

VILLAGE OF LA GRANGE
POLICE PENSION FUND
January 23, 2019

Meeting was called to order by Secretary Ljubenko at 4:04 P.M. Present were President Beaver, Vice-President James, Secretary Ljubenko, Assistant Secretary Wardlaw, Trustee Lannan and Finance Director/Treasurer Cipparrone. Also present were Investment Advisors Richard Barrett and Jessie Barrett of Wells Fargo Advisors.

Upon motion by James, second by Lannan, the Board unanimously approved the October 24, 2018 Board Minutes presented by Secretary Ljubenko.

Treasurer Cipparrone presented the December 31, 2018 Police Pension Fund Activity Report.

Richard Barrett and Jessie Barrett presented the Wells Fargo Advisors Asset Allocation Report and market update/outlook for 2019. Jessie Barrett advised the Board that the fund's fixed income manager, McDonnell Investment Management has been acquired by, is combining with Loomis, Sayles and Company, and as such, is closing down its fixed income investment operation. The Board will need to select a new fixed income manager, RFPs will be sent out to a minimum of three fixed income management firms. The Board will coordinate with the LaGrange Fire Pension Board to schedule a special joint meeting /workshop to hear presentations from the different fixed income management firms.

Upon motion by Wardlaw, second by Beaver, the Board unanimously approved withdrawing \$230,000.00 out of the McDonnell Investment Management fixed income account, to make pension benefit payments over the next (3) months.

Treas. Cipparrone presented the Board with the proposed FY 2019-2020 Police Pension Budget that will be reviewed by the Village Board. Included in the budget are the Pensioner cost of living increases for 2019. Upon motion by Beaver, second by Wardlaw, the Board unanimously approved the Police Pension cost of living increases for 2019 and acceptance of the proposed FY 2019-2020 Police Pension Budget.

The terms of Trustees Stephen Ljubenko and Robert Wardlaw will expire on April 30, 2019. Secretary Ljubenko advised the Board he will seek reelection, while Asst. Secretary Wardlaw advised the Board he will not seek reelection to another term. A letter seeking additional nominations will be posted regarding the Active Officer Trustee positions. If additional nominations are received, an election will be held per bylaws with the results being tabulated at the next meeting.

The Board received the report of Ofc. Kneifel's non-line-of duty disability annual medical evaluation conducted on December 18, 2018 by Stevan Weine, M.D. Dr. Weine concluded that Ofc. Kneifel remains disabled for full, unrestricted police duties. Upon motion by Wardlaw, second by Beaver, the Board unanimously approved accepting Dr. Weine's findings and continuing Ofc. Kneifel's disability benefits subject to further annual evaluations until age 50 as required by the Illinois Pension Code.

Upon motion by Ljubenko, second by James, the Board unanimously approved payment of legal fees in the amount of \$321.79 to Attorney Richard Reimer of Reimer & Dobrovolny PC and medical fees in the amount of \$2160.00 to INSPE Associates, LTD.

The Board reviewed/discussed the various assumptions being used by the Board and Actuary for the actuarial valuation report. The Board decided to table the current discussion and will continue to discuss and finalize any changes to the assumptions at the upcoming meetings.

The Board continued reviewing the current Investment Policy and discussed making some possible changes, updates to the Policy. The Board decided to table the current discussion and will continue to discuss and finalize any changes to the Policy at the upcoming meetings.

The Board discussed the need to review and select a new Fixed Income Manager. RFPs will be sent out to possible fixed income management firms. The Board will coordinate with the LaGrange Fire Pension Board to schedule a special joint meeting/workshop in late March or early April, to hear informational presentations from the various fixed income management firms. The Board will conduct a similar process with the Fire Pension Board later in the year, to review/select an Investment Consultant/Advisor.

The Board was reminded of the upcoming requirement for Trustees to file a Statement of Economic Interest with the Cook County Clerk's Office by May 1, 2019. Each Trustee should receive an email update in March 2019 from the Clerk's Office with instructions on filing the Statement of Economic Interest online.

The Board was advised of Trustee training opportunities being provided by the IPPFA. The IPPFA Spring Pension Training Conference-2019 will be held May 1-3, 2018 at the Embassy Suites Hotel in East Peoria, IL. Completion of the Conference satisfies the State mandated 16-hour annual training requirement for Public Pension Trustees. Cost of the Conference is \$385.00 per person, hotel room rate is \$150.00 per night. Online 8-hour Training Seminars are offered by the IPPFA at a cost of \$250.00 per course. Trustee Lannan needs to complete the required 32-hour Trustee Certification Course, this course is offered by IPPFA online, at a cost of \$850.00. Upon motion by Wardlaw, second by Beaver, the Board unanimously approved payment of \$385.00 conference fee, \$300.00 hotel fee and \$50.00 (\$25 per day) for 2-day meal/food expenses for Ljubenko to attend the Training Conference, \$850.00 for Lannan to complete the online Certified Trustee Course, and \$500.00 for Beaver and James to each complete an 8-hour IPPFA Online Training Seminar/Course.

The Board was advised the sad news of the passing of retired Police Officer John Kedzierski on January 22, 2019. John Kedzierski retired in 1990 after 26 years of dedicated service, his pension benefits convert to his wife, Antonette Kedzierski. Required documents were placed in file.

There being no other business the meeting was adjourned at 7:00 P.M. The next meeting is scheduled for Wednesday April 24, 2019, 4:00 P.M. at the LaGrange Police Department.

Respectfully Submitted,

Stephen Ljubenko
Secretary