

**VILLAGE OF LA GRANGE**  
**POLICE PENSION FUND**  
**January 22, 2020**

Meeting was called to order by Secretary Ljubenko at 4:05 P.M. Present were President Beaver, Vice-President James, Secretary Ljubenko, Assistant Secretary Nemecek, 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 Beaver, the Board unanimously approved the October 23, 2019 Board Minutes presented by Secretary Ljubenko.

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

Richard Barrett and Jessie Barrett presented the Wells Fargo Advisors Asset Allocation Report and market update/outlook for 2020.

The Board discussed the need to withdraw \$230,000.00 out of investment accounts in order to make upcoming pension benefit payments. To achieve this, the Board discussed removing 35% of the assets out of the American General Life Insurance Company (AIG) fixed annuity contract #116FP00845 and the remaining, residual amount of money needed, out of the Mesirow Financial Investment Management fixed income account.

Upon motion by James, second by Beaver, the Board unanimously approved withdrawing 20% out of the AIG fixed annuity account before Feb. 1, 2020, then withdrawing an additional 15% out of the AIG annuity after Feb. 1, 2020. Upon motion by James, second by Beaver, the Board unanimously approved withdrawing the residual amount needed out of the Mesirow Financial Investment Management fixed income account to reach the \$230,000.00 needed to make upcoming pension benefit payments.

Treas. Cipparrone presented the Board with the proposed FY 2020-2021 Police Pension Budget that will be reviewed by the Village Board. Included in the budget are the Pensioner cost of living increases for 2020. Upon motion by Ljubenko, second by Beaver, the Board unanimously approved the Police Pension cost of living increases for 2020 and acceptance of the proposed FY 2020-2021 Police Pension Budget.

Sec. Ljubenko advised the Board that the Beneficiaries' Trustee position currently held by Pres. Beaver expires on April 30, 2020. Pres. Beaver advised that he wishes to run for another term. Letters requesting any additional nominations will be sent to all Beneficiaries so an election may be held.

Upon motion by Lannan, second by Beaver, the Board unanimously accepted the Application to Participate by Police Officer Laura Ramirez. Ofc. Ramirez is 28 years old and was born on October 24, 1991. She is single, has no children or other dependents and lives in Cicero. She was hired on December 30, 2019, will obtain the age of 55 years old on October 24, 2046 and will obtain 20 years of creditable service on December 29, 2039. She is under the "Tier II" Pension Plan, which took effect Jan. 1, 2011.

The Board discussed the Consolidation of Article 3 & 4 Pension Funds' Investment Assets which was recently passed by the Illinois General Assembly under P.A. 101-0610, signed by the Governor on December 18, 2019 and takes effect on January 1, 2020. P.A. 101-0610 consolidates all Article 3 & 4 Pension Funds' investment assets only. It amends the Illinois Pension Code by creating the Police Officers' Pension Investment Fund and the Firefighters' Pension Investment Fund ("Consolidated

Funds”). It requires transfer of the assets and investment authority to the Consolidated Funds no later than 30 months after the effective date with a deadline of June 30, 2022. It creates new Consolidated “Investment” Boards of Trustees for both Police and Fire. It reduces the training requirements for trustees. New board trustees now must complete a 16-hour Certified Trustee training course rather than a 32-hour course, the annual training requirement for trustees is reduced from 16-hours to 8-hours, and all current trustees must complete 4-hours of special training on the new consolidation law. Local Boards keep exclusive authority to adjudicate and award disability benefits, retirement benefits, survivor benefits and refunds. The Board awaits further information from the State on the new law and directives on how and when to transfer assets to the Consolidated Fund.

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, 2020. Each Trustee should receive an email update in March 2020 from the Clerk’s Office with instructions on filing the Statement of Economic Interest online.

The Board was advised that the fund received a check from Chicago Clearing Corporation (CCC) in the amount of \$10.68. The check is a distribution resulting from the St. Jude Medical 2016 Class Action lawsuit. CCC files Securities Class Action claims on behalf of the Board and the Pension Fund and filed a claim on the Fund’s behalf in the St. Jude litigation. The check reflects the Fund’s pro-rata share of the Net Settlement Funds and had been calculated in accordance with the Plan of Allocation described in the Notice of Proposed Settlement of Class Action.

The Board was advised of Trustee training opportunities being provided by the IPPFA. The IPPFA Spring Pension Training Conference-2020 will be held May 5-8, 2020 at the Crowne Plaza Hotel in Springfield, IL. Completion of the Conference satisfies the State mandated annual training requirement for Public Pension Trustees, including the new required training on the new consolidation law. Cost of the Conference is \$385.00 per person, hotel room rate is \$125.00 per night. Online 8-hour Training Seminars are offered by the IPPFA at a cost of \$250.00 per course. Trustee Lannan and Assistant Secretary Nemecek need to complete the required Trustee Certification Course, this course is offered by IPPFA, at a cost of \$500.00. Upon motion by Beaver, second by Lannan, the Board unanimously approved payment of \$385.00 conference fee, \$250.00 hotel fee and \$50.00 (\$25 per day) for 2-day meal/food expenses for Ljubenko to attend the Training Conference, \$1000.00 for Lannan and Nemecek to complete the Certified Trustee Training Course, and \$500.00 for Beaver and James to each complete an 8-hour IPPFA Online Training Seminar/Course.

There being no other business the meeting was adjourned at 6:05 P.M. The next meeting is scheduled for Wednesday April 22, 2020, 4:00 P.M. at the LaGrange Police Department.

Respectfully Submitted,

Stephen Ljubenko  
Secretary