

# GLENVIEW POLICE PENSION MEETING

January 26, 2017

Next Meeting Date: Thursday – April 20, 2017

## In Attendance:

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

M. Tomanek – Morgan Stanley  
M. Bosley – Village Finance  
D. Flessner – L & A  
M. Untiedt – Trustee (retired)

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## ROLL CALL:

The meeting was called to order at 8:30am by Trustee Francois. Absent was Board Secretary J. Foley.

## MINUTES:

Motion made by to approve Minutes with two amendments by K. Christell and seconded by M. Untiedt. All in favor.

## TOMANEK:

Presented the Glenview Police Pension Fund Quarterly Performance Review ending December 31, 2016, Glenview Police Mid Cap Value Analysis ending November 30, 2016, and supplied the Wealth Management Perspectives stating, “Roughly the market is 10% higher than a year ago.

Two-million dollar bond coming due in August of 2017.

## Quarter in Review:

The election of Donald Trump as the next U.S. President sent markets surging to new highs during the 4<sup>th</sup> quarter of 2016. Trump’s pro-growth agenda focusing on infrastructure spending, tax reform, and deregulation fueled markets into the so-called “Trump Rally”. The U.S. reported increasing inflation expectations and employment numbers, giving the Fed a green light to hike in December. For the quarter, U.S. equities posted strong performance, especially the Financials sector of the S&P 500, which returned 21.1%.

Eight of the 11 sectors within the S&P 500 generated positive returns in the fourth quarter of 2016. The top-performing sector was Financials, which was up 21.1%. Energy and Industrials rose 7.3% and 7.2%, respectively, and were also among the top performing sectors. The biggest laggards were Real Estate, which decreased 4.4%, and HealthCare, which fell 4.0%.

The bond market registered negative returns during the fourth quarter on the back of increasing inflation expectations and rising real interest rates. The Bloomberg U.S. Aggregated Bond Index, a general measure of the bond market, decreased 3.0% for the quarter.

## Looking Ahead:

Morgan Stanley & Co. economists expect U.S. real GDP will be 1.6% in 2016 and 2.0% in 2017. They forecast global GDP growth to be 3.0% in 2016 and 3.4% in 2017. Projected positive earnings growth and moderate increase in interest rates for a 2700 level for the S&P 500.

## Manager/Fund Issues:

Ariel Appreciation, 11 out of 15 Quantitative “Fails” on Scorecard and Harbor International relative performance weak, 8 out of 15 Quantitative “Fails” on Scorecard.

## Graystone During the Quarter:

Completed Mid cap Value Mutual Fund Analysis

## Recommendations:

Stay the course with Fund’s asset allocation. Consider Mid Cap Value Fund Analysis; replace Ariel (2.5 Million) with Wells Fargo Mid Cap Value (motion made by K. Christell/Francois and all in favor), and Place Harbor International on “Watch” due to Quantitative “Fails”.

**BOSLEY:**

Presented the pension fund cash flow analysis for 2015, 2016, and 2017. She will also have the 2018 cash flow to analyze at the next meeting in April.

Provided information on Actuary Recommended Village Contributions of \$2,337,883, Additional Village Contributions of \$118,503, and the 2016 Levy of Total Village Contributions of \$2,456.386. The Village Board Members feel strongly about funding unfunded liabilities.

Will be looking into the rules dealing with scheduling emergency meetings.

**DEREK:**

Presented the Monthly Financial Report for the month end of December 31, 2016 and the Annual Benefit Increase List for 2017.

**FRANCOIS:**

Board Secretary Foley and Trustee Francois are in the process of obtaining the Rules/Regulations for pension meetings (reviewed at next meeting) and keeping the meeting agenda consistent going forward.

Announced the Police Department will be hiring 3 new officers within the next 8-weeks from the Pre-Certified List of applicants.

Approval of Applications for Benefits on Officer Jeff Cholewinski – 28 years of Service on February 1, 2017 (\$73,681.80).

The Municipal Compliance Report (MCR) has been signed and delivered to the Village of Glenview.

Approval of the IPPFA dues, \$795.00. Motion made by Francois/Colis. All in favor.

Approval of COLA increases (3%). Motion made by Francois/Christell. All in favor.

L & A will prepare all documentations (ballots & paperwork) for the upcoming April 2017 election of Trustees Foley and Untiedt for a fee of \$1000.00. Motion made by Francois/Christell. All in favor.

L & A annual verification of retiree benefits conducted for a fee of \$1000.00. Motion made by Francois/Colis. All in favor.

The Predatory Lending Certificate letter will be provided by M. Tomanek stating neither Morgan Stanley nor US Bank are considered an Illinois Finance Entity.

Trustee Francois has conducted a review of contracts on pension board advisor, accountant, actuary, and insurance.

Trustees Foley and Untiedt will attend the spring 2017 IPPFA Conference at a cost of \$335.00 per person. Motion made by Francois/Christell. All in favor.

Payment of invoices to L&A (\$16,230), Morgan Stanley (\$29,000), Foster & Foster (\$4,200 [3% increase]), and Chubb Insurance (\$16,275.00). Motion made by Francois/Christell. All in favor.

A discussion on changes to the wording in the Rules/Regulations on retired employees working for the pension board will be moved to the April 20, 2017 meeting.

Meeting adjourned at 10:20am. Motion made by Francois/Untiedt. All in favor.



Kevin Christell – President  
Police Pension Board