2,079.30
Insurance	-	1,650.91
Office Management	14,521.25	33,148.75
Payroll Taxes	1,110.88	2,838.06
Continuing Education	-	4,196.74
Dues and Subscriptions	<u>-</u>	<u>795.00</u>
Total Administrative Expense	<u>41,209.63</u>	<u>144,275.33</u>
Total Deductions	<u>2,381,792.65</u>	<u>6,943,982.08</u>
Net Increase (Decrease)	<u><u>\$ 4,066,042.92</u></u>	9,594,953.37
Plan Net Position, Beginning of Year		<u>139,520,103.10</u>
Plan Net Position, End of Quarter		<u><u>\$ 149,115,056.47</u></u>

SUPPLEMENTARY INFORMATION

Champaign Police Pension Fund
Supplementary Information
Schedule of Investment Gains and Losses - Modified Cash Basis
For the Three Months and Nine Months Ended March 31, 2023

	<u>3 Months Ended March 31, 2023</u>	<u>9 Months Ended March 31, 2023</u>
Realized Gains and Losses		
Segall, Bryant & Hamill	\$ (290,741.73)	\$ (432,569.38)
Annuity Accounts	-	762,828.19
Kayne Anderson Rudnick	132,571.72	91,431.09
Fiduciary Management	751,781.37	638,159.71
Optimum Quanvest Corporation	<u>(232,052.60)</u>	<u>(546,893.17)</u>
Total Realized Gains and Losses	<u>361,558.76</u>	<u>512,956.44</u>
Unrealized Gains and Losses		
Segall, Bryant & Hamill	686,702.94	(17,690.56)
Annuity Accounts	3,744,397.46	3,622,074.06
Kayne Anderson Rudnick	720,120.01	1,206,902.64
Fiduciary Management	7,273.82	1,924,134.78
Optimum Quanvest Corporation	657,447.00	159,011.58
Principal Financial Group	<u>(452,005.34)</u>	<u>(1,328,173.57)</u>
Total Unrealized Gains and Losses	<u>5,363,935.89</u>	<u>5,566,258.93</u>
Total Gains and Losses	<u><u>\$ 5,725,494.65</u></u>	<u><u>\$ 6,079,215.37</u></u>

Quarterly Meeting of the
Champaign Police Pension Board
Wednesday, January 25, 2023, 10:00 am
CPPF Office: 10 Henson Pl, Ste 2, Champaign, IL 61820

Minutes

Meeting at the CPPF office called to order at 10:00 am by Patrick Simons, President.

In attendance:

Patrick Simons, President
Anthony Ackerman, Vice-President
Mike Murphy, Secretary
Brian Maloney, Assistant Secretary
David Gordon, Fund Clerk

Attending by Zoom:

Patrick Kelly, Treasurer
Mary Nye, &Co Consulting

AndCo Investment Performance Review & Rebalancing Recommendations

Mary Nye presented the Investment Performance Review of 12/31/22, including a Market Environment Review, and the Proposed Rebalanced Portfolio report with Market Value as of 1/23/23. (Attachment A) Both were reviewed and discussed. Ackerman made a motion to accept the report and rebalance recommendation by moving \$1m from Fiduciary, \$500,000 each from Victory Sycamore, Kayne Anderson, AF EuroPacific, and Cash Annuity. The total \$3m to be deposited into Optimum. Seconded by Murphy. All in favor. Motion carries.

Kemper CPA Financial Statements

Fourth quarter Compiled Financial Statements (Attachment B) were reviewed and discussed. Ackerman made a motion to accept the financial statements submitted by accountant Mary Tollakson. Seconded by Murphy. All in favor. Motion carries.

Approval of Minutes

After being reviewed by the Board, Ackerman made a motion to approve the minutes of the Quarterly Meeting of October 19, 2022 and the Special Meetings of November 15, 2022 (Christian) and December 19, 2022 (Creel) (Attachment C) Seconded by Murphy. Trustees attending in person in favor, Kelly abstained. Motion carries.

Approval of Authorizations

Fourth quarter 2022 authorizations were reviewed during the meeting. Maloney made a motion to approve fourth quarter authorizations. Seconded by Murphy. Trustees attending in person in favor, Kelly abstained. Motion carries.

Old Business:

Decision and Order – Duty Disability, Jeremiah Christian

Kelly made a motion that the Decision and Order is consistent with the Board's findings, analysis, and decision in said matter. Maloney seconded. Roll Call votes: Ackerman, yes, Kelly, yes, Maloney, yes, Murphy, yes, Simons, yes. Motion carries.

Maloney made a motion to approve the entry of the Decision and Order as presented. Murphy seconded. Roll Call votes: Ackerman, yes, Kelly, yes, Maloney, yes, Murphy, yes, Simons, yes. Motion carries.

Decision and Order – Duty Disability, Jeffrey Creel

Kelly made a motion that the Decision and Order is consistent with the Board's findings, analysis, and decision in said matter. Maloney seconded. Roll Call votes: Ackerman, yes, Kelly, yes, Maloney, yes, Murphy, yes, Simons, yes. Motion carries.

Maloney made a motion to approve the entry of the Decision and Order as presented. Kelly seconded. Roll Call votes: Ackerman, yes, Kelly, yes, Maloney, yes, Murphy, yes, Simons, yes. Motion carries.

Consolidation

The Board was updated on the Class Action Consolidation lawsuit against the IPOPIF.

Adrian Walker Westfield

The minor surviving son of Jonathan Westfield will turn 18 on [REDACTED] at which time his monthly benefit will end. The board requests a courtesy letter be sent to his mother, the guardian.

Expanded Eligibility for *Some* Surviving Spouses

Public Act 102-0811 (1/1/23) provides a benefit for surviving spouses at least 62 years of age who were married at least 5 years prior to the officer's death. Benefit is limited to the lesser of 15 years or the spouse's death. We have three spouses who qualify, and one who might qualify with further information.

Legal Counsel

Options for CPPF's legal representation were discussed.

New Business:

1. New Officers:	<u>Hire Date</u>
Kevin Burch	10/24/22
Justin Sanchez	11/07/22
Brandon Culbertson	12/05/22
Nikolas Cook	12/19/22
Austin Hinchman	12/19/22
Billy Aten	1/03/23
Lucas Lieb	1/03/23

Ackerman made a motion to accept the new officer applications. Seconded by Murphy. All in favor. Motion carries.

2. Terminations:

	<u>Date</u>
Eric Kaldahl	10/30/22
Ki Jung Kwon	11/05/22
Charles Abaranel	11/16/22
Emily Bradley	12/26/22
Caleb Billingsley	12/27/22

Proof of Life Affidavits

Done biennially in April. Last done 5/27/21 (Covid delay). Draft of letter and consequences for beneficiary non-compliance (approved 7/24/19 meeting) shared with board.

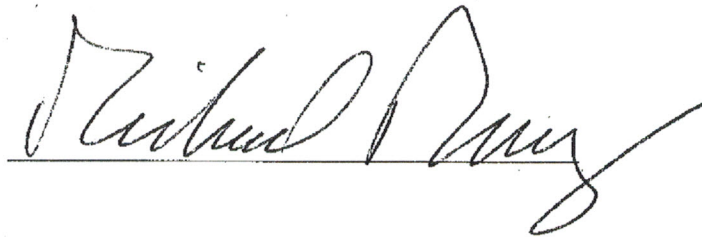
Statements of Economic Interest

The yearly filing on the county clerk's website is due by May 15.

There was no audience participation.

At 11:11am a motion to adjourn was made by Ackerman and seconded by Murphy. All in favor. Motion carries.

Next regular quarterly meeting, Wednesday, April 26, 2023 at 10:00 am.

A handwritten signature in black ink, appearing to read "Michael Murphy", is written over a horizontal line.