



## WESTCHESTER POLICE PENSION FUND

10300 Roosevelt Road, Westchester, Illinois | 708-345-0060

Wayne Busa      Joe Manna      Phil Grollo      Bruce Lill      Keith Suchy  
President          Secretary      Asst. Secretary      Trustee          Trustee

### MINUTES OF REGULAR MEETING OF THE BOARD OF TRUSTEES WESTCHESTER POLICE PENSION FUND JULY 21, 2015

A regular meeting of the Board of Trustees of the Westchester Police Pension Fund was held on **Tuesday, July 21, 2015, at 6:00pm** at 10300 West Roosevelt Road, Westchester, Illinois, pursuant to notice.

**CALL TO ORDER:** The meeting was called to order by Trustee Suchy at 6:02pm

**PRESENT:** Trustees Phil Grollo, Joe Manna, Keith Suchy  
**ABSENT:** Trustees Wayne Busa and Bruce Lill  
**ALSO PRESENT:** Tom McShane, Graystone Consulting; Brian LaBardi, Reimer & Karlson, LLC; James Ritchie, Jessica Fain and Sara Williams, Lauterbach & Amen, LLP

**PUBLIC COMMENT:** Trustee Suchy informed the Board that Board President Wayne Busa has decided to step down from the Westchester Police Pension Fund Board effective at the end of his Trustee term. The Village Mayor has indicated that another Appointed Trustee will be officially appointed prior to the next regular meeting on October 20, 2015.

**APPROVAL OF MEETING MINUTES:** The minutes from the regular meeting of April 21, 2015 were reviewed. A motion was made by Trustee Grollo and seconded by Trustee Manna to approve the minutes as written. Motion carried unanimously by voice vote.

*Semi Annual Review of Closed Session Minutes:* The Board determined that there are no Closed Session minutes for review.

**TREASURER AND ACCOUNTANT'S REPORT:** The Board reviewed the Treasurer's financial reports stating the balance of the Harris Bank Money Market Account as of June 18, 2015 is \$126,099.96. The NOW Account balance as of June 15, 2015 is \$11,000.72. A motion was made by Trustee Manna and seconded by Trustee Grollo to accept the Treasurer's Report as presented. Motion carried unanimously by voice vote.

*Presentation and Approval of Bills:* The Board reviewed the Disbursement Log for checks presented from March 15, 2015 to June 18, 2015. Disbursements for the period ending June 18, 2015 totaled \$73,001.20. A motion was made by Trustee Grollo and seconded by Trustee Manna to approve the disbursements for the period ending June 18, 2015 in the amount of \$73,001.20. Motion carried by roll call vote.

**AYES:** Trustees Grollo, Manna, Suchy  
**NAYS:** None  
**ABSENT:** Trustees Busa and Lill

*Monthly Financial Report:* James Ritchie of Lauterbach & Amen, LLP presented the Board with the Monthly Financial Report for the period ending May 31, 2015. As of 5/31/2015 the net position held in

trust for pension benefits was \$25,825,946.37 with a change in position for the one month ended 05/31/2015 of (\$81,615.03). The Board reviewed the cash analysis, revenue, and expense reports, as well as the Member contribution report and payroll journal. The vendor checks report listed disbursements in the amount of \$81,347.79 for the period from 03/01/2015 through 05/31/2015. All questions were answered by Mr. Ritchie. A motion was made by Trustee Manna and seconded by Trustee Grollo to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

**INVESTMENT REPORT:** Tom McShane from Graystone Consulting presented the investment report for the period ending June 30, 2015. As of 06/30/2015, the market value of the portfolio is \$25,158,781 with a quarterly performance of -0.73%. The asset allocation of the portfolio is 40.45% in Domestic Equity, 21.01% in International Equity, 33.27% in Domestic Fixed Income, 3.42% in Real Estate, and 1.86% in Cash Equivalent. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance, and investment fees.

A motion was made by Trustee Grollo and seconded by Trustee Manna to transfer \$500,000 from the Weaver Fixed Income account to the Harris Bank account. Motion carried by roll call vote.

AYES: Trustees Grollo, Manna, Suchy  
NAYS: None  
ABSENT: Trustees Busa and Lill

A motion was made by Trustee Manna and seconded by Trustee Grollo to transfer \$200,000 from the McDonnell Investment account to the Harris Bank account at the discretion of Treasurer Brandt based on cash flow. Motion carried by roll call vote.

AYES: Trustees Grollo, Manna, Suchy  
NAYS: None  
ABSENT: Trustees Busa and Lill

*Review and Update Investment Policy:* The Board reviewed an updated Investment Policy. A motion was made by Trustee Grollo and seconded by Trustee Manna to accept the update Investment Policy as presented by Tom McShane of Graystone Consulting. Motion carried unanimously by voice vote.

**COMMUNICATIONS AND REPORTS:** *Affidavits of Continued Eligibility:* Lauterbach & Amen reported to the Board that the 2015 Affidavits of Continued Eligibility will be sent to Pensioners with the July payroll confirmation with a due date of August 31, 2015. The Board directed L&A to send a second request to any Pensioners who do not comply with the 8/31/2015 due date as an independent mailing, if needed. An update on the status of returned affidavits will be provided to the Board at the next regular meeting.

*Illinois Department of Insurance Annual Statement:* Lauterbach & Amen updated the Board on the status of the filing of the Department of Insurance Annual Statement and reminded the Board that the Department of Insurance is no longer granting filing extensions. An update will be provided at the next regular meeting

*Discuss Actuary Report and Tax Levy Recommendations:* Jessica Fain of Lauterbach & Amen presented the Board with a draft copy of the Actuarial Valuation. Ms. Fain explained to the Board the information, the assumptions used and the difference in funding methods used to calculate the Actuarial Valuation. Based on data and assumptions, the current valuation is \$39,565,071 and the recommended contribution

amount is \$1,079,840, which is a \$17,913 increase from the prior year contribution. The statutory minimum contribution requirement is \$823,000. Updates will be provided at the next regular meeting.

**NEW HIRES/APPLICATIONS TO THE PENSION FUND:** There are none at this time.

**RETIREMENT AND DISABILITY APPLICATIONS:** There are none at this time.

**OLD BUSINESS: *Trustee Training Updates:*** Lauterbach & Amen reminded all Trustees to provide any copies of Trustee Training certificates of completion to Lauterbach & Amen for record keeping and presented the Board with upcoming Trustee Training opportunities for continuing education.

**NEW BUSINESS: *Board Officer Elections:*** The Board discussed the Board Officer positions for election. A motion was made by Trustee Grollo and seconded by Trustee Manna to nominate a slate of Trustee Suchy as President, Trustee Lill as Vice President, Trustee Manna as Secretary and Trustee Grollo as Assistant Secretary. Motion carried unanimously by voice vote.

*Designation of FOIA Officer and OMA Designee:* The Board discussed the positions of Freedom of Information Act Officer and Open Meetings Act Designee. A motion was made by Trustee Grollo and seconded by Trustee Manna to nominate Trustees Manna and Grollo to share duties as both FOIA Officer and OMA Designee. Motion carried unanimously by voice vote.

*Discussion and Possible Action Regarding DOI Compliance Audit Findings:* The Board discussed the recent Department of Insurance Compliance Audit and findings. Board Attorney, Brian LaBardi will request a 30-day extension and draft a response to the compliance audit findings.

**ATTORNEY REPORT:** The third quarter edition of the *Legal and Legislative Updates* newsletter was distributed to all trustees by Mr. LaBardi with information regarding recent case decisions and legislation regarding reform of State Pension Funds. Mr. LaBardi also updated the Board regarding the recent 10-year financial review study that was conducted by the Department of Insurance. All questions were answered by Brian LaBardi of Reimer Dobrovlny & Karlson, LLC. A motion was made by Trustee Grollo and seconded by Trustee Manna to accept the Attorney's Report as presented.

**CLOSED SESSION:** None

**ADJOURNMENT:** A motion was made by Trustee Manna and seconded by Trustee Grollo to adjourn the meeting at 7:41pm. Motion carried unanimously by voice vote.

**The next regular meeting is scheduled for TUESDAY, OCTOBER 20, 2015 at 6:00pm at 10300 West Roosevelt Road, Westchester, Illinois.**

\_\_\_\_\_  
Joe Manna, Board Secretary

Date Approved by Board \_\_\_\_\_