



**MINUTES
VILLAGE OF GLENCOE
POLICE PENSION FUND BOARD**

Village Hall Conference Room
675 Village Court
Wednesday, January 23, 2019 - 7:00 a.m.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 7:26 a.m.

2. ROLL CALL

The following were present:

Michael Neimark, President
Alan Kebby, Trustee
Peter Neville, Trustee

The following were also present:

Nikki Larson, Finance Director
Denise Joseph, Assistant to the Finance Director
Kelly Weller, Managing Director - Client Services, Great Lakes Advisors, LLC
Gary Lenhoff, Chief Investment Officer, Great Lakes Advisors, LLC

The following were not present:

Eric Birkenstein, Trustee
James Franke, Trustee

3. PUBLIC COMMENT

There were no public comments.

4. APPROVAL OF OCTOBER 24, 2018 MINUTES

Trustee Neville moved, seconded by Trustee Kebby, to approve the minutes for the October 24, 2018 meeting. The motion was approved unanimously.

5. RATIFICATION OF MINUTES FROM THE DECEMBER 2015 SPECIAL BOARD MEETING

Trustee Neville moved, seconded by Trustee Kebby, to approve the minutes for the December 17, 2015 meeting. The motion was approved unanimously.

6. REVIEW FINANCIAL ACTIVITY WITH GREAT LAKES ADVISORS

Mr. Weller introduced Mr. Lenhoff, Chief Investment Officer with Great Lakes Advisors to assist in the portfolio summary presentation for the November 30, 2018 quarterly investment.

The account fund balance finished the period at \$34.2 Million; net one-year performance moved slightly negative, 0.79% with \$225,000 in dollar depreciation. For the quarter, the portfolio experienced a decrease of \$1.3 Million in dollar depreciation, and an overall net loss of 3.6%. Both the fixed income component of the portfolio (-0.69%) and the equity component of the portfolio (-6.04%) produced negative results.

Mr. Weller indicated that they will remain vigilant in maintaining a diversified, risk-balanced portfolio not only to weather potential additional market draw downs, but to also be positioned to take advantage of potential positive gains across asset classes. Clearly there are a lot of factors which have recently heightened the degree of uncertainty about the future trajectory of global economic growth and its attendant implications for asset class returns. Notwithstanding, economic data is still generally positive. With no recession in sight in the US, the price changes which have occurred in both stocks and bonds are creating opportunities. Mr. Lenhoff indicated that he believes the magnitude of the recent sell-off offers an opportunity to rebalance equity exposure back to targets. Rebalancing effectively is a process of increasing desired exposure to the more attractive assets that resulted from price declines and reducing exposure to those asset classes which have less upside on a risk-adjusted basis. Doing so is an integral step in managing the portfolio for the achievement of long term goals.

This concluded their report.

7. REVIEW QUARTERLY PAYMENTS AND DISBURSEMENTS

President Neimark presented the quarterly pension fund annuity payments in the amount of \$596,344.22 and quarterly account payments in the amount of \$109,826.81. Director Larson asked if the Pension Board would consider placing the Pension Board's Attorney Julie Tappendorf on retainer. The Pension Board Attorney is currently on a pay-as-you-go basis. The Pension Board indicated that they would be interested in staff exploring the option and presenting a proposal at the next meeting.

Trustee Neville moved, seconded by Trustee Kebby, to approve the quarterly payments and disbursements. The motion was approved unanimously.

8. CONSIDERATION OF PERSONNEL REPORT

President Neimark presented the Personnel Report which includes new hires, terminations, retirements and other personnel related activity having an impact on the Police Pension Fund. The attached report included activity from September 1, 2018 to December 31, 2018.

Trustee Neville moved, seconded by Trustee Kebby, to accept the report as presented. The motion was approved unanimously.

9. CONSIDERATION OF FISCAL YEAR 2020 COST OF LIVING ADJUSTMENTS

President Neimark presented the Fiscal Year 2020 cost of living adjustments that are required in accordance with Illinois Compiled Statutes.

Trustee Neville moved, seconded by Trustee Kebby, to accept the Fiscal Year 2020 cost of living adjustments. The motion was approved unanimously.

10. INVESTMENT/CUSTODIAL MANAGEMENT SERVICES RFP TIMELINE

President Neimark stated that the Pension Board will need to release a Request for Proposals (RFP) for Investment and Custodial Management Services this year. He indicated that the RFP should include custodial and financial advising.

Director Larson proposed that a draft of the RFP be presented to the Board at the April 24, 2019 Pension Board meeting, issue the RFP in July and award a contract in October 2019.

Trustee Neville moved, seconded by Trustee Kebby, to issue an RFP for Investment and Custodial Management Services. The motion was approved unanimously.

11. UPDATE ON ACTUARIAL SERVICES

Director Larson advised the Board that the Village issued a RFP in November for Actuarial Services. The Village received five proposals and staff recommended Foster and Foster to the Village Board. Foster and Foster will dedicate three actuaries to the Pension Board and offers a modeling tool.

12. APPOINTMENT OF FREEDOM OF INFORMATION ACT OFFICER

President Neimark recommended appointing Jordan Lester as the Pension Board Freedom of Information Act (FOIA) Officer. Ms. Lester currently serves in that role for the Village.

Trustee Neville moved, seconded by Trustee Kebby, to appoint Jordan Lester as the Police Pension Fund Board Freedom of Information Act Officer. The motion was approved unanimously.

13. APPOINTMENT OF OPEN MEETINGS ACT OFFICER

President Neimark recommended Finance Director Nikki Larson as the Pension Board Open Meetings Act (OMA) Officer.

Trustee Kebby moved, seconded by Trustee Neville, to appoint Finance Director Nikki Larson as the Police Pension Fund Board Open Meetings Act Officer. The motion was approved unanimously.

14. TRAINING UPDATE

Assistant to the Finance Director Joseph reminded the Pension Board Trustees that the Division of Insurance requires that Pension Board Trustees that existing trustees must complete sixteen hours of education each year. Ms. Joseph stated that the Illinois Government Officer Association (IGFOA) is holding their annual Pension Fund Institute training on April 11, 2019 and will provide education that would apply to this requirement. Registration information will be sent to the Board when it becomes available.

15. MARCH TRUSTEE ELECTION – ONE ACTIVE AND ONE RETIREE MEMBER

President Neimark indicated that in March a Trustee election will be held for one active and one retiree member. Those being nominated are current Trustees Peter Neville and Alan Kebby.

16. OTHER BUSINESS

There were no other items for discussion

17. ADJOURNMENT

There being no further business to come before the Police Pension Fund Board, Trustee Kebby moved, seconded by Trustee Neville, to adjourn the meeting at 8:45 a.m. The motion was approved unanimously.

Approved by:  Date: 24 April 19

Trustee Name: Michael Neimark



VILLAGE OF GLENCOE MEMORANDUM

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DATE: January 17, 2019
TO: Glencoe Police Pension Board
FROM: Nikki Larson, Finance Director
SUBJECT: Consideration of Personnel Report Quarter 4

This report includes any new hires, terminations, retirements and other personnel related activity having an impact on the Police Pension Fund from September 1, 2018 to December 31, 2018. The Board will be asked to accept this report as presented by staff.

New Hires:

None

Terminations / Resignations:

None

Retirements:

None

Deaths:

None

Refunds:

None

Disability Pension Option Conversion:

None

Service Credit Transfer:

Hubert Dziekan

Transfer from the Village of Posen

Hire Date: January 1, 2018

Village of Posen to transfer \$25,588,.84