



Police Department  
One Olde Half Day Road  
Lincolnshire, IL 60069-3035  
847-913-2350



**LINCOLNSHIRE POLICE PENSION FUND MEETING**

**May 28, 2019**

**Called to order:** 5:00 p.m.

**Trustees present:** Steven Lee, Adam Hyde, Mickey Herst, and Jamie Watson

**Guests present:** Joe Weishampel (Fund Legal Counsel), Doug Krapf (via phone, Investment Manager), Michael Peterson (Village Treasurer/Finance Director), New Officers Jacob Temple and Barrett Weadick, Heidi Andorfer (Foster and Foster)

**Absent:** Patrick Quillinan

**Reading and approval of minutes of last meeting:**

Approval of the Minutes of the Board meeting from February 28, 2019.

Motion to accept as presented by Mr. Hyde.  
Seconded by Mr. Herst.

Passed unanimously, Mr. Quillinan absent.

**Reading of report of the treasurer:**

Please reference the report as prepared by the Fund accounting firm, Lauterbach and Amen, LLP. All members acknowledged monthly reports are still being received from Lauterbach and Amen, LLP.

Mr. Peterson informed the Board about the Village Audit. He provided the Board with a copy of the Annual Municipal Treasurer's report dated May 14, 2019. Finally, Mr. Peterson discussed the Whistle Blower Policy with the Board. Mr. Weishampel will ask Ms. Goodloe to review the new policy implications to the Board.

**Review and act on investment activity:**

Mr. Krapf began the discussion by reviewing the current market climate. He reviewed the performance of all managers and the portfolio.

Mr. Krapf discussed the first quarter performance of the Fund, which included a return of 8.52%. The total assets as of March 31, 2019 were \$22,530,293 and as of May 23, 2019 were \$22,253,995. Mr. Krapf confirmed no mid-quarter rebalancing took place.

In an effort to better align with our model portfolio, Mr. Krapf recommended the following changes:

1. Move \$135,000 from Eagle Asset Management Small/Mid Cap Growth to the Vanguard Small Cap Value Fund.
2. Transfer \$435,000 from cash to Great Lakes Advisors Fixed Income.

The recommendation was discussed and Mr. Lee made a motion to accept the recommendations. Seconded by Mr. Herst.

A roll call vote was held. Mr. Hyde, Mr. Watson, Mr. Lee and Mr. Herst voted to approve the action.

Mr. Krapf reviewed the two managers currently on "Watch Status," Dodge and Cox International and Blackrock Global. Both will remain on watch for the next quarter.

Mr. Lee made a motion to allow mid-quarter rebalancing of the portfolio if necessary. The rebalance would amount to no more than 5% of the assets as of the close of the previous market day.

Seconded by Mr. Hyde.

A roll call vote was held. Mr. Hyde, Mr. Watson, Mr. Lee and Mr. Herst voted to approve the action.

Mr. Krapf reviewed the fees for the Fund. Upon review, Legacy Strategic Asset Management agreed to lower their fees to 14 Basis Points. Therefore, the Fund will pay fees totaling approximately 49 Basis Points.

**Presentation of bills and or disbursements:**

The current bills for payment were presented by Mr. Hyde

1. Puchalski, Goodloe, Marzullo, LLP, Legal Counsel, \$693.75
2. Foster and Foster, Actuarial Valuation, \$3,500.00
3. Illinois Bone and Joint, Alm Annual Physical, \$1,000.00
4. IDOI Compliance Fee, \$4,203.17
5. Village of Lincolnshire, Temple Physical 50/50 split, \$769.00
6. Refund of Contributions, Nikki Megerle, \$516.40

A motion was made by Mr. Watson to pay the bills.

Seconded by Mr. Hyde.

A roll call vote was held. Mr. Hyde, Mr. Watson, Mr. Lee and Mr. Herst voted to approve the action.

**Old business:**

Mr. Hyde informed the Board about the active and retiree elections. Mr. Hyde, Mr. Watson and Mr. Quillinan were unopposed, therefore, will continue service to the Board. Mr. Lee was reappointed to the Board by Mayor Brandt. Their terms will run through April 30, 2021.

Mr. Lee reviewed the Fund legal monitoring services and pending litigation. A settlement was received Pomerantz for the Rayonier Securities suit in the amount of \$325.87. Mr. Hyde will deposit the funds.

Mr. Peterson discussed a software distribution issue with Lake County. Proper levy distributions are now processing.

A final draft of the Administrative Rules and Regulations were sent to the Board for review and approval at the next meeting.

**New business:**

Ms. Andorfer presented the January 1, 2019 Actuarial Valuation to the Board and discussed the document at length. The Board discussed the Valuation with Ms. Andorfer, including the new Public Safety Mortality Table applied to the Valuation. The recommended contribution amount was \$1,033,790.

A motion to accept the report was made by Mr. Herst.  
Seconded by Mr. Hyde

Passed unanimously.

A Met Life check were received and delivered to Mr. Krapf for deposit. The trust interest check was in the amount of \$4.20.

Mr. Hyde informed the Board there were no FOIA requests this quarter.

Mr. Weishampel provided a legal update to the Board.

Mr. Hyde informed the Board the Department of Insurance Audit was completed and submitted. The results are pending.

Mr. Hyde has received and filed all creditable service forms and salary data.

All Board members have completed the Statement of Economic Interest forms with Lake County.

Mr. Alm's annual disability physical is pending for 2019. Mr. Hyde will report back to the Board at the next meeting.

**Consider applications for membership:**

Officers Jacob Temple and Barrett Weadick joined the Lincolnshire Police Department on May 28, 2019 as Tier II members. Both made application to join the Fund.

A motion to accept both applications to the Fund was made by Mr. Hyde.  
Seconded by Mr. Watson

Passed unanimously.

**Consider applications for benefits:**

Former member Nikki Megerle made application for contribution refund. She was made aware of taxability by Lauterbach & Amen at the time of her request and she elected for a direct refund. Ms. Megerle began February 1, 2019 and ended her employment on February 27, 2019. She contributed \$516.40.

A motion to refund Ms. Megerle's contributions was made by Mr. Hyde  
Second by Mr. Herst

A roll call vote was held. Mr. Hyde, Mr. Watson, Mr. Lee and Mr. Herst voted to approve the action.

**Trustee Continuing Education:**

To date, the following continuing education has been completed in 2019:

Steven Lee, 0 hours  
Adam Hyde, 2 hours  
Jamie Watson, 0 hours  
Patrick Quillinan, 0 hours  
Mickey Herst, 0 hours

**Executive Session:**

No Executive Session took place at the meeting.  
The Fund currently has no minutes being kept as Executive Session sealed minutes.

**Public Comment:**

No public comment.

**Adjournment:**

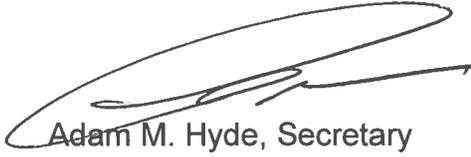
The meeting was adjourned at 6:50 p.m.

The next meeting is August 19, 2019.

Motion to adjourn by Mr. Hyde  
Seconded by Mr. Herst

Passed unanimously

Respectfully Submitted,



Adam M. Hyde, Secretary

Accepted:   
Mr. Steven Lee, President