

# GLENVIEW POLICE PENSION MEETING

May 9, 2018

Next Regular Scheduled Meeting Date: August 16, 2018

## In Attendance:

M. Tomanek – Morgan Stanley

J. Foley – Board Secretary

R. Francois – Trustee

M. Untiedt – Trustee

J. Franken – Actuary – Foster & Foster

M. Formica – Village Administrator

M. Bosley – Village Finance

T. Gardner – L & A

G. Colis – Trustee

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## ROLL CALL:

The meeting was called to order at 8:33am by Board Secretary J. Foley.

## MINUTES:

Motion to approve the February 1, 2018 minutes. Motion made by J. Foley and seconded by G. Colis. All in favor.

## TOMANEK:

Presented the Glenview Police Pension Fund Quarterly Performance Review ending March 31, 2018. She also presented the Asset Allocation Review for the Glenview Police Pension Fund – GASB2017 and the Morgan Stanley Wealth Management Inputs for GIC Asset Allocation Special Report.

Risk of recession in 2018 remains muted. Funds are in a good spot.

Value funds running slightly lower at 47% compared to Growth funds at 53%.

No bond maturities coming due until November of this year (3 million).

Due to Graystone's new internal reporting requirements, future Board meetings will need to be scheduled slightly later than in the past. Graystone is requesting the Board consider segregating in a separate account at US Bank, the mutual funds that only have Morningstar research. A decision was deferred by the Board until the next meeting on August 16, 2018.

## Quarter in Review –

Volatility returned after its year-long hiatus. The volatility factor is normal and within range.

Inflation (CPI) and interest rates increased. Although volatile, still positive growth.

Top performing sector was Technology +3.53%, worst; Telecom (-7.48%) and Staples (-7.12%).

Emerging markets were positive, developed international (MSCI EAFE) markets fell.

## Looking Ahead:

Earnings growth rate expected to peak this year.

Relative Performance of International vs. US equities appears to be turning.

## Graystone in the Quarter:

Complete Asset Allocation Analysis to support the Village's annual GASB reporting.

The Pension Fund's Long Term Expected Total Return before inflation, calculated arithmetically is 8.0%. The probability of achieving the 6.75% target (actuarial) is 71.8% over 30-years. The Pension Fund's 2017 FYE money weighted net rate of return was 11.9%.

**Items for Board Attention:**

Consider segregating at custodian, mutual funds with Morningstar research. Board will defer decision until August meeting.

**BOSLEY –**

Presented the Glenview Police Pension Fund Cash Flow Analysis for 2016 Actuals, 2017 Actuals, 2018 YTD Actuals & Projections, AND 2019 Projections.

**GARDNER –**

Presented the Glenview Police Pension Fund Monthly Financial Report for the Month Ending March 31, 2018 prepared by L & A.

**FRANKEN -**

Presented the Village of Glenview Police Pension Fund Actuarial Valuation as of January 1, 2018. Reported no major changes in the bottom line numbers for the Village recommended contributions between 2018 & 2019. The contribution amounts set forth herein are applicable to the plan/fiscal year ended December 31, 2019.

Valuation Date	1/1/2018	1/1/2017
Applicable to Fiscal Year Ending	12/31/2019	12/31/2018
Total Recommended Contribution	\$3,130,896	\$3,154,102
% of Projected Annual Payroll	45.4%	44.3%
Member Contributions (Est.)	682,887	708,938
% of Projected Annual Payroll	9.9%	9.9%
Village Recommended Contribution	2,448,009	2,448,164
% of Projected Annual Payroll	35.5%	34.4%

Also presented was the GASB Statement No. 67 and No.68 measured as of December 31, 2017 for the Village of Glenview Police Pension Fund.

A new mortality table is expected to be released in 2018 including a public sector version of the table. The table will be based on a great deal of data. If not released this year, the 2014 table currently being used will continue to be used with updates.

Can provide a pension modeler that would be beneficial to the board and village as an example to see what's coming in regards to future pension contributions.

**COLIS –**

Requested Actuary Jason Franken produce a letter to the board regarding, "If the board continues with level dollar approach vs. level payroll percentage method and the distinguishing difference between the gaps to better understand the amortization process.

Recommends a demonstration of the pension modeler to the pension and village boards. Because this process is not part of the annual valuation, it will consist of two meetings at a cost of \$4,500.00. Board members will discuss via email.

**FRANCOIS –**

Motion made (Francois & Untiedt) to renew the current Chubb liability insurance carrier through Mesiro Stein with the annual cost of \$16,365.00. Coverage is 3 million with no deductible. Motion passed and all in favor.

**FOLEY –**

Motion made (Foley & Colis) to accept the Actuarial Report. Motion passed and all in favor.

The Masterton appeal has been filed by the attorney and information will follow. On March 22, 2018, PSOB claim benefits were approved as a line of duty death for \$339,310.00.  
Reminder to all pension board members to file their Ethics and Economic Statements.

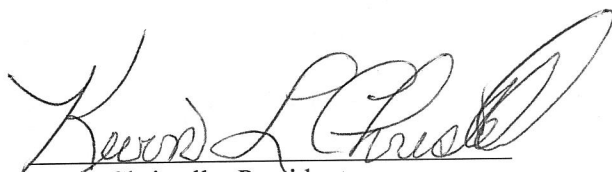
Motion made (Foley & Colis) to accept the Quidro (Qualified Illinois Domestic Relations Order) vote of \$945.96 per month regarding Officer Van Matre. Motion passed and all in favor.

Motion made (Foley & Untiedt) to approve the L & A disbursements. Motion passed and all in favor.

Motion made (Foley & Colis) to approve the IDOI fee of \$8,000. Motion passed, all in favor.

Motion made (Foley & Colis) to reimburse Trustee Untiedt for lodging expenses of \$340.48 while attending the annual conference. Motion passed and all in favor.

Motion made (Foley & Untiedt) to adjourn the meeting at 10:49am. The next meeting will be held on August 16, 2018. Motion passed and all in favor.



Kevin Christell – President  
Glenview Police Pension Board