

GLENVIEW POLICE PENSION MEETING

January 20, 2012

Next Meeting: March 5, 2012 – Single issue meeting

J. Foley – Pension Secretary
R. Francois – Trustee
K. Christell – President
G. Colis – Vice President

Mary Tomanek – Graystone Consulting
Don Owen – Village Treasurer Designee
Kelly Krueger – L & A

ROLL CALL:

The meeting was called to order at 8:45 a.m. by Trustee Foley.

MINUTES:

The minutes from the November 2, 2011 meeting were reviewed and approved with two amendments. Motion to approve the minutes by J. Foley and seconded by G. Colis.

TOMANEK:

Presented the October 1 – December 31, 2011 Quarterly Performance Review.

There is a bond maturing and coming due on February 15, 2012 for 1.5 million

Requested Board's consideration of a fee increase to \$29,000 from \$25,000. If approved, President Christell will sign off on the Agreement.

The issue of what to do with Growth Funds of America cash flow (Glenview State Bank has 1.2 million) will be revisited at a later date.

Reported a 4.3% return last year and reminded the Board that pension statutes permit adding to the corporate bond portion of the funds and increasing exposure overall to equities.

Graystone will do a search for more information for the Board on Preferred stocks. These types of stocks would need to be checked on a consistent basis.

Strategy Asset Managers had a great year in 2011 returning 11% on the bond fund. It will be difficult to repeat that performance in 2012 because of the current bond market.

Vanguard is a good place for adding funds as they performed well. Cambiar had a touch year as energy related stock did not do well overall and Growth Fund of America underperformed.

The issue of what to do with Growth Fund of America s it has underperformed need to be discussed. There is 1.2 million in the Glenview State Bank and this could be used to supplement the payroll. A 1.5 million dollar strip is coming due in February which needs to be allocated.

FOLEY:

Letter received from R. DeMichele, Strategy Asset Managers providing information regarding future changes in the relationship between Denis Jamison and Strategy Asset Managers. The letter states that D. Jamison has formed his own independent registered investment advisor group (Jamison & McCarthy Investment Advisors LLC). Because of this, Denis will no longer be an employee of Strategy Asset Managers effective March 31, 2012. He will continue to provide sub-adviser services to Strategy. The Board discussed doing a bond manager search and meeting in early March to decide the issue.

COLIS:

Discussed with Board monies coming due from the strip could be put into Vanguard Fund. The money could be split between the Vanguard Dividend Growth and the Vanguard Intermediate Funds to increase return and keep diversification

Since Denis Jamison is now a "sub-contractor" of Strategy Asset Management. A suggestion was made to send the letter received from Strategy to attorney Reimer for his thoughts on the changes outlined in the letter. The Board will meet in March to discuss the topic of choosing another bond manager. J. Foley will contact attorney Reimer.

CHRISTELL:

Discussed with the Board transferring money from the American Fund Growth Funds of America into Vanguard Dividend Growth Fund in an effort to increase performance.

KRUEGER:

Submitted and presented the Monthly Financial Report for the month ending December 31, 2011.

MOTIONS:

Motion made to sell 1.3 million in Growth Fund of America and place into Vanguard dividend Growth Fund. Motion made by K. Christell and seconded by G. Colis. All in favor

Motion made to invest proceeds of maturing 1.5 million dollar strip and place 500,000 into the Vanguard Dividend Growth Fund and 1- million into the Vanguard Intermediate Fund. Motion made by K. Christell and seconded by G. Colis. All in favor.

Motion made to amend the investment guidelines in Sec V C-1 to change fund totals exposure to equities in order not to exceed 45% of total assets (increase from 40%). Motion made by K. Christell and seconded by G. Colis. All in favor.

Motion made to amend the investment guidelines Sec V C-3 so funds total the total exposure to equity plus corporate fixed income securities will not exceed 50% of total assets (increased from 45%). Motion made by K. Christell and seconded by G. Colis. All in favor.

Motion made to continue memberships of Trustees Foley and Francois (Board members) with the IPPFA at an annual fee of \$775.00. Motion made by R. Francois and seconded by G. Colis. All in favor.

Motion made to accept the fee increase proposed by M. Tomanek/Graystone in the amount of \$29,000 from \$25,000. Motion made by K. Christell and seconded by G. Colis. All in favor.

Motion made to continue with Art Tepfer/Actuary. Board approval is subject to revisit if fee exceeds \$2500.00. Motion made by J. Foley and seconded by G. Colis. All in favor.

Motion made to accept the pension payout for 2012 showing the scheduled pension benefit increased for calendar year 2012 as presented by L & A. Motion made by J. Foley and seconded by K. Christell. All in favor.

Motion made to designate Sgt. D. Sostak by the Board as the FOIA Officer. Motion made by J. Foley and seconded by K. Christell. All in favor.

The meeting was adjourned by J. Foley at 11:00 a.m. Motion for adjournment by K. Christell and seconded by J. Foley. All in favor.