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LINCOLNSHIRE POLICE PENSION FUND MEETING

July 30, 2013

Called to order: 6:05 p.m.

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

Guests present: Doug Krapf (via telephone), Michael Peterson (Finance Director), Brad Burke (Village Manager), Nathan Gaskill and Bill Tomizan

Absent: None

Reading and approval of minutes of last meeting:

Minutes of the Board meetings on May 7, 2013

Motion to accept as presented by Mr. Lee

Seconded by Mr. Hyde

Passed unanimously, Mr. Quillinan absent for this vote

Reading of report of the treasurer:

Please reference the report as prepared by the Fund accounting firm, Lauterbach & Amen, LLP.

Review and act on Investment activity:

Mr. Krapf reported about the financial performance of the Fund during the 2nd Quarter of 2013. The Fund had a 2nd Quarter return of -0.19%, bringing the fiscal year to date return to 4.10%. The Fund assets were reviewed and an Asset Allocation summary dated July 25, 2013 was presented to the Board. The fund had a balance of \$17,975,519 on that date.

Mr. Krapf confirmed a copy of the Investment Policy was delivered to the Department of Insurance. Mr. Krapf discussed the watch status of Diamond Hill, and though they had a positive return this quarter, Mr. Krapf recommended keeping them on watch to monitor their performance. Due to under performance, Mr. Krapf recommended placing Advisory Research on Watch Status.

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To more closely align with our model portfolio asset allocation, Mr. Krapf recommended reallocating \$200,000 from PIMCO All Asset Authority Fund to the Mainstay Marketfield Fund.

Mr. Quillinan made a motion to accept all Mr. Krapf's recommendations.

Seconded by Mr. Herst

Passed unanimously-Roll Call Vote

Presentation of bills and or disbursements:

The bills for payment were presented by Mr. Hyde

1. Tepfer Consulting, Actuarial Services, \$2,250.00
2. Adam Hyde, IPPFA Annual Conference Registration Fees, \$1,475.00
3. Coalition for Qualified Plan Status, \$300.00
4. Mesirow Financial, Fiduciary Liability Insurance, \$2,688.00

A motion to pay the bills as presented was made by Mr. Lee

Seconded by Mr. Quillinan

Passed unanimously

Old business:

The Illinois State Archivist completed his examination of the fund and an Application for Authority to Dispose of Local Records, ID #13:124, was issued to the Fund on May 7, 2013.

Mr. Lee discussed the search for a securities litigation firm. The Law Firm of Pomerantz, Grossman, Hufford, Dahlstrom and Gross was recommended to be retained for said purposes.

Mr. Lee made a motion to retain the aforementioned firm.

Seconded by Mr. Hyde

Passed unanimously

Mr. Lee was reappointed to the Board by Mayor Blomberg on May 13, 2013. Mr. Lee will again serve a two year term. A copy of the Village Board Minutes from May 13, 2013 is included with the minutes.

The Department of Insurance Annual Report was filed electronically on May 8, 2013. Signature sheets were mailed on May 14, 2013.

New Business:

Mr. Nathan Gaskill from Lauterbach and Amen presented information to the Board about Department of Insurance Annual Report Filings. He also introduced our Fund's contact person, Mr. Bill Tomizan.

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Mr. Hyde confirmed registration for all trustees to the IPPFA Annual Conference.

Mr. Peterson discussed the Coalition for Qualified Plan Status and the benefits of participation for the Internal Revenue Service status.

Mr. Hyde made a motion to contribute to the coalition as done in 2008.

Seconded by Mr. Watson

Passed unanimously

Mr. Hyde will send a copy of the Actuarial Valuation to the Department of Insurance.

Mr. Lee presented the Municipal Compliance Report.

Mr. Hyde made a motion to accept the report.

Seconded by Mr. Herst

Passed unanimously

A copy of the report, as well as the Investment Policy Statement, was hand delivered to Village Manager Burke at the meeting.

Mr. Lee provided the Board with the updated Fiduciary Liability Insurance Policy from Mesirow Financial. The yearly cost is \$2,688.00.

Mr. Lee made a motion to accept the policy.

Seconded by Mr. Watson

Passed unanimously

Internal Board elections were held, the result of which are listed below.

President: Mr. Lee

Vice President: Mr. Quillinan

Secretary: Mr. Hyde

Assistant Secretary: Mr. Watson

Trustee at Large: Mr. Herst

A motion to accept all positions was made by Mr. Hyde

Seconded by Mr. Quillinan

Passed unanimously

Mr. Hyde will be working with Mr. Peterson to develop the 2014 Fund Budget. It will be presented at the October meeting.

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The Board also reviewed the Actuarial Valuation that was prepared by Tepfer Consulting. Mr. Lee recommended a contribution of \$982,682 to be requested from the Village.

Seconded by Mr. Hyde
Passed unanimously

Mr. Lee will present the information to the Village Board during the upcoming months.

Mr. Hyde discussed a FOIA request from Brightscope, Inc. on May 28, 2013. The request was complied with and a copy retained in records.

Consider applications for membership:

No applications were received.

Consider applications for benefits:

No applications were received.

Trustee Continuing Education:

The Board is following a calendar year for the required training during a 12 month period. Below is a synopsis of training received at this time.

Mr. Lee – 0 hours
Mr. Hyde – 0 hours
Mr. Quillinan – 2 hours (OMA)
Mr. Herst – 0 hours
Mr. Watson – 2 hours (OMA)

Executive Session:

No Executive Session took place at the meeting.

Public Comment:

No public comment was presented at the meeting.

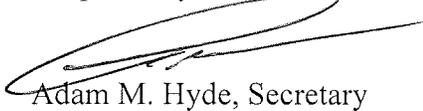
Adjournment:

The meeting was adjourned at 8:05 p.m.

The next meeting date was scheduled for October 29, 2013 at 6 pm.

Motion to adjourn by Mr. Herst
Seconded by Mr. Lee
Passed unanimously

Respectfully Submitted,



Adam M. Hyde, Secretary

Accepted:



Mr. Steven Lee, President