

# **BOARD OF TRUSTEES**

## **WEST CHICAGO POLICE PENSION FUND**

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**P.O. BOX 165, WEST CHICAGO, ILLINOIS 60186 – 0165**

Board of Trustees, Quarterly Meeting  
Thursday, July 19, 2018 at 9:00 A.M.  
West Chicago City Hall-Room A

1. Call To Order
  - a. Board President John Zurick called the meeting to order at 9:03 A.M.
2. Roll Call
  - a. A quorum was established with Trustee Zurick, Trustee Carogla, Trustee Guttman, Trustee Murphy, and Trustee Malkin all present. Also present was Board Clerk Jodi Rucks, Board Treasurer Linda Martin, Board Attorney Keith Karlson, Board Financial Advisor David Harrington, and Derek Flessner from Lauterbach and Amen.
3. Approval of June 7, 2018 Board Meeting Minutes
  - a. Trustee Cargola made a motion to approve the June 7, 2018 Board Meeting Minutes. The motion was seconded by Trustee Murphy. The motion was approved 5-0.
4. Public Comment- None
5. Treasurer's Report
  - a. Board Treasurer Linda Martin informed the Board that the City has made it's second quarterly payment of 2018 in the amount of \$775,000, on July 13, 2018 to the pension fund.
6. Investment Manager's Report
  - a. Review of and Possible Update to Investment Policy and Asset Allocation
    1. Board Investment Advisor David Harrington begun his report by reviewing the Investment Policy and no action was taken. He then gave a full report on the Quarterly Investment Performance ending on June 30, 2018. He detailed the Performance Review which ended with a \$522,151 return on investment. That is a 3.21% equity return. Giving the Pension a Total Account Return of 1.51% for the year-to-date. The Total Equity Return gain since inception on 3/4/16 is 17.50% which is above the blended benchmark of 16.99%. He made note that we are sitting at 55% Equity and 44% Fixed Income in our Portfolio Allocation. David then gave three quick key points on the economic growth and the federal reserve. He explained that the concerns over the U.S. trade polices and tariffs continue to rattle investors confidence fueling the market volatility. He also noted that the Federal Reserve has raised short term interest rates once more this year and plans to increase them two more times in 2018. Economic fundamentals continue on a good track with GDP growth, low employment, and a resilient consumer. Trustee Zurick made a motion to approve of the

Investment Manager's Report. The motion was seconded by Trustee Malkin. The motion was approved 5-0.

b. Potential Sale or Purchase of Annuities

1. The potential sale or purchase of annuities was revised by the Board and no action was taken at this time.

7. Accountant's Report

- a. Derek Flessner handed out the Monthly Financial Report for the month ended June 30, 2018. He reviewed the Financial Report making note that the Total Assets ended with \$30,073,115.01 for June 30, 2018. The Net Position held in trust for pension benefits coming to \$30,062,426.40. Derek reported that the IDOI has received the audit from Lauterbach and Amen on the Police Pension Fund and so far no questions have been brought forward. A motion was made to accept the Accountant's Report by Trustee Cargola. The motion was seconded by Trustee Malkin. The motion was approved 5-0.

8. Actuarial Report

a. Approval of the Actuarial Report

1. Trustee Zurick made a motion to approve of the Actuarial Report. Trustee Guttman seconded the motion. Roll call vote was taken and approved 5-0.
2. Trustee Cargola made a motion to accept the Municipal Compliance Report instructing Board Attorney Keith Karlson to make a formal request on behalf of the Pension Board to the City of West Chicago to levy \$2.5 million. The motion was seconded by Trustee Murphy. Roll call vote was taken and approved 5-0.

9. Attorney's Report

- a. Board Attorney Keith Carlson handed out the Carlson Garza LLC Quarterly News Letter. He made mention of the Hurd vs. The Board of Trustees of the Maywood Police Pension Fund case. This case demonstrates the differing opinions regarding what constitutes "patrol" in the appellate courts. He also reviewed what should be on fourth quarter agenda. Trustee Cargola made a motion to approve of the Attorney's Report. Trustee Zurick seconded the motion. The motion was approved 5-0.

10. Communications- None

11. Board Officers' Report- None

12. Approval of Disbursements

a. Approval of Bills to be Paid in July 2018

1. A motion was made by Trustee Guttman to approve of the Bills to be Paid in July 2018 in the amount of \$11,949.99. The motion was seconded by Trustee Malkin. Roll call vote was taken and approved 5-0.

12. Applications for Membership- None

13. Applications for Benefits- None

14. Applications for Refund- None

15. Old Business- None

16. New Business

a. Election of Board Officers

1. Trustee Murphy made a motion to keep the Board Members in their same positions Board President John Zurick, Vice President Bruce Malkin, Secretary Anthony Cargola, and Assistant Secretary Michael Guttman. Trustee Zurick seconded the motion. Roll call vote was taken and approved 5-0.

17. Executive/Closed Session

a. Executive Session for Purpose of Discussing Anticipated Litigation- None

18. Adjournment

- a. Trustee Guttman made a motion to adjourn the meeting at 9:32 A.M. Trustee Zurick seconded the motion. The motion was approved 5-0. The next monthly meeting will be Friday, August 24, 2018 at 9:00 A.M. The next Quarterly Meeting will be Thursday, October 18, 2018 at 9:00 A.M.