

VILLAGE OF LA GRANGE
POLICE PENSION FUND
April 24, 2019

Meeting was called to order by Secretary Ljubenko at 4:05 P.M. Present were President Beaver, 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, and Greg Kiesewetter of Cook Castle Associates LLC. Absent was Vice-President James, meeting continued, quorum present.

Upon motion by Lannan, second by Beaver, the Board unanimously approved the January 23, 2019, Board Minutes and the April 10, 2019 Board Minutes of the Special Combined Workshop/Meeting with the Fire Pension Fund, presented by Secretary Ljubenko.

Treasurer Cipparrone presented the March 31, 2019 Police Pension Fund Activity Report.

Richard Barrett and Jessie Barrett presented the Wells Fargo Advisors Asset Allocation Report and market update.

The Board discussed and reviewed the three Fixed Income Managers who made informational presentations at the April 10, 2019 Special Combined Workshop/Meeting conducted with the Fire Pension Fund. The three firms who had made presentations were: C.S. McKee, L.P, Great Lakes Advisors, LLC and Mesirow Financial Investment Management. Upon motion by Beaver, second by Lannan, the Board unanimously approved selecting and hiring Mesirow Financial Investment Management as the Board's new Fixed Income Manager.

Greg Kiesewetter, insurance broker with Cook Castle Associates LLC, provided the Board with a renewal proposal on the Fiduciary Liability Insurance policy the Board currently has with The Euclid Vanguard/Hudson Insurance Company. The policy renewal will be for a one year period, June 1, 2019-June 1, 2020. Upon motion by Wardlaw, second by Beaver, the Board unanimously approved renewing a one year contract for a Pension Board Fiduciary Liability Insurance policy with The Euclid Vanguard (underwriter)/Hudson Insurance Company, at a total premium cost of \$4899.00.

Sec. Ljubenko advised the Board that the only nominations received for the Active Officer Trustee positions were that of Stephen Ljubenko and Ryan Nemecek, therefore no election was necessary and none was held. Both Stephen Ljubenko and Ryan Nemecek will fill the Trustee position and serve in office until April 30, 2021. Ryan Nemecek replaces Robert Wardlaw, who chose not to run for reelection. Robert Wardlaw served on the Board as an Active Officer Trustee and Assistant Secretary from May 1, 2009 to April 30, 2019. The Board thanks him for his ten years of dedicated service.

The Board was reminded of the requirement to file Statements of Economic Interest, online with the Cook County Clerk's Office by May 1, 2019.

The Board's actuary will begin working on the upcoming Actuarial Valuation Report. The Board discussed and reviewed the assumed long term rate of return of 7% interest which is currently being used by the Board as an actuarial assumption. Upon motion by Wardlaw, second by Beaver, the Board unanimously approved continuing to use a 7% interest rate of return for the upcoming Actuarial Valuation Report. The Board will re-evaluate the assumed interest rate sometime after Oct. 2019, for next year's actuarial report.

Former Officer Jason Wessendorf served the LaGrange Police Department from Mar. 24, 2014-Oct. 22, 2018, at which time he resigned to accept a position as a Police Officer with the St. Charles Police Department. Ofc. Wessendorf made formal application to both the LaGrange (prior fund) and St. Charles (current fund) Police Pension Funds to transfer his 4 years, 6 months, 29 days of creditable service time from LaGrange to St. Charles. The Board utilized the accounting firm of Lauterbach & Amen, LLP to calculate, per the Pension Code, the amount of funds to be transferred from the LaGrange Police Pension Fund to the St. Charles Police Pension Fund on behalf of former Ofc. Jason Wessendorf for his creditable service time. Upon motion by Beaver, second by Lannan, the Board unanimously approved the transfer of \$71,554.00 from the LaGrange Police Pension Fund to the St. Charles Police Pension Fund.

Both Sergeant Robert Wardlaw and Deputy Chief Andrew Peters made application to the Board to purchase and transfer 24 months (two years) of military service served prior to employment with the LaGrange Police Department. The transfer of up to 24 months of military service time is authorized per the Pension Code and Public Act 096-1260. Certified Public Accountants Lauterbach & Amen, LLP advised the Board the cost to calculate the purchase of military service time is \$350.00 per officer. Upon motion by Beaver, second by Lannan, the Board unanimously approved the payment of \$700.00 to Lauterbach & Amen, LLP to perform the calculations to purchase military service time served prior to employment, for both Sgt. Wardlaw and D/C Peters.

The Board was advised the calculated cost for Sergeant Robert Wardlaw to purchase 24 months of prior military service time is \$53,264.44. The calculated cost for Deputy Chief Andrew Peters to purchase 24 months of prior military service time is \$61,203.09. The Board was advised that Sgt. Wardlaw made a lump sum payment of \$53,264.44 to the LaGrange Police Pension Fund to purchase 24 months of prior military service. D/C Peters made a lump sum payment of \$61,203.09 to the LaGrange Police Pension Fund to purchase 24 months of prior military service. Upon motion by Ljubenko, second by Beaver, the Board unanimously approved the purchase of 24 months (two years) of military service served prior to employment for both Sgt. Robert Wardlaw and D/C Andrew Peters. Sgt. Wardlaw's hire/start date for pension purposes is moved back 24 months from Jan. 10, 2001 to **Jan. 10, 1999**. D/C Peters' hire/start date for pension purposes is moved back 24 months from Oct. 9, 1995 to **Oct. 9, 1993**.

Upon motion by Ljubenko, second by Wardlaw, the Board unanimously approved payment of legal fees in the amount of \$200.00 to attorney Richard Reimer of Reimer & Dobrovolny PC.

There being no other business the meeting was adjourned at 6:15 P.M. The next meeting is scheduled for Wednesday July 24, 2019, 4:00 P.M. at the LaGrange Police Department.

Respectfully Submitted,

Stephen Ljubenko,
Secretary