

GLENVIEW POLICE PENSION MEETING

October 25, 2016

Next Meeting – January 26, 2017

In Attendance:

K. Christell - President
G. Colis – Vice President
J. Foley – Board Secretary
M. Untiedt - Trustee
D. Owen – Treasurer

M. Tomanek – Morgan Stanley
M. Bosley – Village Finance
R. Francois - Trustee
D. Flessner – L & A

ROLL CALL:

The meeting was called to order at 8:33a.m. by Board Secretary J. Foley and seconded by K. Christell.

MINUTES:

Minutes from the July 27, 2016 meeting were approved and accepted with 2 amendments. Motion made by J. Foley and seconded by K. Christell.

TOMANEK:

Presented the Glenview Police Pension Fund Quarterly Performance Review ending September 30, 2016.

During the quarter, Graystone assisted with transfers to McDonnell and Eaton Vance High Yield.

Glenview Police Pension Fund 2nd Quarter 2016 Summary:

Quarter in review:

The capital markets emerged from June's historic Brexit vote with a vengeance, surging to new highs at the beginning of July and holding those gains through the end of the third quarter. The S&P 500 Index rose 3.9% with 7 of the 10 sectors generating positive returns. Top performing was Technology, +12.0%, and Financials, +4.6%. Laggards were Utilities and Telecom, both declining 5+%. Emerging markets and developed international were strong but very volatile, with weaker companies outperforming those with improving forecasts. The broad bond market registered low positive returns, with the BC Aggregate Index up 0.5%, high yield was up 5.6%.

Looking Ahead:

The market is now “gearing up” for the uncertainty encompassing the U.S. presidential elections and they year-end US Federal Reserve meeting. While there may be some short term market volatility surrounding these events, we do not believe they will detail the gains markets have made year-to-date. We do continue to expect the Fed to raise rates in December. We are forecasting a 1.2% inflation rate for 2016 and 1.9% for 2017. The Purchasing Manager's Index, PMI has increased to 51.5% indicating an expansion in manufacturing, and we expect continued low but positive growth.

Recommendations:

Put Ariel Mid-Cap on "Watch" for failing the "Scorecard" criteria, direct Graystone to do search for replacement manager. Mary will conduct a search for replacement and report back to the Board next quarter.

Reduce Ariel by 1-million and place \$500,000 into Eaton Vance and McDonnell each to purchase high yield corporate bonds.

Will address international allocations next quarter.

BOSLEY:

Presented the cash flow review. All is well and there may be a possibility for the need of additional cash mid-year in 2017.

Spoke about the tax levy, past monies placed into the pension funds, and the board recommending lowering the tax levy by \$200,000.

Board gave direction to over fund by over \$300,000. This shows the boards continued focus on benefits for Fire and Police in regards to retirement benefits. An informational only meeting (summit) has been set for mid-January. Actuary Jason Franken will be invited.

FLESSNER:

Presented the Glenview Police Pension Fund Statement of Net Position – Modified Cash Basis as of September 30, 2016 and the Police Pension Fund Monthly Financial Report ending September 30, 2016. He also reported a new reporting system through L & A and they will be revising the Financial Statement Report. The information will be the same just in a different look/format.

Presented HOUSE BILL 5088 – MUNICIPAL COMPLIANCE REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015 to be filed with the Village. The form will be sent to Todd Hileman, Don Owen, and Maggie Bosley. Motion made to accept by J. Foley and seconded by G. Colis. All in favor.

COLIS:

Motion made to sell 1-million of Ariel and place \$500,000 in Eaton Vance and the other \$500,000 to McDonnell. Motion seconded by K. Christell.

FOLEY:

Motion made by J. Foley and seconded by M. Untiedt to approve the Actuarial Report. All in favor.

Military Buyback:

- Officer Dan Marsh has elected to buy back military time (2-yrs) which will change his date of hire (4/16/97 to 4/16/95) on pension benefits only. Motion made by J. Foley and seconded by M. Untiedt. All in favor.
- Officer Eugene Harlow military buyback of 24-months (notice only).

Quildro:

- Quildro submitted for retired officer Gary Counihan. Reviewed by Board attorney R. Reimer via email. Motion to approve by J. Foley and seconded by M. Untiedt. All in favor.

Pension conference cost for registration and lodging submitted for Trustee R. Francois. Motion to reimburse cost by J. Foley and seconded by K. Christell. All in favor.

Disposal of old pension documents that were stored by L & A (6 boxes).

Rules and Regulations – report the board has never had a policy/procedure written down.

Attorney Rick Reimer has recommended a template document to be used that includes changes (203A) that will more reflect what is currently being done. The proposed deadline will be late November for the board and December for Trustee Foley.

Future meeting have been scheduled for the following dates:

- January 26, 2017
- April 25, 2017
- July 25, 2017
- October 24, 2017

The meeting was adjourned at 10:02 a.m. Motion to adjourn by J. Foley and seconded by K. Christell. All were in favor.



Kevin Christell - President
Glenview Police Pension