

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE CAROL STREAM POLICE PENSION FUND
WEDNESDAY, JULY 19, 2017**

A regular meeting of the Board of Trustees of the Carol Stream Police Pension Fund was held on Wednesday, July 19, 2017 at 10:00 a.m. at Village Hall in the Cubs Conference Room located at 505 North Ave., Carol Stream, IL for the purpose of conducting regular business.

CALL TO ORDER: The meeting was called to order by President Numrich at 10:05 a.m.

ROLL CALL:

PRESENT: President John Numrich, Vice President Anthony Simonetta, Secretary John Zalak, and Trustee Jim Brewer

ABSENT: Assistant Secretary Dan Bulleri

ALSO PRESENT: Derek Flessner and Amanda Secor, Lauterbach & Amen, LLP (L&A); Mary Tomanek (*arrived at 10:09 a.m.*), Graystone Consulting; Jon Batek, Village of Carol Stream Finance Department

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 21, 2017 Regular Meeting:* The Board reviewed the minutes from the April 21, 2017 regular meeting. A motion was made by Vice President Simonetta and seconded by Secretary Zalak to approve the April 21, 2017 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

Ms. Tomanek arrived at 10:09 a.m.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP.: *Monthly Financial Report:* Lauterbach & Amen presented the Monthly Financial Report for the period ended May 31, 2017. The net position held in trust for pension benefits is \$44,786,737.63, with a change in position of \$465,113.55 for the one month period ending 05/31/2017. L&A reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal with the Board. A motion was made by Secretary Zalak and seconded by Vice President Simonetta to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the disbursements shown on the Vendor Checks Report for the period March 1, 2017 through May 31, 2017, for a total disbursement of \$37,030.39. A motion was made by Vice President Simonetta and seconded by Secretary Zalak to approve the disbursements listed on the Vendor Checks Report in the amount of \$37,030.39. Motion carried unanimously by voice vote.

Additional Bills, if any: There were no additional bills submitted for approval.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Performance Report:* Ms. Tomanek presented the Quarterly Investment Performance Report for the period ending June 30, 2017. As of 06/30/17, the quarter-to-date net return is 2.37% for an ending market value of \$43,433,662. The current asset allocation is as follows: Fixed Income at 49% and Equities at 51%. Ms. Tomanek presented the Board with the Equity Portfolio, Fixed Income Portfolio, Transaction Ledger Report, and Market Commentary. All questions were answered by Ms. Tomanek. A motion was made by Vice President Simonetta and seconded by Secretary Zalak to accept the Quarterly Investment Report as presented, and to rebalance \$200,000.00 in available funds to the Vanguard Growth Index Equity Fund and \$800,000.00 in new money to Fixed Income (allocated equally between Hoisington and McDonnell) in order to rebalance the Asset Allocation in compliance with the DOI requirements. Motion carried unanimously by voice vote.

Review/Update Investment Policy: There were no updates to the Investment Policy at this time.

COMMUNICATIONS OR REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners in June, with a due date of July 31st. A status update will be provided at the next regularly scheduled meeting.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents as required by the IDOI.

TRUSTEE TRAINING UPDATES: The Board reviewed the updated Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – John Giganti and Jeremy Kriese:* The Board reviewed the Applications for Membership into the Pension Fund of John Giganti and Jeremy Kriese. The applicants were hired June 19, 2017 as Tier II participants with no prior creditable service.

A motion was made by Secretary Zalak and seconded by Vice President Simonetta to accept John Giganti into the Carol Stream Police Pension Fund effective 06/19/17 as a Tier II participant. Motion carried unanimously by voice vote.

A motion was made by Vice President Simonetta and seconded by Secretary Zalak to accept Jeremy Kriese into the Carol Stream Police Pension Fund effective 06/19/17 as a Tier II participant. Motion carried unanimously by voice vote.

Contribution Refund – John Paul Reese: The Board reviewed the contribution refund request submitted by John Paul Reese. Mr. Reese resigned from the Carol Stream Police Department, effective May 1, 2017. A motion was made by Vice President Simonetta and seconded by Secretary Zalak to approve John Paul Reese's contribution refund in the amount of \$2,000.80 paid directly to himself. Motion carried unanimously by voice vote.

Contribution Refund – Kimberly Eliopoulos: The Board noted that Kimberly Eliopoulos resigned from the Carol Stream Police Department, effective July 15, 2016. The Village of Carol Stream will send Ms. Eliopoulos a certified letter, informing her of her refund options. No further action is required at this time.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Annual Cost of Living Adjustment (COLA) for Pensioner Glen Gary:* The Board reviewed the Cost of Living Adjustment for service retirement pensioner Glen Gary as calculated by the Village of Carol Stream. Mr. Gary's increase of 8.25% began effective with the March 2017 payroll, resulting in a monthly benefit in the amount of \$5,235.79. A motion was made by Secretary Zalak and seconded by Trustee Brewer to approve the 2017 Cost of Living Adjustment as required by statute and calculated by the Village of Carol Stream. Motion carried unanimously by voice vote.

Approve Annual Cost of Living Adjustment (COLA) for Pensioner Charles Ranweiler: The Board reviewed the Cost of Living Adjustment for service retirement pensioner Charles Ranweiler as calculated by the Village of Carol Stream. Mr. Ranweiler's increase of 3% will begin effective with the September 2017 payroll, resulting in a monthly benefit in the amount of \$5,872.51. A motion was made by Vice President Simonetta and seconded by Trustee Brewer to approve the 2017 Cost of Living Adjustment as required by statute and calculated by the Village of Carol Stream. Motion carried unanimously by voice vote.

OLD BUSINESS: *Vacant Board Appointee Position Update:* President Numrich informed the Board that the Mayor of Carol Stream has appointed James Brewer to the Carol Stream Police Pension Fund Board of Trustees.

NEW BUSINESS: *Board Officer Elections – President, Vice President, Secretary & Assistant Secretary:* The Board discussed Board Officer Elections and nominated the following slate of Officers: John Numrich as President; Anthony Simonetta as Vice President; John Zalak as Secretary; and Dan Bulleri as Assistant Secretary. A motion was made by Secretary Zalak and seconded by Vice President Simonetta to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

FOIA Officer & OMA Designee: The Board discussed maintaining Secretary Zalak as the FOIA Officer and appointing Assistant Secretary Bulleri as the OMA Designee. A motion was made by Vice President Simonetta and seconded by Trustee Brewer to maintain Secretary Zalak as the FOIA Officer and appoint Assistant Secretary Bulleri as the OMA Designee. Motion carried unanimously by voice vote.

Review Preliminary Actuarial Valuation: The Board tabled this item until the next regular meeting.

Review/Possible Approval – Lauterbach & Amen Engagement Letter: The Board reviewed the Lauterbach & Amen three-year engagement letter. A motion was made by Vice President Simonetta and seconded by Trustee Brewer to engage L&A for three years in the annual amounts as follows: \$24,935 for the year ended 04/30/2018; \$25,710 for the year ended 04/30/2019; and \$26,430 for the year ended 04/30/2020. Motion carried unanimously by voice vote.

ATTORNEY’S REPORT: *Legal Updates:* The Board reviewed copies of Reimer, Dobrovolny & Karlson, LLC’s newsletter, *Legal and Legislative Update*.

Annual Independent Medical Examinations – James Michalek, Brian Moffett, and Bryan Pece:
The Board discussed sending disability pensioners James Michalek, Brian Moffett, and Bryan Pece for their annual independent medical examinations. The Board directed L&A to contact the Board Attorney to schedule the aforementioned pensioners for their annual IMEs. Further discussion will be held at the next scheduled meeting.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Brewer and seconded by Secretary Zalak to adjourn the meeting at 11:30 a.m. Motion carried unanimously by voice vote.

Respectfully Submitted,

John Zalak, Board Secretary

John Numrich, Board President

The next regular meeting is scheduled for November 13, 2017 at 10:00 a.m.

Minutes prepared by Amanda Secor, Pension Services Administrator