

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

---



## LINCOLNSHIRE POLICE PENSION FUND MEETING

February 9, 2016

**Called to order:** 6:00 p.m.

**Trustees present:** Adam Hyde, Mickey Herst, Jamie Watson, Patrick Quillinan

**Telephonic Trustee:** Steven Lee (non-voting, attendance via telephone only)

**Guests present:** Laura Goodloe (Fund Legal Counsel), Doug Krapf (Legacy-via teleconference), Michael Peterson (Village Treasurer) and Village Trustee Gerard Lieder

**Absent:** None

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

Minutes of the Board meeting on November 10, 2015

Motion to accept as presented by Mr. Hyde  
Seconded by Mr. Hyde  
Absent for vote, Mr. Quillinan  
Passed unanimously

### **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.

No report was presented by Mr. Peterson.

### **Review and act on Investment activity:**

Mr. Krapf began the discussion by reviewing the current market climate. He reviewed the current "Watch Status" of Eagle Asset Management, PNC Capital Advisors and Great Lakes Advisors. Mr. Krapf discussed the final quarter of 2015 and the first few weeks of 2016.

The Fund ended the fourth quarter with total assets of \$19,023,478, a 4<sup>th</sup> quarter return

---

of 2.33% and a 2015 year to date return of -1.37%. A February 8, 2016 asset allocation was provided to the Board and revealed total assets of \$17,786,663.

Mr. Krapf discussed continuing the Watch Status for one additional quarter for Eagle Asset Management and he will prepare a replacement manager search if appropriate. He also recommended keeping PNC and Great Lakes on Watch Status for an additional one to two quarters.

Mr. Krapf and Mr. Hyde discussed the mid-quarter asset rebalancing which took place in mid-January. At that time \$400,000 was liquidated from PNC and \$100,000 from Great Lakes. Of the assets, \$250,000 was invested with Dodge and Cox, while \$150,000 was invested with Oppenheimer. The remaining funds remained in cash assets. The reallocation was conducted pursuant to the previously approved mid-quarter rebalancing order by the Board.

Mr. Hyde made a motion to retroactively approve the rebalance action.  
Seconded by Mr. Watson.

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

Mr. Hyde 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. Herst.

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

Mr. Krapf reviewed the Fund asset allocations. In an effort to keep appropriate cash funds on hand to satisfy the scheduled benefit disbursements, which total \$82,000 per month, Mr. Krapf recommended reallocating \$170,000 from both PNC and Great Lakes (\$340,000 total). This would also allow appropriate cash on hand for mid-quarter reallocations if necessary.

A motion to accept the recommendations of Mr. Krapf was made by Mr. Watson.  
Seconded by Mr. Quillinan

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

**Presentation of bills and or disbursements:**

The bills for payment were presented by Mr. Hyde

1. Puchalski, Goodloe, Marzullo, LLP, Legal Expenses, \$600.00

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

Seconded by Mr. Herst.

A roll call vote was held and Mr. Hyde, Mr. Herst, Mr. Quillinan and Mr. Watson voted to pay the bills.

**Old business:**

The Pomerantz Law Security Reports continue to be reviewed upon receipt. All class action documents are being received by Pomerantz and will be processed accordingly. Mr. Peterson confirmed he was added to the monthly distribution list. Mr. Herst will

work with Pomerantz to list benefits of their services on the reports.

The 2015 Village contributions to the Fund totaled \$618,664.81.

Mr. Hyde reviewed that the Continued Eligibility beneficiary yearly certification letters were disseminated by Lauterbach and Amen in late December. Two are still outstanding and Mr. Hyde will follow up with those members during the upcoming weeks.

A Met Life check was received for trust interest in the amount of \$3.75. It was sent to Mr. Krapf for deposit.

**New business:**

Mr. Hyde confirmed former members Andrew Markoya and Michael Nudi have assets with the Fund. He will work with Lauterbach and Amen to send a notice to both about their assets.

Mr. Herst expressed interest in remaining on the Board for two more years. Mr. Hyde will follow up with Village Manager Brad Burke about the reappointment.

Mr. Herst made a motion to reappoint Mr. Hyde as the Open Meetings Act and Freedom of Information Act Officer.

Seconded by Mr. Watson

Passed unanimously.

A motion was made by Mr. Hyde to schedule beneficiary member Scott Alm for his yearly physical. A total payment for the exam was proposed to not exceed \$2,000.00.

Seconded by Mr. Quillinan

Passed unanimously.

The Board welcomed Trustee Leider and will work with him to coordinate efforts with the Village as needed.

**Consider applications for membership:**

None.

**Consider applications for benefits:**

None.

**Trustee Continuing Education:**

The Board is following a calendar year for the required training during a 12 month period. All trustees completed the required 16 hours in 2015.

**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 7:20 p.m.

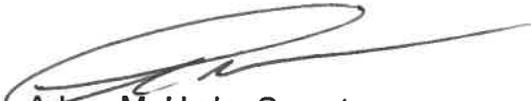
The next meeting date is May 12, 2016 at 6 pm.

Motion to adjourn by Mr. Hyde

Seconded by Mr. Watson

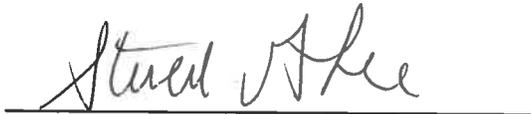
Passed unanimously

Respectfully Submitted,



Adam M. Hyde, Secretary

Accepted:



---

Mr. Steven Lee, President