

ITASCA POLICE PENSION FUND

540 W. Irving Park Road, Itasca, Illinois

Timothy Mace
President

William Kolf
Vice President

Anders Langlo
Secretary

Dino Gavanis
Assistant Secretary

Gerald Ragusin
Trustee

THE REGULAR MEETING MINUTES OF THE ITASCA POLICE PENSION FUND BOARD OF TRUSTEES MARCH 5, 2019

A regular meeting of the Board of Trustees of the Itasca Police Pension Fund was held on Tuesday, March 5, 2019 at 5:00 p.m. in the Itasca Police Department Conference Room located at 540 W. Irving Park Road, Itasca, Illinois, for the purposes of conducting regular business pursuant to notice.

CALL TO ORDER: Trustee Mace called the meeting to order at 5:01 p.m.

ROLL CALL:

PRESENT: Trustees Timothy Mace, Anders Langlo, Dino Gavanis (*arrived at 5:04 p.m.*) and William Kolf

ABSENT: Trustee Gerald Ragusin

ALSO PRESENT: Robert Vaughan, UBS Investment; Michelle Rice, Lauterbach & Amen, LLP (L&A); Greg Keisewetter, Cook Castle Associates; Active Member Daniel Kaltenbach, Itasca Police Department

PUBLIC COMMENT: There were no public comments.

APPROVAL OF MEETING MINUTES: *December 4, 2018 Regular Meeting Minutes:* The Board reviewed the December 4, 2018 regular meeting minutes. A motion was made by Trustee Kolf and seconded by Trustee Langlo to approve the December 4, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

Trustee Gavanis arrived at 5:04 p.m.

INVESTMENT REPORT – UBS INVESTMENT: *Quarterly Investment Report:* Robert Vaughan from UBS Investment presented the Board with the Quarterly Investment Report. As of December 31, 2018, the total fund value was \$14,883,322.71 with a performance return for the quarter of (7.39%). The asset allocation is as follows: 13.45% US Large Cap Core, 2.12% Cash, 11.23% International Developed Markets, 9.65% International Emerging Markets, 8.86% Real Assets, 4.12% Fixed Income and 4.76% Tactical All Asset. Robert Vaughan reviewed the Investment Performance Summary of the managers for the last three, five, and seven years and briefly discussed the performance of each fund. A motion was made by Trustee Kolf and seconded by Trustee Gavanis to accept the Quarterly Investment Report as presented. Motion carried unanimously by voice vote.

The Board discussed transferring \$97,000 from the VanGuard Extended Mkts ETF and \$223,000 from Pacific Income Advisors to the BMO Harris account for the purpose of funding benefit payments. A motion was made by Trustee Kolf and seconded by Trustee Gavanis to reallocate the proceeds as discussed. Motion carried by roll call vote.

AYES: Trustees Mace, Langlo, Gavanese and Kolf
NAYS: None
ABSENT: Trustee Ragusin

Review/Update Investment Policy, if needed: The Board discussed the Investment Policy and no updates are needed.

ACCOUNTANT’S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eight-month period ending December 31, 2018 prepared by L&A. As of December 31, 2018, the net position held in trust for pension benefits is \$14,912,865.94 for a change in position of (\$650,351.88). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee Kolf and seconded by Trustee Langlo to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period October 1, 2018 through December 31, 2018 for total disbursements of \$131,313.57. A motion was made by Trustee Gavanese and seconded by Trustee Kolf to approve the disbursements shown on the Vendor Check Report in the amount of \$131,313.57. Motion carried by roll call vote.

AYES: Trustees Mace, Langlo, Gavanese and Kolf
NAYS: None
ABSENT: Trustee Ragusin

Additional Bills, if any: There were no additional bills presented for approval.

NEW BUSINESS: The Board noted that Matthew Ruehl completed his military service purchase to transfer twenty-four months of military service to the Itasca Police Pension Fund in the amount of \$34,227.93. A motion was made by Trustee Kolf and seconded by Trustee Gavanese to accept the payment in the amount of \$34,227.93, recognize the purchase as paid in full and acknowledge Matthew Ruehl’s revised date of hire from January 3, 2001 to January 3, 1999. Motion carried by roll call vote.

AYES: Trustees Mace, Langlo, Gavanese and Kolf
NAYS: None
ABSENT: Trustee Ragusin

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was submitted to the County by February 1, 2019. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2019.

NEW BUSINESS (CONTINUED): *Review Trustee Term Expirations and Election Procedures:* Trustees Gavanese and Mace apprised the Board that they are resigning from the Itasca Police Pension Fund Board of Trustees effective March 5, 2019. L&A will conduct a special election on behalf of the Pension Fund to fulfill the unexpired active member term. The Board will reach out to the Village to seek a new appointee.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and list of upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

COMMUNICATIONS AND REPORTS (CONTINUED): *2019 IRS Mileage Rate:* The Board noted that the IRS standard business mileage rate used for reimbursement increased to \$0.58 per mile effective January 1, 2019.

Review/Approve – Death Audit Service Authorization: The Board tabled this discussion until the next scheduled meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

OLD BUSINESS: *Discussion/Possible Action – Third Party Breach Coverage:* Greg Kiesewetter distributed information regarding third party breach of coverage provided by Chubb and discussed potential coverage options. Further discussion will be held at the next scheduled meeting.

NEW BUSINESS (CONTINUED): *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2019 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Kolf and seconded by Trustee Langlo to approve the 2019 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Mace, Langlo, Gavanis and Kolf

NAYS: None

ABSENT: Trustee Ragusin

Self-Addressed Stamped Envelopes for Retirees: The Board discussed including pre-stamped envelopes to pensioners with the Annual Affidavits of Continued Eligibility. A motion was made by Trustee Kolf and seconded by Trustee Langlo to authorize L&A to include pre-stamped envelopes as discussed. Motion carried by roll call vote.

AYES: Trustees Mace, Langlo, Gavanis and Kolf

NAYS: None

ABSENT: Trustee Ragusin

ATTORNEY’S REPORT: *Legal Updates:* There were no legal updates presented.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Kolf and seconded by Trustee Langlo to adjourn the meeting at 6:23 p.m. Motion carried unanimously by voice vote.

The next scheduled Board meeting will be held on June 4, 2019 at 5:00 p.m.

Respectfully submitted,

_____ Date approved by Board _____
Timothy Mace, President