

# 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 18, 2019 at 9 A.M.  
West Chicago City Hall-Room A

1. Call To Order
  - a. Board President John Zurick called the meeting to order at 9:04 A.M.
2. Roll Call
  - a. A quorum was established with Trustee Zurick, Trustee Cargola, Trustee Murphy, and Trustee Guttman all present. Also present were Board Financial Advisors John Falduto and Tom Sawyer, Board Treasurer Linda Martin, Derek Flessner and Monika Adamski from Lauterbach and Amen, and Board Attorney Keith Karlson.
3. Approval of the June 20, 2019 Board Meeting Minutes
  - a. Trustee Murphy made a motion to approve of the June 20, 2019 Board Meeting Minutes. The motion was seconded by Trustee Zurick. The motion was approved 4-0.
4. Public Comment- None
5. Treasurer's Report
  - a. Board Treasurer Linda Martin informed the Board that the City made its second quarterly payment of 2019 in the amount of \$675,000 on June 28, 2019 to the pension fund.
6. Investment Manager's Report
  - a. Review and Update to Investment Policy and/or Asset Allocation
    1. Board Financial Advisor John Falduto began reviewing the Quarterly Investment Performance Report for the second quarter in 2019. We started the second quarter with \$29,091,752 in the fund and ended the second quarter with \$31,501,026. That is an Investment Return of \$944,432. That makes the year-to-date Investment Return \$3,339,925. The Total Account Return for the second quarter is 3.21% making the year-to-date 12.43%. The Total Equity Return for the second quarter is 3.4%. making the year-to-date 17.71%. Fixed Income Returns for the second quarter were 2.9% making the year-to-date 5.47%. John finished his portion of the report by commenting that since inception on 3/14/16 the fund has had an investment gain of \$6,003,720. Tom Sawyer quickly ran through some market commentary. His key points on equities included explaining slowing of earnings growth, increased recession risk, and how it could be headwinds. As for fixed income he noted that the market is currently pricing in multiple rate cuts in 2019. The expectations for economic growth remain tempered based on global trade concerns. Growth continues to be pos-

itive, but at a soling rate. A motion was made to accept the Investment Manager's Report by Trustee Cargola, The motion was seconded by Trustee Murphy. The motion was approved 4-0.

2. A motion was made by Trustee Zurick to accept the new Investment Policy as drafted by Sawyer/Falduto and to have it uploaded to the IDOI by Lauterbach and Amen. The motion was seconded by Trustee Cargola. The motion was approved 4-0.
- b. Potential Sale or Purchase of Annuities
  1. No action taken at this time.
7. Accountant's Report
  - a. Approval of the Annual Financial Report
    1. Monica Adamski from Lauterbach and Amen went through the AFR Management Letter. The Pension Liability for the City of West Chicago is \$58,625,684. The plan's fiduciary net position is \$29,585,019 which is 50.46 percent of the total pension liability. In accordance with the actuarial valuation report the City was required to contribute \$2,499,282 to the Pension Fund. Actual contributions were \$2,500,000. Trustee Cargola made a motion to approve to the AFR. The motion was seconded by Trustee Murphy. The motion was approved 4-0.
8. Actuarial Report
  - a. Approval of the Actuarial Report
    1. Derek Flessner from Lauterbach and Amen did a quick review of the Actuarial Report. No changes were made to the report from the last quarterly meeting. Management Summary recommends that the contribution for the fund be \$2,662,434. That is an increase of \$99,301 from the prior year. The funded percentage has increased by 1.46% on an actuarial value of assets basis. Trustee Murphy made a motion to approve of the Actuarial Report and to request the City to levy \$2,662,434. Trustee Cargola seconded the motion. Roll call vote was taken and approved 4-0.
    2. Trustee Guttman made a motion to approve of the MCR as composed by Lauterbach and Amen and directed Board Attorney Keith Karlson to send the Tax Levy Request along with the MCR to the City. The motion was seconded by Trustee Murphy. The motion was approved 4-0.
9. Attorney's Report
  - a. Board Attorney Keith Carlson handed out and went over the Karlson Garza LLC Quarterly News Letter.
10. Approval of Disbursements
  - a. Approval of the Bills to be Paid in July 2019
    1. A motion was made by Trustee Guttman to approve of the Bills to be Paid in July 2019 in the amount of \$11,593.00. The motion was seconded by Trustee Murphy. Roll call vote was taken and approved 4-0.
11. Applications for Membership- None
12. Applications for Benefits- None

13. Applications for Refund- None

14. Old Business- None

15. New Business

a. Election of Board Officers

1. Trustee Zurick 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 Murphy seconded the motion. Roll call vote was taken and approved 4-0.

b. FOIA Officer and OMA Designee

1. Trustee Zurick made a motion for Trustee Anthony Cargola to be the Board's FOIA and OMA Designee. The motion was seconded by Trustee Murphy. The motion was approved 4-0.

c. Review/Approve of Actuarial Valuation and Tax Levy Request

1. See item 8A1 and 8A2

d. Review/Approve of Municipal Compliance Report

1. See item 8A2

16. Executive/Closed Session-None

17. Adjournment

- a. Trustee Zurick made a motion to adjourn the meeting at 9:43 A.M. The motion was seconded by Trustee Cargola. The motion was approved 4-0.