

VILLAGE OF GLENCOE
POLICE PENSION FUND BOARD

REGULAR MEETING MINUTES
April 22, 2015

1. Call To Order

Wednesday, April 22, 2015 at 7:00 a.m.

Roll Call

The following were present:

Michael Neimark, President
Bruce Becker, Trustee
Peter Neville, Trustee

The following were absent:

Christopher Pfaff, Trustee
Joseph Walter, Trustee

The following were also present:

David A. Clark, Treasurer

Also present Representing Great Lakes Advisors, LLC. (GLA):

William Gregg, Senior Portfolio Manager, Fixed Income

2. Public Comment Time

There was no one in attendance from the public.

3. Approval of January 28, 2015 Minutes

Upon motion made, seconded and unanimously adopted by those present, the minutes of the January 28, 2015 meeting were approved as submitted.

4. Select President

Upon motion made, seconded and unanimously adopted by those present, Michael Neimark was appointed as President.

5. Select Vice President

Upon motion made, seconded and unanimously adopted by those present, Peter Neville was appointed as Vice President.

6. Select Secretary

Upon motion made, seconded and unanimously adopted by those present, David Clark was appointed as Secretary.

7. Select Assistant Secretary

Upon motion made, seconded and unanimously adopted by those present, Joseph Walter was appointed as Assistant Secretary.

8. Review Financial Activity with Great Lakes Advisors

Mr. Gregg, from Great Lakes Advisors, presented the portfolio summary for the period ending March 31, 2015. Since January 1, 2015 the portfolio increased from \$31.2 Million to \$31.6 Million. Equities represented 53% of the portfolio, fixed income represented 45% of the portfolio and cash represented 2% of the portfolio. The Board next reviewed the following recommendations:

<u>SECURITY</u>	<u>AMOUNT</u>	<u>ACTION</u>	<u>NOTES</u>
GLA DISCIPLINED SMID CAP EQUITY	760,000	BUY	NEW ALLOCATION
ISHARE IBOX \$ HIGH YIELD CORPORATE BD	720,000	BUY	DOLLAR COST OVER QTR
TCW FUNDS EMERGING MKT INC FD	400,000	BUY	DOLLAR COST OVER QTR
TEMPLETON GLOBAL BOND FD	525,000	BUY	DOLLAR COST OVER QTR
VANGUARD REIT	<u>555,000</u>	BUY	NEW VEHICLE
TOTAL PURCHASES	2,960,000		
<u>SECURITY</u>	<u>AMOUNT</u>	<u>ACTION</u>	<u>NOTES</u>
EATON VANCE FLOATING RATE FD	(10,000)	SELL	DOLLAR COST OVER QTR
GLA FIXED INCOME (CUSTOM)	(1,235,000)	SELL	DOLLAR COST OVER QTR
ISHARE RUSSELL 2000 ETF	(165,000)	SELL	REBALANCE
ISHARE RUSSELL MIDCAP ETF	(700,000)	SELL	REBALANCE
VANGUARD 500 INDEX	(300,000)	SELL	REBALANCE
VANGUARD LARGE CAP GROWTH INDEX FD	<u>(550,000)</u>	SELL	REBALANCE
TOTAL SALES	(2,960,000)		

Mr. Gregg reviewed performance of the GLA Small Cap Core Account. During the quarter the account earned -1.70% as compared to the Russell 2000 Index performance of 4.31%, a 6.01% under performance for the quarter. Mr. Gregg indicated that the fund will be watched carefully during the coming quarter. Following further discussion, Trustee Becker moved, seconded by Trustee Neville, to approve the investment instructions and to approve the Investment Guideline Overview contained in the Quarterly Report (with minor date modification). Said motion was approved by the following vote:

AYES: Becker, Neville, Neimark (3)
 NAYES: None (0)
 ABSENT: Pfaff, Walter (2)

Members of the Board also made the following suggestions:

That the quarterly report include a comparison of the actual portfolio allocation to the target portfolio allocation.

That the investment advisors consider Cohen & Steers International REIT.

9. Accept Jonathan Boersema into the Police Pension Fund

Following consideration and discussion, Trustee Neville moved seconded by Trustee Becker to accept Jonathan Boersema into the Police Pension Fund . Said motion was approved by the following vote:

AYES: Becker, Neville, Neimark (3)
NAYES: None (0)
ABSENT: Pfaff, Walter (2)

Accept Derek Mortensen into the Police Pension Fund

Following consideration and discussion, Trustee Neville moved seconded by Trustee Becker to accept Derek Mortensen into the Police Pension Fund. Said motion was approved by the following vote:

AYES: Becker, Neville, Neimark (3)
NAYES: None (0)
ABSENT: Pfaff, Walter (2)

10. Approve Quarterly Payments and Disbursements

President Neimark presented the quarterly pension fund annuity payments in the amount of \$511,943.78 and quarterly accounts payable payments of \$78,930.14. Upon motion made, seconded and unanimously adopted by those present, the quarterly payments and disbursements were approved as submitted.

11. Review Annual Calendar

Review of annual calendar was deferred to the next meeting.

12. Training: Illinois Open Meetings Act and Freedom of Information Act

The training topic was addressed in accordance with the Police Pension Fund' Board's Training Policy.

13. Other Business

The following other business was discussed by the Board.

The Board discussed a rule of holding off consideration of accepting a new officer into the Police Pension Fund until 90 days after employment. This has not been the historic practice of the Village and any financial impact of this changed will negatively impact the Village Public Safety operations and budget. After consideration this change was dismissed.

Mr. Gregg discussed GASB changes that will need to be addressed which will change the reporting quarter from a calendar year to a fiscal year and will require the actuary to

project investment results into the future. Mr. Gregg said he would provide the Treasurer with further information on this topic.

The president reviewed new medical standards soon to be required by the training academies which will increase the level of medical testing and increase the cost of testing.

14. Adjournment

There being no further business to come before the Police Pension Fund Board, upon motion made, seconded and unanimously adopted by those present, the meeting was adjourned at 8:25 a.m.