



VILLAGE OF HANOVER PARK
POLICE PENSION COMMITTEE
REGULAR MEETING

Municipal Building: 2121 W. Lake Street
Hanover Park, IL 60133

Tuesday July 12, 2016
4:00p.m.

MINUTES

1. CALL TO ORDER - ROLL CALL

Chairman Sullivan called meeting to order at 4:00pm.

PRESENT: Committee President Sullivan, Trustee Navarrete, Trustee
Members: Walther, Trustee Seidel

ABSENT: Committee Trustee Langhenry
Members:

ALSO PRESENT: Bob Zelek-Fund Attorney, Derek Flessner/Barb Utterback-
Lauterbach & Amen LLP, Craig Larsen-ACH Advisors,
Dave Harrington- Sawyer Falduto, Steve Eitel/David Lewis-
PNC Bank, Kate Andis-Human Resources, and Chief Dave
Webb.

2. ACCEPTANCE OF AGENDA

Motion by President Sullivan to accept agenda

Second by Trustee Seidel.
Voice Vote:
All Ayes. Motion Carried.

3. PRESENTATIONS/REPORTS

3-a Steve Eitel and David Lewis of PNC Bank presented a review of the Pension Fund financial activity through PNC Bank. They advised that the market has been somewhat volatile after England's decision to leave the European Union. They believe investors are looking for safe havens and expecting lower returns as stocks have reached all-time high and momentum will most likely change. PNC has held a defensive position but is moving to a more middle position as 2nd quarter has had mixed results and slightly trailing bench mark.

3-b Dave Harrington of Sawyer-Falduto presented a review of the Pension Fund financial activity through Sawyer-Falduto. He advised of a strong bond market this quarter with a flight to quality. The return was 1.2% which trailed the bench mark but he feels fixed income allocations are at proper level. He stated they may add more duration as opportunities appear but flat yield curve with dropping rates there is no incentive to sell. There has been movement in buying of the 7-9 year range of maturities but he suggested keep duration at current level.

3-c Craig Larsen-AHC Advisors, Inc., reported on the quarterly investment performance ending June 2016. He distributed the Review and Analysis and provided the board with current economic conditions that may be influencing the fund's performance. Mr. Larson discussed the equity market returns and bond investment outlook. Hanover Park Police Pension Fund's overall performance for the quarter came in at a positive value of 1.44% gain. The benchmark was 1.64% also. Both PNC and Sawyer Falduto gained ground for the quarter and reported a gain at 1.18% and 1.05% respectively. The benchmark for fixed assets was 1.24% gain.

3-d Derek Flessner from Lauterbach & Amen gave a presentation on the financial statement of the fund for the period ending June 2016. He discussed the Statement of Net Position, Cash Analysis report, Revenue report, and Expense report.

Derek also discussed the most recent DOI filing for the pension fund and that it has been received and is on file at the DOI.

Barb Utterback also provided a proposal to provide professional service to

the fund. Barb gave member a binder discussing the services L&A could provide.

4. APPROVAL OF MINUTES:

Motion by President Sullivan to approve minutes for April 12, 2016.

Motion seconded by Trustee Walther.

Voice Vote:

All Ayes. Motion Carried

5. ACTION ITEMS:

5-a. Motion by President Sullivan to approve the quarterly accounts payable of \$63,774.12

Seconded by Trustee Seidel

Voice Vote:

All Ayes. Motion Carried

5-b. Motion by President Sullivan to place into record the training attended by himself, Trustee Navarrete, Trustee Seidel, and Trustee Walther on May 6, 2016 for 8 hours.

Seconded by Trustee Walther

Voice Vote:

All Ayes. Motion Carried

5-c. None

5-d. None

5-e. Motion by President Sullivan to approve the retirement pension of Officer Cindi Leon with ending salary of \$85,355.92 and 27 years of creditable service with retirement day 10/13/16 and effective date of pension 10/14/16.

Seconded by Trustee Walther

Voice Vote:

All Ayes. Motion Carried

Motion by Trustee Walther to approve the retirement pension of Chief David Webb with ending salary of \$148,918.00 and 26 years of creditable service with retirement date 07/20/16 and effective date of pension 05/04/17.

Seconded by President Sullivan
Voice Vote:
All Ayes. Motion Carried

- 5-f. Motion by President Sullivan to move \$300,000.00 from Illinois Funds to the equity portfolio and reallocate equity investments to their targets.

Seconded by Trustee Walther
Voice Vote:
All Ayes. Motion Carried

- 5-g. Motion by President Sullivan to approve payment of \$4,308.00 to Mesirow Financial Management to renew expiring trustee liability insurance which expires on 9/1/16 until 9/1/17.

Seconded by Trustee Seidel
Voice Vote:
All Ayes. Motion Carried

6. TOWNHALL SESSION: None

7. OLD BUSINESS (NON-ACTION ITEMS): None

8. NEW BUSINESS (NON-ACTION ITEMS):

- 8-a. President Sullivan advised the board that new actuarial services for the pension fund will now be performed by Lauterbach & Amen and there is no new information on status of former actuary Tim Sharpe.

- 8-b. Lauterbach & Amen advised that there are no current windows for IMRF transfers.

- 8-c. Discussion led by President Sullivan on recent paperwork filing for a duty related disability pension. Attorney Zelk advised that 2 medical exams

have been completed with the third scheduled and he is awaited to receive medical reports.

- 8-d President Sullivan discussed with the board the recent account updates for the Illinois Funds account. All discrepancies have been corrected regarding paperwork filings and funds should be transferred to Hanover Community Bank by the end of August.
- 8-e President Sullivan discussed with the board signature changes regarding recent board appointments have been updated and Trustee Navarrete has been officially named the DOI Security Administrator.
- 8-f President Sullivan advised the Board the village has received money in the amount of \$45.08 for past postage expense.
- 8-g President Sullivan led a discussion with the board regarding the due date for the Cook County Statement of Economic Interest and all forms are completed.
- 8-h President Sullivan advised the board the annual letter of eligibility for continuous pension benefits have all been received for this year.

9. ADJOURNMENT:

Motion by President Sullivan to adjourn at 6:30 pm.

Second by Trustee Walther.

Voice Vote:

All Ayes. Motion Carried.

Recorded and transcribed by, President Sullivan

Hanover Park Police Pension President