

ITASCA POLICE PENSION FUND

540 W. Irving Park Road, Itasca, Illinois

Timothy Mace
President

Anders Langlo
Trustee

Gerald Ragusin
Trustee

William Kolf
Trustee

Dino Gavanes
Trustee

MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE ITASCA POLICE PENSION FUND

A regular meeting of the Board of Trustees of the Itasca Police Pension Fund was held on Tuesday, June 5, 2018 at 5:30 p.m. at the Itasca Police Department Conference Room, 540 W. Irving Park Road, Itasca, Illinois, for the purposes of conducting regular business, pursuant to notice.

CALL TO ORDER: Trustee Langlo called the meeting to order at 5:33 p.m.

ROLL CALL:

PRESENT: Trustees Anders Langlo, William Kolf, Dino Gavanes, and Gerald Ragusin

ABSENT: Trustee Timothy Mace

ALSO PRESENT: Robert Vaughan, UBS Investment; Michelle Hawkins, Lauterbach & Amen, LLP (L&A); Mike Walker, Active Member

PUBLIC COMMENT: There were no public comments.

APPROVAL OF MEETING MINUTES: *Regular Meeting Minutes – March 6, 2018:* The Board reviewed the minutes from the regular meeting of March 6, 2018. A motion was made by Trustee Gavanes and seconded by Trustee Kolf to approve the March 6, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORT – UBS INVESTMENT: *Quarterly Investment Report:* Robert Vaughan from UBS Investment presented the Board with the Quarterly Investment Report. As of March 31, 2018, the total fund value was \$15,689,345 with a performance return for the quarter of (1.20%). The asset allocation is as follows: 32.53% Core Fixed Income, 1.64% Cash, 48.21% Core Equity, 4.14% Fi Diversifiers, 8.70% Equity Diversifiers, and 4.78% Alternative. Robert Vaughan reviewed the Investment Performance Summary of the managers for the last three, five, and seven years and briefly discussed the performance of each fund and noted that the Fund previously held two bonds under investment grade and will be receiving a check from Glovesta in the amount of \$600 for the loss. All questions were answered by Robert Vaughan. A motion was made by Trustee Kolf and seconded by Trustee Langlo to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy, if needed: The Board discussed the revised Investment Policy prepared by UBS Investment. A motion was made by Trustee Gavanes and seconded by Trustee Kolf to accept the revised Investment Policy as presented. Motion carried unanimously by voice vote.

A motion was made by Trustee Kolf and seconded by Trustee Gavanes to move \$50,000 from Invesco Equally-Weighted S&P 500, \$50,000 from SPDR S&P 500, \$33,000 from Oak Ridge-SMID Growth, \$50,000 from Chilton REIT, \$30,000 from BlackRock Strategic Income Opps, \$60,000 from Tortoise Credit Strategy, and \$30,000 from Pacific Income Advisors and transfer the proceeds to the cash account for beneficiary payments. Motion carried by roll call vote.

AYES: Trustees Langlo, Ragusin, Gavanes, and Kolf

NAYS: None

ABSENT: Trustee Mace

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* L&A presented the Monthly Financial Report for the period ending April 30, 2018. The plan net assets held in trust for pension benefits is \$15,560,856.01 with a net change in position for the twelve-month period of \$491,869.25. The Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, and Payroll Journal were reviewed with the Board. A motion was made by Trustee Kolf and seconded by Trustee Langlo to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period 02/01/2018 through 04/30/2018 in the amount of \$122,070.31. A motion was made by Trustee Gavanes and seconded by Trustee Kolf to approve the disbursements shown on the Vendor Check Report in the amount of \$122,070.31. Motion carried by roll call vote.

AYES: Trustees Langlo, Ragusin, Gavanes, and Kolf
NAYS: None
ABSENT: Trustee Mace

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice has been received and payment is due by June 30th. A motion was made by Trustee Kolf and seconded by Trustee Gavanes to approve payment of the IDOI Compliance Fee in the amount of \$3,014.32. Motion carried by roll call vote.

AYES: Trustees Langlo, Ragusin, Gavanes, and Kolf
NAYS: None
ABSENT: Trustee Mace

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1st.

Affidavits of Continued Eligibility: The Board noted that L&A will be mailing Affidavits of Continued Eligibility to all pensioners with the June payroll cycle. A status update will be provided at the next scheduled meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE PENSION FUND: There were no application for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Edward Innis/Approval of Surviving Spouse Benefits – Harriet Innis:* The Board noted that Edward Innis passed away on 05/19/2018. The Board reviewed the surviving spouse benefit calculation for Harriet Innis with an effective date of 05/20/2018 for a monthly benefit of \$5,279.74 with no additional increases. A motion was made by Trustee Langlo and seconded by Trustee Kolf to approve the surviving spouse benefit of Harriet Innis as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Langlo, Ragusin, Gavanes, and Kolf
NAYS: None
ABSENT: Trustee Mace

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Discussion/Possible Action – Lauterbach & Amen Engagement Letter Renewal:* The Board reviewed the Lauterbach & Amen, LLP three-year engagement letter. A motion was made by Trustee Gavanes and seconded by Trustee Kolf to engage L&A for three years in the annual amounts as follows:

\$23,050 for FYE 04/30/2019; \$23,760 for FYE 04/30/2020; and \$24,415 for FYE 04/30/2021. Motion carried by roll call vote.

AYES: Trustees Langlo, Ragusin, Gavanese, and Kolf

NAYS: None

ABSENT: Trustee Mace

Certify Board Election Results – Active and Retired Member Positions: L&A conducted an election for the Active Member positions on the Itasca Police Pension Fund Board of Trustees. Tim Mace and Anders Langlo ran unopposed and were elected for two-year terms expiring April 30, 2020. L&A also conducted an election for the Retired Member position on the Itasca Police Pension Fund Board of Trustees. Gerald Ragusin ran unopposed and was elected for a two-year term expiring April 30, 2020. A motion was made by Trustee Kolf and seconded by Trustee Gavanese to certify the Active and Retired Member election results. Motion carried unanimously by voice vote.

Board Officer Elections – President, Vice President, Secretary, & Assistant Secretary: The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Mace as President, Trustee Kolf as Vice President, Trustee Langlo as Secretary, and Trustee Gavanese as Assistant Secretary. A motion was made by Trustee Kolf and seconded by Trustee Langlo to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

FOIA Officer & OMA Designee: The Board discussed designating Trustee Langlo as the FOIA Officer and OMA Designee. A motion was made by Trustee Kolf and seconded by Trustee Gavanese to designate the FOIA Officer and OMA Designee as stated. Motion carried unanimously by voice vote.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and list of upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

ATTORNEY'S REPORT: There was no Attorney's report presented.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Kolf and seconded by Trustee Langlo to adjourn the meeting at 6:16 p.m. Motion carried unanimously by voice vote.

The next scheduled Board meeting will be held on Tuesday, September 4, 2018 at 5:30 p.m.

Respectfully submitted,



Timothy Mace, President

Minutes prepared by Michelle Hawkins, Pension Services Administrator