



Minutes
Village of Glen Ellyn
Police Pension Fund
Regular Meeting
Wednesday, January 20, 2016
7:30 PM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status
John Adduci	Board Member	Excused
Anthony Terranova	Board Member	Present
Bill Housey	Board Member	Present
Jim Monson	Board Member	Present
Jim Mullany	Board Member	Present

The January 20, 2016 regular meeting of the Glen Ellyn Police Pension Board was called to order by Trustee Mullany at 7:33pm in Room 301 of the Glen Ellyn Civic Center. A quorum was present.

Also Present: Assistant Finance Director Lori Thomas and Recording Secretary Karen Blake

Audience: Michael Stuart of MB Financial

B. Public Comment (Non Agenda Items)

Michael Stuart of MB Financial gave a presentation on MB Financial's custodial services. He confirmed that all is well in its role of executing trades as directed, and believes that MB's fees of \$17,000 are in line with the industry. In response to his question, Commissioners expressed that they are satisfied with MB's services. Commissioners had no questions.

C. Approval of Minutes

1. Police Pension Fund - Regular Meeting - Oct 21, 2015 7:30 PM

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jim Monson, Board Member
SECONDER:	Anthony Terranova, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci

D. Quarterly Investment Manager Report

1. Fourth Quarter Investment Report

Trustee Mullany said that Manager Rajeck was unable to attend. His report will be attached to the minutes. Trustee Mullany said that the report could be summed up by stating that performance was minimal. Trustee Housey observed that it was a difficult year last year, and will be even more difficult this year, and that Mr. Rajeck's summary was on point.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Housey, Board Member
SECONDER:	Anthony Terranova, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci

E. Approval of Expenses

1. January 2016 Vouchers - Police Pension Fund

The following expenses were recommended for approval:

James Monson, Conference Travel Reimbursement, \$578.16
Jay Company, Investment Management, \$9,912.00
Anthony Terranova, Conference Travel Reimbursement, \$485.01
MB Financial, Custodial Fees, \$4,332.68
Total: \$15,307.85

Trustee Mullany moved and Trustee Monson seconded a motion to approve the expense vouchers in the amount of \$15,307.85, and pension expenditures in the amount of \$441,457.68 for a total of \$456,765.53.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jim Mullany, Board Member
SECONDER:	Jim Monson, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci

F. Approve Statutory Benefit Changes

1. Annual Pension Increases 2016

A 3% increase in pensions is approved at the first of every year for every pensioner. There are adjustments for those over 60 years of age. Trustees discussed the impact of Qualified Domestic Court Orders on individual pensioners, and reviewed the statute thereon. Trustee Mullany will investigate further, and if his review reveals an error, a special meeting can be called to amend the approval motion.

Trustee Monson moved to approve the pension increases as printed. If subsequent investigation reveals in the next 35 days that there is an error, a special meeting of the Pension Board will be called to amend the motion. Trustee Housey seconded the motion, and it carried unanimously by a roll call vote of 4-0.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jim Monson, Board Member
SECONDER:	Bill Housey, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci

G. Request for Approval of new Bank Account for Disbursement Checks

1. Wheaton Bank & Trust Account

Assistant Finance Director Thomas reported that the Illinois Funds will no longer allow writing checks on its accounts. Staff recommends using Wheaton Bank and Trust for this function as of February 1, 2016. This bank will charge a minimal fee, an example of \$12.67 in one month, was contained in the packet information. Only a handful of checks would be written on this account in a month. Trustees had no questions or objections.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Anthony Terranova, Board Member
SECONDER:	Jim Monson, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci

H. Distribute Police Pension Investment RFP copies

Assistant Finance Director Thomas said that 8 responses were received on the RFP: Sawyer Falduto Asset Management LLC, Investment Performance Services LLC, MB Financial, DeMarche Associates Inc, Marquette Associates, Bogdahn Group, Strategic Capital Investment Advisors and LaSalle Street Capital Management LLC. She distributed them to the Trustees. Trustee Housey asked that they also be distributed electronically. Trustees discussed how to proceed. There is no specific date by which the Board must respond to the candidates. The initial consensus was to form a subcommittee to review all eight, and recommend three candidates to make presentations to the entire Board, rather than to hire a consultant to review the proposals. It might be helpful to have a representative from the Finance Commission on the subcommittee. After further discussion, it was determined that the entire Board could meet outside of the normal meeting schedule to consider the proposals. As the next scheduled meeting of the Board is April 20, the best time would be to meet the prior week on April 11 to consider, but not vote on, the proposals.

I. Other Business

Trustee Mullany reported that the Village Board approved a target rate of return of 6.75%, which was the Pension Board's recommendation. The Finance Commission recommended a lower target rate, and that unused income for the year be designated for the pension fund to lower the unfunded liability. The Trustees discussed the impact of reducing the rate of return assumption. A lower rate of return assumption results in higher contributions from the Village and restricts the Village's ability to address other needs. If the rate of return assumption is not met, the unfunded liability grows. However, part of the Board's fiduciary responsibility is to be as accurate in its assumptions as possible.

It was noted that a new police officer has been hired.

1. Meeting schedule for 2016: January 20, April 20, July 20, October 19

J. Adjournment

1. Motion to Adjourn

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Housey, Board Member
SECONDER:	Jim Monson, Board Member
AYES:	Terranova, Housey, Monson, Mullany
EXCUSED:	Adduci