

Police Department
One Olde Half Day Road
Lincolnshire, IL 60069-3035
847•883•9900
847•883•9909 (FAX)



LINCOLNSHIRE POLICE PENSION FUND MEETING

**November 22, 2013
Special Meeting**

Called to order: 10:25 a.m.

Trustees present: Steven Lee, Adam Hyde, Patrick Quillinan,

Via conference call: Mickey Herst, due to legitimate work conflict and applicable provision of the Open Meetings Act

Guests present: Doug Krapf (via telephone), Michael Peterson (Finance Director), Laura Goodloe (Legal Counsel), Jeff Goodloe (Legal Counsel)

Absent: Jamie Watson

Reading and approval of minutes of last meeting:
Tabled until February 11, 2014 meeting.

Reading of report of the treasurer:
Tabled until February 11, 2014 meeting.

Review and act on Investment activity:
Mr. Krapf provided the Board with an update of assets dated November 21, 2013. At that time the Fund had a balance of \$18,948,475. Discussions took place regarding the amount of cash assets on hand and liquidity of the funding versus the rate of return for investing those funds.

Mr. Krapf recommended purchasing \$720,000 in Certificates of Deposit with 1 to 6 month maturities.

Mr. Lee made a motion to accept the recommendation.
Seconded by Mr. Hyde
Passed unanimously, Roll Call Vote – Lee, Quillinan, Hyde

Page 2. Police Pension Fund Board meeting of November 22, 2013

Presentation of bills and or disbursements:

Tabled until February 11, 2014 meeting.

Old business:

A discussion took place regarding the actuarial valuation methodology used and accepted by the Board and funding direction the Village Mayor and Board of Trustees will be following in 2014 and into the future. Mr. Lee presented the Board with various funding methods using differed amortization methods. Also discussed was a meeting Mr. Lee and Mr. Hyde had with Village Manager Brad Burke and Finance Director Michael Peterson on November 13, 2013.

It was learned from an internal Village goal document that approximately six years ago, it was the Mayor and Trustee's goal to better fund the Police Pension Fund to a target of 90% funding. Since the Fund is near that goal, the proposal to the Mayor and Trustees is to reduce funding to the Police Pension Fund and increase funding to IMRF.

After further discussion and review, Mr. Lee discussed proposing a revised contribution request to the Village. Mr. Lee presented multiple funding methodologies to the Board after he held discussions with Fund Actuary, Art Tepfer.

Mr. Lee provided alternative amortization minimum contribution amounts in the amounts of: \$644,854 (15-year open amortization method) and \$585,908 (28-year closed amortization method). Both amounts were discussed with Fund Actuary Art Tepfer and Mr. Lee. A follow up letter from Mr. Tepfer is forthcoming.

Mr. Quillinan made a motion to revise the Fund's contribution request to the amount of \$644,854.

Seconded by Mr. Hyde
Passed unanimously

Mr. Hyde will draft a revised letter to be presented to the Village, which is still ahead of any tax levy vote in December.

New business:

Tabled until February 11, 2014 meeting.

Consider applications for membership:

Tabled until February 11, 2014 meeting.

Consider applications for benefits:

Tabled until February 11, 2014 meeting.

Page 3. Police Pension Fund Board meeting of November 22, 2013

Trustee Continuing Education:

Tabled until February 11, 2014 meeting.

Executive Session:

No Executive Session took place at the meeting.

Public Comment:

No public comment took place.

Adjournment:

The meeting was adjourned at 11:45 a.m.

The next meeting date was scheduled for February 11, 2014 at 6 pm.

Motion to adjourn by Mr. Lee

Seconded by Mr. Quillinan

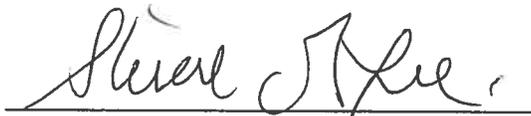
Passed unanimously

Respectfully Submitted,



Adam M. Hyde, Secretary

Accepted:



Mr. Steven Lee, President