

## GLENVIEW POLICE PENSION MEETING

October 29, 2014

Next Meeting: February 18, 2015 @ 8:30am

### In Attendance:

J. Foley – Board Secretary  
K. Christell – Board President  
G. Colis – Board Vice President  
S. Elliott, Recorder

Mary Tomanek – Morgan Stanley  
Derek Flessner – L & A  
M. Untiedt – Board Trustee  
M. Bosley – Village Finance Representative

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### ROLL CALL:

The meeting was called to order by Trustee Foley at 8:36am. Roll call was taken and all Trustees were present.

### MINUTES:

Motion made by K. Christell and seconded by G. Colis to accept and approve the Minutes from August 1, 2014 meeting with one amendment. All were in favor.

Motion made by K. Christell and seconded by G. Colis to approve the Minutes from the October 22, 2014 special meeting. All were in favor.

### TOMANEK:

Presented the Police Pension Fund Quarter 3 2014 Summary.

### Quarter in Review:

Heightened geopolitical concerns and slowing global economy lead to increased volatility and mixed returns for the equity markets. While the S&P 500 index rose 1.1% for the quarter, the small cap Russell 2000 Index fell 7.4%. Interest rates fell and the 10-year US Treasury Note declined to 2.49% from 2.53%. Equity sector returns were inconsistent with Healthcare up 5.5% and IT up 4.8%, however Utilities declined 4% and Energy 9.2%

### Looking Ahead:

We believe that recent doubts about the sustainability of global growth are overdone. The US economy continues to improve although somewhat below the pace the Fed expects, allowing the date of first tightening to be delayed until 1Q16. The drop in oil prices is a "tax cut" for global consumers. Our analysts continue to believe that the current global expansion could be one of the longest as its moderation helps to extend its life. Morgan Stanly Recession Risk Model signaling low probability of a US recession.

### Graystone During the Quarter:

- Researched fixed income manager characteristics
- Assisted with the transfer from Cambiar to Vanguard, Washington Mutual and Nuveen Global Infrastructure
- Researched Northern Trust Corporation Index Funds
- Attended **Internet of Things** presentation at the Legacy Venture Investor Conference
- Added new mutual fund universe report to the Fund's Quarterly Performance Report
- Researched and presented training session "Investing with Impact" at the IPPFA Annual Conference

### Manager/Fund Issues:

Managed diversified equity funds collectively lost nearly 2% in the quarter. They trail index funds a total 7 of the last 10 quarters (Barron's).

**Recommendations:**

Fixed income maturing assets:

- \$500,000 9/12/14 (matured)
- \$7000,000 12/1/14
- \$2,000,000 2/15/15
- Add up to \$1.8 Million to corporate bonds

Mary will wire the instructions to add \$1M to the Segal, Bryant and Hamill bond account and forward request for transfer approval to Don Owen. Keep the balance as cash.

**FLESSNER:**

Derek presented the Glenview Police Pension Fund Monthly Financial Report for the month ending September 30, 2014, and the Glenview Police Pension Fund Statement of Net Position – Modified Cash Basis as of September 30, 2014, and a copy of the House Bill 5088 – Municipal Compliance Report for the Fiscal Year Ending, December 31, 2013.

**COLIS:**

Requested to know who the fixed income alternates are for the transfer: Segall, Bryant and Hamill and McDonnell are our two fixed income fund managers right now. SBH has mostly corporates and some governments and McDonnell has mostly government.

Motion made by G. Colis and seconded by M. Untiedt to add \$1Million into the Segall/Bryant fund. All were in favor.

**BOSLEY:**

Presented the GASB-68 report:

The Village will work with Art Tepfer on the update and payment of the annual report. All information from the report will be shared with the Board. She agreed to do a cash flow analysis for covering benefits.

**FOLEY:**

The Board acknowledges the acceptance of new hires into the police pension funds: Officers Chase Bending, Michael Mazur, Laurance Drish, and Bodgan Nenciu. Officers Drish and Nenciu made the lateral move from other departments will have the opportunity to buy back their time from their previous agencies.

Motion made by K. Christell and seconded by M. Untiedt for the Board to cover the cost of the Actuarial on Officers Drish and Nenciu (about 3-yrs each) Report of \$300 -\$400.

Motion made by G. Colis and seconded by M. Untiedt to pay for the 2015 IPPFA renewal fee of \$775.00.

Motion made by J. Foley and seconded by K. Christell to adjourn the meeting at 10:21am.



Kevin Christell

Pension Board President