

APPROVED MINUTES

VILLAGE OF NORTHFIELD BOARD OF TRUSTEES OF THE POLICE PENSION FUND

January 30, 2019

Minutes of the Board of Trustees of the Police Pension Fund meeting held on Wednesday, January 30, 2019 in the Village of Northfield Multi-Purpose Room, 2nd floor, 361 Happ Road, Northfield, Illinois.

ROLL CALL

President Kenneth Smith called the meeting to order at 5:00 p.m. Roll call was as follows:

Trustees Present:

Kenneth Smith
William Lustig
Gordon Scott
Don Whiteman
Tom Hanus

Non-Trustees Present

Steve Noble, Village Finance Director
Kelly Weller, Great Lakes Advisors
Bruce Ebel, Great Lakes Advisors
Tom Terrill, Village Trustee
Carolyn Clifford, Ottosen-Britz

Mr. Smith noted there was a quorum present.

PUBLIC COMMENT

No public comment was made.

APPROVAL OF MINUTES

The next item was to approve the pension meeting minutes of October 25, 2018. Mr. Whiteman made a motion to accept the minutes, seconded by Mr. Hanus, and upon a voice vote, motion passed.

REVIEW OF INVESTMENT REPORT-GREAT LAKES ADVISORS (GLA)

Mr. Ebel presented the Board with the 4th quarter investment report and discussed the Market Review portion in detail. Mr. Ebel stated for the record that Great Lakes Advisors is in compliance with the statutory restrictions on the account of the Northfield Police Pension Fund, and recognizes its April 30th fiscal year, and also recognizes the Fund's 6.75% actuarial return assumption.

Mr. Ebel then discussed the quarterly results. The Fund's performance for the 4th quarter ending December 31, 2018 was down because of market volatility. Calendar year, the Fund was down -5.93% vs. -4.78% benchmark.

The asset allocation for the end of the 4th quarter was:

Equity: 50.2%, Fixed Income: 46.7% and Cash: 3.1%.

The revised Investment Policy Statement, which was approved at the October 2018 meeting, was signed by all the Pension Board members and Mr. Weller will file it with the Illinois Department of Insurance.

Mr. Whiteman made a motion to accept the Great Lakes Advisors report as presented, seconded by Mr. Hanus. Upon a roll call vote, motion passed:

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

TREASURER'S REPORT

Mr. Noble presented the Board with the treasurer's report, dated December 31, 2018. Mr. Noble reviewed the report with the Board and answered questions.

APPROVAL OF BILLS

Mr. Noble distributed a copy of the paid invoice sheets, which details all bills paid by the Pension Board for the period October 31, 2018 through December 31, 2018. The Board went over the disbursements. The bills for this period totaled \$21,304.82.

Mr. Smith made a motion to accept the Treasure's report and approve the payment of the bills, seconded by Mr. Scott and upon roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

APPROVAL OF PENSION INCREASES 2019

Lauterbach and Amen prepared a list of current pensioners and the type of pension they receive, as well as the current and new benefit amount they will receive in 2019. Mr. Scott made a motion to approve the annual benefit increases for pensioners, seconded by Mr. Smith and a upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott
NAYS: None
ABSENT: None

DISCUSSION OF DEPARTMENT OF INSURANCE ACTUARIAL VALUATION FOR 2018

Mr. Noble reviewed with the Board members DOI actuarial valuation for 2018, and answered their questions.

REVIEW OF VILLAGE AUDIT PERTAINING TO THE FUND

Mr. Noble printed the pages within the audit that were specific to the Pension Fund and reviewed them with the Board. He also advised everyone that the full audit is available on the Village website.

CONFIRMATION OF VILLAGE CONTRIBUTION

Mr. Noble discussed the tax levy amount for the fund from the Village levy ordinance. Every month he transfers 1/12 of the amount monthly to simplify the procedure. Mr. Noble also said that the Village contribution will be \$1,162,540.00 which was on target with the recommendation of the actuary.

REVIEW OF PENSION FUNDING REPORT (OTTOSEN BRITZ)

Ms. Clifford prepared a funding report for the Northfield Police Pension Fund, which tracks the funding history of the Fund from 2016 to 2018, and discussed it with the Board members. The report shows the Village has met or exceeded the funding requirement to the Fund during this time period.

OLD BUSINESS

The annual IME reports for Officer Hoffman and Officer Romag have been sent. Officer Romag should be making an appointment with the doctor at Omega. Officer Hoffman signs an authorization for release of her medical records, which we then submit to her physician.

The fiduciary liability insurance was renewed and paid in December 2018. Mr. Noble provided a copy to the Trustees for their review. The premium was \$5599.00.

NEW BUSINESS

The Trustees will submit their Statement of Economic Interest as soon as the e-mails are sent by the county. These statements are due by May 1st.

Sgt. Tom Jones, who separated from service with the Village of Northfield in 2015, submitted an application for Retirement Benefits. Mr. Noble has forwarded the paperwork to Lauterbach & Amen, who prepared the calculation of benefit. Mr. Smith made a motion to approve the application, seconded by Mr. Lustig and upon a voice vote motion passed.

IPPFA and L&A are working on a free Death Audit service, will allow them to check the status of individuals receiving benefits, on a daily basis. Ms. Clifford has asked that language be added to the agreement to sign up for the service that addresses the protection of the personal information of the Fund's retirees. We will receive more information as it become available.

Ms. Clifford presented her new Engagement letter for 2019. It details her retainer, which will be \$395.00 per month, as well as the services provided by her firm. Mr. Hanus made a motion to accept the new engagement letter and retainer agreement, which will be paid as an annual retainer, seconded by Mr. Smith and upon a roll call vote, motion passed.

AYES: Smith, Lustig, Hanus, Whiteman and Scott

NAYS: None

ABSENT: None

TRAINING

Ms. Clifford discussed state and national pension issues. She also discussed upcoming training opportunities.

CLOSED SESSION

None

ADJOURNMENT

With no further business to discuss, Mr. Lustig made a motion to adjourn at 6:23 p.m., seconded by Mr. Scott, and upon a voice vote, motion passed.

Respectfully submitted,

Donald Whiteman, Secretary

Minutes prepared by Maureen French, Administrative Assistant. Minutes approved the Board of Trustees at its meeting on _____2019.