



Police Pension Board, Village of Lincolnwood
6900 N. Lincoln Avenue, Lincolnwood, IL 60712

**NOTICE OF A REGULAR MEETING OF THE
LINCOLNWOOD POLICE PENSION FUND
BOARD OF TRUSTEES**

The Lincolnwood Police Pension Fund Board of Trustees will conduct a regular meeting on **Thursday, January 24, 2019 at 2:00 pm** at Village Hall located at 6900 N. Lincoln Avenue, Lincolnwood, IL for the purposes set forth in the following agenda:

AGENDA

1. Call to Order
2. Roll Call
3. Public Comment (limit to 3 minutes per person)
4. Investment Reports
 - a.) Wells Fargo/Madison Quarterly Review and Investment Strategy Discussion
 - b.) Graystone Consulting Quarterly Review and Investment Strategy Discussion
 - c.) Potential Sale/Purchase of Securities
 - d.) Review/Update Investment Policy
5. Approval of Meeting Minutes
 - a.) November 8, 2018 Regular Meeting
 - b.) Semi-Annual Review of Closed Session Meeting Minutes
6. Accountant's/Treasurer's Report
 - a.) Vendor Check Report – Lauterbach & Amen, LLP
 - b.) Presentation and Approval of Bills
 - c.) Additional Bills, if any
7. Applications for Membership/Withdrawals from Fund
8. Applications for Retirement/Disability Benefits
9. Trustee Training Updates
10. Old Business
11. New Business
 - a.) Review/Approve – Fiduciary Liability Insurance
 - b.) Approve Annual Cost of Living Adjustments (COLAs) for Pensioners
 - c.) Review Trustee Term Expirations and Election Procedures
 - d.) Transfer of Creditable Service – Armando Garcia
12. Communications or Reports
 - a.) Statements of Economic Interest
 - b.) Review/Approve – Death Audit Service Authorization
 - c.) 2019 IRS Mileage Rate
13. Attorney's Report
 - a.) Legal Updates
 - b.) Update – Annual Independent Medical Examination – Joseph Viggiano
14. Closed Session, if needed
15. Adjournment



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**DRAFT - REGULAR MEETING MINUTES OF
THE LINCOLNWOOD POLICE PENSION FUND BOARD OF TRUSTEES
THURSDAY, NOVEMBER 8, 2018**

A regular meeting of the Lincolnwood Police Pension Fund Board of Trustees was held on Thursday, November 8, 2018 at 2:00 pm at the Police/Fire Training Room located in the Lincolnwood Police Department at 6900 N. Lincoln Avenue, Lincolnwood, IL pursuant to notice.

CALL TO ORDER: Trustee O'Connor called the meeting to order at 2:03 pm.

ROLL CALL:

PRESENT: Trustees Travis Raypole, Mark Weidner, Joel Perzov and Tim O'Connor
ABSENT: Trustee Michael Bartholomew
ALSO PRESENT: Brian Carroll, Wells Fargo, Inc.; Rob Roquette, Madison Investments; Benjamin Harris, Village of Lincolnwood Accountant; Eric Biljetina, Village of Lincolnwood Treasurer; Jessica Fain (*arrived at 2:15 pm*), Liz Failing and Casey Heeley, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

INVESTMENT REPORT – MADISON INVESTMENTS: *Quarterly Investment Report:* Mr. Roquette presented the Quarterly Investment Report for the bond portfolio for the period ending September 30, 2018. As of September 30, 2018, the quarter-to-date total net return is 0.28% and an overall portfolio value of \$8,434,563. Mr. Roquette answered all questions from the Board.

Trustee Raypole left the meeting at 2:34 pm and returned at 2:39 pm

Mr. Roquette left the meeting at 2:36 pm

INVESTMENT REPORT – WELLS FARGO, INC.: *Quarterly Investment Report:* The Board reviewed the Quarterly Investment Report for the stock portfolio as of September 30, 2018 for the account ending in 8639. As of September 30, 2018, the quarter-to-date net time-weighted return is 2.9% for an overall portfolio value of \$5,921,548.

A motion was made by Trustee Raypole and seconded by Trustee O'Connor to accept the Madison Investments and Wells Fargo Quarterly Investment Reports as presented. Motion carried unanimously by voice vote.

Mr. Carroll left the meeting at 2:59 pm

Trustee Raypole left the meeting at 3:00 pm and returned at 3:01 pm

Trustee Perzov left the meeting at 3:01 pm and returned at 3:02 pm

Trustee O'Connor left the meeting at 3:03 pm and returned at 3:04 pm

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* The Board reviewed the Quarterly Investment Report for the period ending September 30, 2018. As of September 30, 2018, the quarter-to-date net return is 2.96%, the year-to-date net return is 4.08%. The current asset allocation is as follows: fixed income at 39% and equities at 61%.

A motion was made by Trustee Raypole and seconded by Trustee O'Connor to accept the Graystone Quarterly Investment Reports as presented. Motion carried unanimously by voice vote.

Potential Sale/Purchase of Securities and/or Decision on Investment Advisors/Managers: A motion was made by Trustee Perzov and seconded by Trustee O'Connor to direct the Investment Managers to transfer funds as follows; Wells Fargo, Inc. transfer \$150,000 from the Investment Company of America Funds on December 14, 2018; Graystone Consulting transfer \$150,000 from the Vanguard Total Stock Market Index Adm on December 14, 2018; and Madison Investments to transfer \$200,000 upon maturity of the Bank of America Corporate Bond on January 15, 2019, and to remit all proceeds to the Pension Fund upon availability. Motion carried unanimously by voice vote.

A motion was made by Trustee Perzov and seconded by Trustee Raypole to direct Wells Fargo, Inc. to transfer \$15,000 from Investment Company of America Fund on November 15, 2018 and reallocate the proceeds to America New World Fund to and authorize transferring \$10,000 from Investment Company of American Fund to American New World Fund on or about the 15th day of the following 6 months; December 2018, January 2019, February 2019, March 2019, April 2019, and May 2019 for a total investment amount of \$75,000. Motion carried unanimously by voice vote.

Trustee O'Connor left the meeting at 3:36 pm

Review/Update Investment Policy: The Board reviewed the Investment Policy and determined no changes were needed at this time.

APPROVAL OF MEETING MINUTES: *July 26, 2018 Regular Meeting Minutes:* The Board reviewed the July 26, 2018 regular meeting minutes. A motion was made by Trustee Raypole and seconded by Trustee Weidner to approve the July 26, 2018 regular meeting minutes pending the changes discussed. Motion carried unanimously by voice vote.

Mr. Harris left the meeting at 3:36 pm and returned at 3:48 pm

ACCOUNTANT'S/TREASURER'S REPORT: *Vendor Check Report – Lauterbach & Amen, LLP and Presentation and Approval of Bills:* The Board reviewed the Vendor Check Report for the period July 21, 2018 through November 1, 2018, showing total disbursements in the amount of \$180,540.11. A motion was made by Trustee Raypole and seconded by Trustee Perzov to approve the disbursements shown on the Vendor Check Report in the amount of \$180,540.11. Motion carried by roll call vote.

AYES: Trustees Raypole, Weidner and Perzov
NAYS: None
ABSENT: Trustees Bartholomew and O'Connor

Treasurer's Report: The Board was presented with the Treasurer's Report for the period July 1, 2018 through September 30, 2018. As of September 30, 2018, the beginning balance in cash & investments was \$21,088,476, benefits and administrative expenses totaled \$717,772, and the ending cash and investment balance was \$21,825,421.

Additional Bills: There were no additional bills presented.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – David M. Sparks, Scott M. Hill and Alberto Ortega:* The Board reviewed the Applications for Membership submitted by David M. Sparks, Scott M. Hill and Alberto Ortega. A motion was made by Trustee Raypole and seconded by Trustee Perzov to accept David M. Sparks, Scott M. Hill and Alberto Ortega into the Lincolnwood Police Pension Fund effective 09/05/2018, as Tier II participants. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits at this time.

TRUSTEE TRAINING UPDATE: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities.

OLD BUSINESS: There was no old business to discuss.

Trustee Weidner left the meeting at 4:21 pm and returned at 4:23 pm

NEW BUSINESS: *Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$2,109,649 which is a \$395,806 increase from the prior year contribution. The statutory minimum contribution requirement is \$1,776,797. A motion was made by Trustee Raypole and seconded by Trustee Perzov to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$2,109,649 from the Village of Lincolnwood, based on the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Raypole, Weidner and Perzov
NAYS: None
ABSENT: Trustees Bartholomew and O'Connor

Trustee Perzov requested that Ms. Fain provide figures based on a 6.5% assumed rate of investment return instead of the current 7% rate. Ms. Fain will calculate the figures and email the Board as soon as they are complete.

Ms. Fain left the meeting at 5:01 pm

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Raypole and seconded by Trustee Weidner to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

2019 Board Meeting Dates: The Board discussed establishing the 2019 Board meeting dates January 24, April 25, July 25 and October 24 at 2:00 pm at Village Hall located at 6900 N. Lincoln Avenue, Lincolnwood, IL. A motion was made by Trustee Raypole and seconded by Trustee Perzov to approve the dates as stated. Motion carried unanimously by voice vote.

COMMUNICATIONS OR REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2018 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping.

ATTORNEY’S REPORT: *Legal Updates:* The Reimer & Dobrovolny, PC newsletter was distributed, reviewed and discussed.

Annual Independent Medical Examination – Joseph Viggiano: The Board discussed sending Joseph Viggiano for his annual independent medical examination. Trustee Raypole stated that Trustee O’Connor will schedule the exam. Further discussion will be held at the next regular scheduled meeting.

CLOSED SESSION, IF NEEDED: No closed session was needed.

ADJOURNMENT: A motion was made by Trustee Raypole and seconded by Trustee Weidner to adjourn the meeting at 5:14 pm. Motion carried unanimously by voice vote.

Board President or Secretary

Minutes approved by the Board Trustees on _____.

Minutes prepared by Casey Heeley, Pension Services Administrator

~ The next regular meeting is scheduled for January 24, 2019 at 2:00 pm. ~