



VILLAGE OF LINCOLNSHIRE

MINUTES POLICE PENSION BOARD MEETING August 11, 2020

Present:

President Lee
Trustee Quillinan
Trustee Bethel

Trustee Herst
Trustee Hyde

Guests present:

Joe Weishampel from PGM Law (Fund Legal Counsel)
Doug Krapf (Investment Manager)
Brad Burke (Village Manager)
Michael Peterson (Finance Director)
Greg Kiesewetter from Cook Castle Associates (Insurance Broker)

Absent:

None.

1.0 ROLL CALL

The meeting was called to order at 6:04 p.m. This meeting was called via GoToMeeting due to Covid-19 restrictions. The Village of Lincolnshire adopted a remote policy for meetings which includes how the public can view meetings and/or add comments. The following includes the remote public comment and/or listening options for the August 11, 2020 meeting.

1.1 REMOTE PARTICIPATION OPTIONS:

Listen live via phone at 571-317-3122 (access code 627-782-389).

1.1.1 To add public comments, call 847-913-2312 to leave a voicemail message with your comment by 5:00 p.m. on Monday, May 11, 2020. Email your comment to VOLPublicComment@lincolnshireil.gov by 5:00 p.m. on Monday, August 10, 2020.

1.1.2 Comments received before the meeting will be read concurrent with the respective agenda item. Comments may be sent to the VOLPublicComment@lincolnshireil.gov email address during the meeting, but it is not guaranteed they will be read until the end of the meeting.

Mr. Herst motioned to approve the adoption of remote policy for meetings. Mr. Lee seconded the motion. A roll call vote was held. Passed unanimously.

2.0 APPROVAL OF MINUTES

2.1 Approval of the minutes of the Police Pension meeting held on May 11, 2020.

Mr. Herst moved and Mr. Quillinan seconded the motion to approve the minutes as presented for the May 11, 2020 Police Pension meeting.

A roll call vote was held. Passed unanimously.

3.0 TEASURER'S REPORT

3.1 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.

4.0 INVESTMENT ACTIVITY

4.1 Mr. Krapf began the discussion by reviewing the current market climate. Mr. Krapf confirmed that Dodge and Cox was replaced with MFS International as authorized in the May meeting.

4.2 Mr. Krapf reviewed the performance of the portfolio. Mr. Krapf discussed the quarterly performance of the Fund. The total portfolio as of June 30, 2020 was \$23,929,695. Mr. Krapf discussed the quarter returns were up 13.84% with -1.47% fiscal year-to-date return. As of the end of last quarter, equity was up 20.67%, Fixed Income was up 3.15%, and cash balances were up 0.7%. There was no intra-quarter rebalancing that took place.

4.3 Mr. Krapf reviewed the model portfolio and the current asset allocation. As of August 7, 2020, the total portfolio was \$25,296,320. This is up 5.7% since the end of the quarter. He provided a recommendation to sell \$405,000 from Vanguard Growth Fund which will be moved to cash to provide flexibility due to market concerns along with bringing the Fund into compliance with the investment policy statement.

A roll call vote was held to approve the action. Passed unanimously.

A motion to accept the recommendations from Mr. Krapf was made by Mr. Hyde.

Seconded by Mr. Herst.

A roll call vote was held. Passed unanimously.

Mr. Lee made a motion to authorize mid-quarter rebalancing in an amount not to exceed 5% of the portfolio as valued on the date of rebalancing.

Seconded by Mr. Quillinan.

A roll call vote was held. Passed unanimously.

5.0 PRESENTATION OF BILLS AND/OR DISBURSEMENTS

5.1 Puchalski Goodloe Marzullo, Legal Fees, \$825.00

5.2 IPPFA 2020 Pension Conference, \$1,540.00

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

Seconded by Mr. Herst.

A roll call vote was held. Passed unanimously.

6.0 OLD BUSINESS

6.1 Mr. Lee updated the Board on legal monitoring updates.

6.2 A Met Life check was received in the total amount of \$4.40 and delivered to Mr. Krapf for deposit.

7.0 NEW BUSINESS

7.1 Joe Weishampel discussed legal updates concerning pension consolidation changes and the status of the transfer. Consolidation may not take effect until the end of 2021 or beginning of 2022.

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

7.3 Greg Kiesewetter presented on behalf of Cook Castle Associates explaining his services for the Fund in terms of fiduciary liability insurance. The Fund's current fiduciary liability insurance is set to expire on September 1, 2020. Kiesewetter explained the application process for fiduciary liability insurance and the services he provides. The premium quoted from Kiesewetter for the Fund was \$3,522.

A motion was made by Mr. Hyde to accept fiduciary liability insurance from Cook Castle Associates.

Mr. Quillinan seconded the motion.

A roll call vote was held. Passed unanimously.

7.4 MetLife payment to the Fund of \$4.40 received and will be delivered to Mr. Krapf for deposit.

7.5 Board election procedures were completed.

7.5.1 President Lee

7.5.2 Secretary Bethel

7.5.3 Assistant Secretary Hyde

7.5.4 Trustee Herst

7.5.5 Trustee Quillinan

A motion was made by Mr. Hyde to accept board elections.

Mr. Quillinan seconded the motion.

A roll call vote was held. Passed unanimously.

7.6 Mr. Lee presented the Municipal Compliance Report which is required to accompany the Pension Board's request for funding from the Village.

A motion was made by Mr. Hyde to accept the Municipal Compliance Report.

Mr. Quillinan seconded the motion.

A roll call vote was held. Passed unanimously.

8.0 APPLICATIONS FOR MEMBERSHIPS

8.1 Officer Muhammad's request for military service to the Fund has been on hold due to Muhammad not being able to retrieve documents from his previous employer due to Covid-19. The process for Muhammad is on hold for now.

9.0 EXECUTIVE SESSION

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

10.0 TRUSTEE CONTINUING EDUCATION

10.1 2020 Training – 8 hours plus Consolidation Training to be completed by all members.

11.0 CITIZENS COMMENTS

11.1 No public comment.

12.0 ADJOURNMENT

Mr. Hyde moved and Mr. Herst seconded the motion to adjourn the Pension Fund Meeting. The vote was unanimous and the meeting was adjourned at 7:57 p.m. The next meeting is scheduled for November 11, 2020 at 6:00 p.m.

Respectfully Submitted,

Roy Bethel, Secretary

Accepted:



Mr. Steven Lee, President