

VILLAGE OF GLENCOE
POLICE PENSION FUND BOARD

REGULAR MEETING MINUTES
January 18, 2012

1. CALL TO ORDER

A regular meeting of the Police Pension Fund Board was called to order by President Neimark at 7:10 a.m. on Wednesday, January 18, 2012 in the Village Hall Conference Room.

2. ROLL CALL

The following members were present:

Michael Neimark, President
Peter Neville, Trustee
Christopher Pfaff, Trustee
Joseph Walter, Trustee
Chad Smith, Trustee

The following were also present:

David A. Clark, Treasurer
Bill Gregg, Director of Fixed Income, Great Lakes Advisors, LLC
Jason Turner, Asset Allocation Manager, Great Lakes Advisors, LLC

Absent:
Christopher Pfaff, Trustee
Joseph Walter, Trustee

3. APPROVAL OF MINUTES FROM THE OCTOBER 19, 2011 MEETING

Upon motion made and seconded, the minutes of the October 19, 2011 minutes were approved by unanimous vote.

4. PUBLIC COMMENT TIME

No comment from the public.

5. Review Financial Activity with Great Lakes Advisors

Bill Gregg and Jason Turner presented a portfolio report for the period ended December 31, 2011. Since September 30, 2011, the value of the portfolio increased from \$21.89 Million (plus 113,881.11 accrued interest) to \$23.12 Million (plus \$110,145.00 accrued interest). Cash and equivalents represented 4.1% of the assets, equities represented 44% of the assets and 51.9% of the assets.

Following discussion, the following recommendations were made:

Sources

\$1,459,000 – Sale of all Vanguard Total Stock Market Index Fund
\$600,000 – Cash on Hand
\$100,000 – Corporate Bond Maturity on 3/15/2012
\$100,000 – FHLB Maturity on 2/15/2012
\$250,000 – FHLB Maturity on 3/9/2012

\$2,509,000 – TOTAL SOURCES

Investments

\$850,000 – Short term corporate bonds with 3 to 5 months maturity
\$750,000 – Vanguard 500 Index Fund
\$709,000 – Vanguard Value Index Fund
\$100,000 – Fidelity Diversified International
\$100,000 – Best of Corporate Bonds 1-10 years from Corporate Maturity

\$2,509,000 – TOTAL INVESTMENTS

Trustee Smith moved, seconded by Trustee Neville to approve the investment instructions with investments totaling \$2,509,000. Said motion was adopted by the following vote:

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

The Board next considered a second set of recommendations presented by the financial advisors. These recommendations included:

Sources

\$100,000 – Vanguard Emerging Markets
\$82,600 – Sale of all Vanguard Developed Market Index Fund

\$182,000 – TOTAL SOURCES

Investments

\$182,000 – Credit Swiss Commodity Fund

\$182,000 – TOTAL INVESTMENTS

The Board directed the financial advisors to provide additional information prior to approving the additional investment of \$182,000. Trustee Smith moved, seconded by Trustee Neville to conditionally approve the investment instructions with investments totaling \$182,000 subject to receiving further information. Said motion was adopted by the following vote:

AYES: Neville, Smith, Neimark (3)
NAYES: None (0)

ABSENT: Pfaff, Walter (2)

6. Review Financial Activity and Disbursement Report

Treasurer David Clark reviewed \$13,004.64 in accounts payable disbursements since October 1, 2011 and \$378,240.93 in annuities paid since October 1, 2011. The report also included a list of bank transfers made. Upon motion made and seconded, the accounts payable and disbursement report was unanimously approved as submitted.

7. Approve Annual Budget

Trustee Neville moved, seconded by Trustee Smith, to approve the Fiscal Year 2013 Annual Budget with annual revenue of \$2,554,118 and annual expenditures of \$1,649,954. Said motion was approved by the following vote:

AYES: Neville, Smith, Neimark (3)

NAYES: None (0)

ABSENT: Pfaff, Walter (2)

8. Review Annual Calendar

The Board reviewed the 2012 annual calendar. The Board suggested that a rolling calendar be included in future agendas. The next meeting is April 18, 2012.

9. Conduct Training on Duties and Liabilities of Pension Fund Fiduciaries

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

10. Other Business

The following other business was addressed:

1. Unanimously adopt motion to approve a retirement pension for Thomas Bak with an initial annual benefit of \$46,914.59.
2. Ask Public Safety Director Michael Volling to arrange annual disability confirmation medical examination for Matthew Sachtleben
3. Follow up with meeting confirmation one month in advance by email, and a phone confirmation one week prior to the meeting.

11. Adjournment

There being no further business to come before the Police Pension Fund Board, upon motion made, seconded and unanimously adopted, the meeting was adjourned at 9:45 a.m.