

**MINUTES OF A REGULAR MEETING OF THE
LA GRANGE PARK POLICE PENSION FUND BOARD OF TRUSTEES
APRIL 22, 2019**

A regular meeting of the La Grange Park Police Pension Fund Board of Trustees was held on Monday, April 22, 2019 at 6:30 p.m. in the Village Hall Board Room located at 447 N. Catherine Avenue, La Grange Park, Illinois 60526 pursuant to notice.

CALL TO ORDER: Trustee Michael Sabella called the meeting to order at 6:30 p.m.

ROLL CALL:

PRESENT: Trustees Michael Sabella, Fran Marrocco, Tim Contois and Bill Beaudway

ABSENT: Trustee Chri O'Hea

ALSO PRESENT: Eric Laughlin, Morgan Stanley Investments; Finance Director Larry Noller, Village of La Grange Park; Robina Amato and Trinetta Gardner, Lauterbach & Amen, LLP (L&A); Retired Member Philip Kubisztal, La Grange Park Police Department

PUBLIC COMMENT: Philip Kubisztal expressed his opposition of the Article 3 Pension Fund consolidation bills currently in legislation and asked that the Board also oppose all Article 3 consolidation bills. Mr. Kubisztal expressed the negative impact any consolidation bill would have on the the actuarial funding percentage of the La Grange Police Pension Fund, the successful funding relationship with the Village and the adjudication of disability applications by the Board.

Mr. Kubisztal also requested that the approved meeting minutes from the La Grange Park Police Pension Board meetings be posted on the Village Website along with the calendar of Board meeting dates.

APPROVAL OF MEETING MINUTES: *February 4, 2019 Regular Meeting:* The Board reviewed the February 4, 2019 regular meeting minutes. A motion was made by Trustee Sabella and seconded by Trustee Beaudway to approve the February 4, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

TREASURER'S REPORT: Larry Noler informed the Board a supplemental contribution to the La Grange Park Police Pension Fund will be made to meet the \$1,042,388 municipal contribution requested by the Board. Larry Noler also informed the Board the cost for the actuarial valuation prepared by Foster & Foster has increased by \$193 and will be paid equally between the Police and Fire Pension Funds. A motion was made by Trustee Contois and seconded by Trustee Beadway to accept the Treasurer's report. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eleven-month period ending March 31, 2019 prepared by L&A. As of March 31, 2019, the net position held in trust for pension benefits is \$15,175,811.46 for a change in position of \$423,204.52. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period January 1, 2019 through March 31, 2019 for total disbursements of \$97,612.08. A motion was made by Trustee Beaudway and seconded by Trustee Contois to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$97,612.08. Motion carried unanimously by voice vote.

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Sabella and seconded by Trustee Beaudway to approve payment of the IDOI Compliance Fee upon receipt of the invoice, in an amount not to exceed \$8,000. Motion carried unanimously by voice vote.

INVESTMENT REPORT – MORGAN STANLEY INVESTMENTS: *Investment Management Report:* Mr. Laughlin reviewed the Capital Markets Overview and presented the Investment Management Report as of March 31, 2019. As of March 31, 2019, the ending market value of the portfolio is \$15,160,947.96. The total account return, net of fees for the first quarter is 9.23% for a total fund increase of \$1,444,797.76. The current asset allocation as of March 31, 2019 is as follows: Equities at 60.9%, Fixed Income & Preferreds at 30%, Alt. Strategies at 3.6% and Cash at 5.5%. All questions were answered by Mr. Laughlin. A motion was made by Trustee Contois and seconded by Trustee Beaudway to accept the Investment Management Report as presented. Motion carried unanimously by voice vote.

Potential Sale and/or Purchase of Securities: Mr. Laughlin recommended transferring \$100,000 from the Sustainable Growth Large Cap Fund and \$100,000 from the MDT Mid Cap Growth Fund and reallocating the proceeds to the Euro Pacific Growth Fund. A motion was made by Trustee Sabella and seconded by Trustee Beaudway to reallocate the funds as discussed. Motion carried unanimously by voice vote.

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

COMMUNICATIONS OR REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due by May 1, 2019.

Affidavits of Continued Eligibility: The Board noted that Affidavits of Continued Eligibility will be mailed to all pensioners with the June payroll cycle. A status update will be provided at the next regular meeting.

BOARD OFFICERS' REPORTS: There were no Board Officer reports at this time.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Ed Rompa:* The Board reviewed the regular retirement benefit calculation for Ed Rompa prepared by L&A. Police Chief Rompa had an entry date of February 1, 1999, retirement date of June 7, 2019, effective date of pension of June 8, 2019, 50 years of age at date of retirement, 20 years of creditable service, applicable salary of \$134,340.00, applicable pension percentage of 50%, amount of originally granted monthly pension of \$5,597.50 and amount of originally granted annual pension of \$67,170.00. A motion was made by Trustee Contois and seconded by Trustee Contois to approve Ed Rompa's regular retirement benefit, pending Village approval of salary increases effective May 1, 2019 and as calculated by L&A. Motion carried unanimously by voice vote.

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

Approval of Trustee Training Registration Fees and Reimbursable Expenses: The Board discussed the upcoming 2019 IPPFA MidAmerican Conference. A motion was made by Trustee Sabella and seconded by Trustee Beaudway to approve the registration fees for trustees interested in attending the 2019 IPPFA MidAmerican Conference and to direct L&A to register Trustees Marrocco, Contois and Sabella for the event. Motion carried unanimously by voice vote.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: The Board discussed amending the February 4, 2019 meeting minutes to include the language “The total earnings, net of market fluctuation for the quarter are -\$1,242,862.48” in the Investment Report section of the minutes and to use this language in all future meeting minutes. A motion was made by Trustee Contois and seconded by Trustee Beaudway to amend the February 4, 2019 meeting minutes and to approve the Investment Report language as discussed. Motion carried unanimously by voice vote.

Certify Board Election Results – Active and Retired Member Positions: L&A conducted an election for both of the active member positions and the retired member position on the LaGrange Park Police Pension Fund Board of Trustees. Fran Marrocco and Tim Contois ran unopposed and were reelected as the active members for two-year terms expiring April 30, 2021. Bill Beaudway also ran unopposed and was reelected as the retired member for a two-year term expiring April 30, 2021. A motion was made by Trustee Marrocco and seconded by Trustee Beaudway to certify the active and retired member election results. Motion carried unanimously by voice vote.

ATTORNEY’S REPORT – REIMER & DOBRONOLNY PC: The Board reviewed the *Legal and Legislative Update* quarterly newsletter.

CLOSED SESSION, IF NEEDED: No closed session was needed.

ADJOURNMENT: A motion was made by Trustee Marrocco and seconded by Trustee Beaudway to adjourn the meeting at 7:35 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for July 22, 2019 at 6:30 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 7-15-19

Minutes prepared by Robina Amato, Pension Services Administrator, Lauterbach & Amen, LLP