

VILLAGE OF GLENCOE  
POLICE PENSION FUND BOARD

REGULAR MEETING MINUTES  
October 19, 2011

1. CALL TO ORDER

President Neimark called a regular meeting of the Police Pension Fund Board to order at 7:00 a.m. on Wednesday, October 19, 2011 in the Village Hall Conference Room.

2. ROLL CALL

The following members were present:

Michael Neimark, President  
Peter Neville  
Joseph Walter  
Chad Smith

The following member was absent: Christopher Pfaff

The following were also present:

David A. Clark, Treasurer  
Bill Gregg, Director of Fixed Income, Great Lakes Advisors, LLC

3. APPROVAL OF JULY 20, 2011 MINUTES

Following an amendment presented by President Neimark, upon motion made and seconded, the minutes of the July 20, 2011 meeting were approved by unanimous vote.

4. PUBLIC COMMENT TIME

There were no comments.

5. REVIEW FINANCIAL ACTIVITY WITH GREAT LAKES ADVISORS

Bill Gregg presented a portfolio report for the period ended September 30, 2011. Since June 30, 2011, the value of the portfolio decreased from \$23.96 Million (plus accrued interest of \$117,492) to \$21.89 Million (plus accrued interest of \$113,602). Cash and equivalents represented 1.7%, equities represented 41.9% and fixed income represented 56.4%.

Following discussion, the following recommendations were made:

Sources

\$400,000 – Anticipated property taxes

\$348,970 – All shares of Vanguard European Stock Fund

\$748,970 – TOTAL SOURCES

Investments

\$348,970 – Oakmark International

\$200,000 – Cohen & Steers

\$200,000 – Dow Jones Commodity Index (ETF) - Subject to final approval

\$748,970 – TOTAL INVESTMENTS

The Vanguard European Stock Fund would be sold in its entirety. Bill Gregg said that he would forward additional information to the Board and allow the Board to provide feedback prior to purchase of the Dow Jones Commodity Index.

Trustee Smith moved, seconded by Trustee Neville to approve the investment instructions including purchase of Dow Jones Commodity Index subject to approval of trustees after additional information is provided. Said motion was approved by the following vote:

AYES: Neville, Walter, Smith, Neimark (4)

NAYES: None (0)

ABSENT: Pfaff (1)

6. REVIEW FINANCIAL ACTIVITY AND DISBURSEMENT REPORT

Treasurer David Clark reviewed \$15,747.16 in accounts payable disbursements since July 1, 2011 and \$376,223.10 in annuities paid since July 1, 2011.

Upon motion made and seconded, the accounts payable and disbursement report was unanimously approved as submitted.

7. REVIEW PRELIMINARY ACTUARIAL VALUATION REPORT FOR 2011 TAX LEVY

Treasurer David Clark presented the preliminary actuarial valuation prepared by Actuary Timothy W. Sharpe and presented the following recommendations:

1. Continue to use State of Illinois assumptions for the purposes of the annual financial report;
2. Change budget interest rate assumption from 6.5% to 6.0%;
3. Change budget salary assumption from 5.5% to 4.5%
4. Establish Fiscal Year 2013 Budget contribution at \$1,465,318.
5. Continue practice of contributing difference between amount budgeted and amount collected in property taxes during the last month of the fiscal year.

Trustee Neville moved, seconded by Trustee Smith to approve the actuarial recommendations for the 2011 Tax Levy. Said motion was adopted by the following vote:

AYES: Neville, Walter, Smith, Neimark (4)  
NAYES: None (0)  
ABSENT: Pfaff (1)

8. CONDUCT TRUSTEE ETHICS TRAINING

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

9. OTHER BUSINESS

The following other business was discussed:

1. The Board directed staff to prepare a request for proposal to include financial advisor/consultant and custodial banking. The proposals received will be reviewed at the next board meeting.
2. The Treasurer said he would forward a meeting calendar for 2012.
3. The President suggested considering a program to allow retirees to pay for a portion of their health insurance costs with pre-tax dollars to the extent permissible by law.

10. NEXT MEETING

The next meeting will be on Wednesday, January 18, 2012 at 7:00 a.m. in the Village Hall Conference Room.

11. ADJOURNMENT

There being no further business to come before the Police Pension Fund Board, upon motion made and seconded, the meeting was adjourned at 9:10 a.m. The motion was unanimously adopted.