



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, April 26, 2018 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 and/or Decision on Investment Advisors/Managers
 - d.) Review/Update Investment Policy
5. Approval of Meeting Minutes
 - a.) January 25, 2018 Regular Meeting
6. Accountant's/Treasurer's Report
 - a.) Vendor Check Report – Lauterbach & Amen, LLP
 - b.) Presentation and Approval of Bills
 - c.) Additional Bills, if any
 - i. Illinois Department of Insurance Compliance Fee
7. Applications for Membership/Withdrawals from Fund
8. Applications for Retirement/Disability Benefits
 - a.) Approve Regular Retirement Benefits – Randall Rathmell
9. Trustee Training Updates
10. Old Business
11. New Business
 - a.) Discussion/Possible Action - Actuarial Proposal
 - b.) Fiduciary Liability Insurance Renewal
 - c.) Certify Board Election Results – Active Member Position
 - d.) Board Officer Elections – President, Vice President, Secretary & Assistant Secretary
12. Communications or Reports
 - a.) Statements of Economic Interest
 - b.) Affidavits of Continued Eligibility
13. Attorney's Report
 - a.) Legal Updates
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, JANUARY 25, 2018**

A regular meeting of the Lincolnwood Police Pension Fund Board of Trustees was held on Thursday, January 25, 2018 at 2:00 pm at the Village Hall located at 6900 N. Lincoln Avenue, Lincolnwood, IL pursuant to notice.

CALL TO ORDER: Trustee O'Connor called the meeting to order at 2:04 pm.

ROLL CALL:

PRESENT: Trustees Travis Raypole, Mark Weidner, Joel Perzov, Michael Bartholomew, Tim O'Connor

ABSENT: None

ALSO PRESENT: Ron Tomanek, Graystone Consulting; Brian Carroll, Wells Fargo, Inc.; Rob Roquette, Madison Investments; Finance Director Robert Merkel, Treasurer Eric Biljetina, Accountant Benjamin Harris, Village of Lincolnwood; 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 December 31, 2017. As of December 31, 2017, the quarter-to-date total net return is -0.16% for a quarter-to-date gain of \$153,213 and an overall portfolio value of \$8,760,547. The current asset allocation is as follows: Corporate Bonds at 64%, Government Bonds at 35% and Cash at 1%. Mr. Roquette answered all questions from the Board.

INVESTMENT REPORT – WELLS FARGO, INC.: *Quarterly Investment Report:* Mr. Carroll presented the Quarterly Investment Report for the stock portfolio as of December 31, 2017 for the account ending in 8639. As of December 31, 2017, the year-to-date net time-weighted return is 23.12% for an overall portfolio value of \$5,646,775. Mr. Carroll answered all questions from the Board.

Graystone Consulting - Quarterly Investment Report: Mr. Tomanek presented the Quarterly Investment Report for the period ending December 31, 2017. As of December 31, 2017, the quarter-to-date net return is 3.2%, the year-to-date net return is 12.20%. The current asset allocation is as follows: fixed income at 41.44%, equities at 57.86%, and cash equivalent at 0.70%. Mr. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter. Mr. Tomanek answered all questions from the Board.

Mr. Tomanek discussed the required disclosure under Sections 1-113.22 and 1-113.23 of the Illinois Pension Code on behalf of Morgan Stanley Smith Barney LLC with the Board. All questions were answered by Mr. Tomanek.

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

Review/Update Investment Policy: The Board discussed updating the Investment Policy. A motion was made by Trustee Perzov and seconded by Trustee Raypole to direct Wells Fargo to amend the Investment Policy as follows:

- Change the range of Fixed Income Corporate to a maximum of 75% and the minimum will be 0%
- Government will be maximum of 100% and a minimum of 25%

Motion carried unanimously by voice vote.

Trustee Raypole will contact Mr. Carroll to draft an amended Investment Policy for approval and execution at the next regular scheduled meeting.

Potential Sale/Purchase of Securities and/or Decision on Investment Advisors/Managers: There were none at this time.

APPROVAL OF MEETING MINUTES: *October 26, 2017 Regular Meeting Minutes:* The Board reviewed the October 26, 2017 regular meeting minutes. A motion was made by Trustee Perzov and seconded by Trustee Raypole to approve the October 26, 2017 regular meeting minutes with the stipulation that the revisions discussed will be amended. Motion carried unanimously by voice vote.

January 2, 2018 Special Meeting Minutes: The Board reviewed the January 2, 2018 special meeting minutes. A motion was made by Trustee Perzov and seconded by Trustee Weidner to approve the January 2, 2018 special meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes.

TREASURER'S REPORT: The Board was presented with the Treasurer's Report for the period 10/01/2017 through 12/31/2017. As of December 31, 2017, the beginning balance in cash & investments was \$20,827,036, benefits and administrative expenses totaled \$659,548, and the ending cash and investment balance was \$20,962,500.

Additional Bills: The Board reviewed the following additional bills for approval:

- Graystone Consulting invoice #0100909 in the amount of \$5,527.00 for First Quarter fees
- Madison Investment Advisors in the amount of \$6,570.41 for First Quarter Management fee

A motion was made by Trustee O'Connor and seconded by Trustee Weidner to accept the Treasurer's Report as presented and the additional bills. Motion carried unanimously by voice vote.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Robert Labuz, Dominic Massa and Mark Gaseor:* The Board reviewed the Applications for Membership submitted by Robert Labuz, Dominic Massa and Mark Gaseor. A motion was made by Trustee O'Connor and seconded by Trustee Weidner to accept Robert Labuz effective 08/29/2017; Dominic Massa effective 08/29/2017 and Mark Gaseor effective 01/04/2018 into the Lincolnwood Police Pension Fund, as Tier II participants. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – John Walsh:* The Board reviewed the regular retirement benefit calculation for John Walsh prepared by L&A. Deputy Chief Walsh had an entry date of 04/20/1990, retirement date of 10/27/2017, effective date of pension of 10/28/2017, 54 years of age at date of retirement, 27 years of creditable service, applicable salary of [REDACTED] applicable pension percentage of 67.50%, amount of originally granted monthly pension of [REDACTED] and amount of originally granted annual pension of \$ [REDACTED]

Approve Regular Retirement Benefits – Robert LaMantia: The Board reviewed the regular retirement benefit calculation for Robert LaMantia prepared by L&A. Chief LaMantia had an entry date of 10/01/2006, retirement date of 12/01/2017, effective date of pension of 12/02/2017, 60 years of age at date of retirement, 11 years of creditable service, applicable salary of [REDACTED] applicable pension percentage of 27.50%, amount of originally granted monthly pension of [REDACTED] and amount of originally granted annual pension of [REDACTED].

A motion was made by Trustee Raypole and seconded by Trustee O'Connor to approve John Walsh's and Robert LaMantia's regular retirement benefits as calculated by L&A. Motion carried by roll call vote.

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

Deceased Pensioner – Dennis Brooks/Approval of Surviving Spouse Benefits: The Board noted that Dennis Brooks passed away on 01/15/2018. The Board reviewed the surviving spouse benefit calculation with an effective date of 01/16/2018, for a monthly benefit of with no additional [REDACTED]. A motion was made by Trustee Raypole and seconded by Trustee Bartholomew to approve the surviving spouse benefit as calculated by L&A. Motion carried unanimously by voice vote.

TRUSTEE TRAINING UPDATE: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustee Bartholomew noted that he was unable to attend the last day of the training session due to surgery and completed 24 of the 32 hours required. Trustee Raypole will look into the matter to see if the training day can be completed at another date.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: Trustee Weidner read the disclosure presented by Mr. Tomanek under Sections 1-113.22 and 1-113.23 of the Illinois Pension Code on behalf of Morgan Stanley Smith Barney LLC into the meeting minutes.

Fiduciary Liability Insurance Renewal: The Board will discuss this matter at the next regular scheduled meeting.

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Raypole is expiring in April 2018. L&A will conduct an election on behalf of the Pension Fund for the active member Trustee Position. The Board noted that the appointed Trustee positions held by Trustee Perzov and Trustee Bartholomew are expiring in April 2018. Trustee Perzov and Trustee Bartholomew wish to remain on the Board. The Board will contact the Village and seek reappointment of Trustee Perzov and Trustee Bartholomew.

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2018. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2018.

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

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 4:34 pm. Motion carried unanimously by voice vote.

Tim O’Connor, President

Minutes approved by the Board Trustees on _____.

Minutes prepared by Casey Heeley, Pension Services Administrator

~ The next regular meeting is scheduled for April 26, 2018 at 2:00 pm. ~