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**GRAYSLAKE POLICE PENSION FUND**  
**10 South Seymour, Avenue, Illinois 60030-0906**  
**DOI Pension Fund Number POO9600**

MINUTES OF A REGULAR MEETING OF THE GRAYSLAKE POLICE PENSION FUND held **July 20, 2017 at 8:00 a.m.** at the Village Hall, 10 South Seymour Avenue, Grayslake Illinois.

**I. Call to order and roll call**

Trustees present: Stu Crowley, Conrad Gutraj, Linda Wegge and Tom Morris. Trustees Absent: Brian Ernst. Also in attendance: Attorney Jeff Goodloe, Finance Director Bettina O'Connell, John Falduto from Sawyer Falduto Asset Management (SFAM), and Steve Eitel from PNC.

President Crowley called the meeting to order at 8:00 a.m.

No members of the public were present.

**II. Public Discussion**

Crowley invited members of the public to speak. There being no response, Wegge made a motion, seconded by Gutraj to close public discussion. All "Ayes". Motion Carried.

**III. Approval of Minutes of April 20, 2017 Regular Meeting**

The minutes of the April 20, 2017 Regular Meeting were reviewed.

Wegge made a motion, seconded by Morris, to approve the April 20, 2017 regular meeting minutes as presented. All "Ayes". Motion Carried. Motion Carried.

**IV. Sawyer / Falduto Financial Report – Equity Report**

John Falduto presented the 2017 Second Quarter Investment Performance Report including performance review, market commentary, portfolio statement, and the transaction ledger. Total account return for the quarter of 3.78% net of fees. Total account return year to date of 9.83% net of fees.

Morris asked a question regarding the natural resources and real estate investment trust holdings.

Morris made a motion, seconded by Wegge to accept the 2017 Second Quarter Investment Report. All "Ayes". Motion Carried.

**V. PNC Financial Report – Fixed Income Report**

Steve Eitel presented the 2017 Second Quarter Investment Performance Report including performance review, market commentary, portfolio statement, and the transaction ledger. Total account return for the quarter of 0.88% net of fees. Total account return year to date of 1.61% net of fees.

Wegge made a motion, seconded by Gutraj to accept the 2017 Second Quarter Investment Report. All “Ayes”. Motion Carried.

**VI. Treasurer’s Report**

**A) Village Treasurer’s Report** – Finance Director O’Connell presented the treasurer’s report. Pension Fund net present assets at approximately \$19.4 million reflecting an 11.14% net increase in the portfolio for the year ended June 2017. Finance Director O’Connell tendered a check to PNC in the amount of \$210,000 for investment in the fixed income account. Finance Director O’Connell tendered a check to SFAM in the amount of \$200,000 for investment in the equity account. Finance Director O’Connell is going to reissue the check to SFAM with the correct payee. Gutraj asked a question regarding the description for Max Vogel’s pension on the disbursement report and whether it should be changed to identify the surviving spouse.

Finance Director O’Connell that she would reissue the treasurer’s report with an updated investment performance page, an updated disbursement page with the Grayslake Police Pension Fund as the payee for the SFAM investment transfer check, and an updated payee on the disbursement page listing Barbara Vogel as a “surviving spouse.”

**B) Audit Update** – Finance Director O’Connell advised that the audit is underway and that the final report should be completed for the next quarterly meeting.

**C) Illinois Department of Insurance Annual Statement Update** – Finance Director O’Connell advised that the Illinois Department of Insurance Annual Statement is also underway and will be ready for filing prior to the October 31, 2017 deadline.

**D) Annual Report to the Village Board (40 ILCS 5/3-141)** – Finance Director O’Connell presented the 40 ILCS 5/3-141 report. Morris made motion, seconded by Wegge to accept the report. All “Ayes”. Motion Carried.

Wegge made a motion, seconded by Gutraj to accept the treasurer’s report as amended. All “Ayes”. Motion Carried.

**VII. Attorney’s Report** – Attorney Goodloe provided an update regarding new legislation and case law. (HB 418, HB 688, *Village of Alsip v. Portincaso*, and *Marinelli v. Springfield Police Pension Board*)

- A) **Joseph Manges – Annual Disability Evaluation** – Attorney Goodloe advised that pensioner Manges attended his annual examination with Dr. Craig Bennett, M.D. on May 12, 2017 and that Dr. Bennett issued a report finding that pensioner Manges remained disabled. The Board tabled the matter until next meeting for Attorney Goodloe to distribute Dr. Bennett’s report to Morris, Wegge, and Gutraj.

#### VIII. Old Business

- A) **IPPFA-ATC, St. Louis, MO – Union Station October 3-6, 2017 – Secretary Ernst completed and submitted online registration for all board members.** – The Board discussed arrangements for attending the IPPFA Annual Training Conference.
- B) **Discussion and vote on acceptance of Gutraj application and tax filing for increase in disability pension 40 ILCS 5/3-114.1(d).** – Morris made a motion, seconded by Wegge, to approve Conrad Gutraj’s annual pension increase pursuant to 40 ILCS 5/3-114.1(d). Ayes – Crowley, Wegge, Morris. Nays – None. Abstain – Gutraj. Motion Carried.
- C) **Discuss and Vote on pursuing cyber security policy to be active November 7, 2017 – Cyber Security Quote is \$3,113 in addition to current fiduciary liability annual premium** – The Board reviewed the proposed cyber security policy. The Board tabled the matter in order for Finance Director O’Connell to get additional information as to whether the Village currently has a cyber security policy and whether the Board is covered or can be added as a named insured. Morris indicated that he would like for the insurance agent attend a meeting to explain the proposed coverage and how the proposed coverage works in the context of the Board’s current liability coverage.

#### IX. New Business

- A) **Pay Bills** – Wegge made a motion, seconded by Morris, to approve the payment of the bills as presented in the treasurer’s report. Roll Call Vote: Ayes – Crowley, Gutraj, Morris, Wegge. Nays – None. Abstain – None. Motion Carried.
- B) **Bi-Annual Election Held on April 17, 2017** – Selection of Board Officers – Wegge made a motion, seconded by Gutraj, to maintain the current Board officer positions (Crowley – President; Gutraj – Vice President; Ernst – Secretary; Morris – Assistant Secretary). All “Ayes”. Motion Carried.
- C) **Other** – Pensioner Voykin contacted the Board and needs a statement of proof of income for purposes of his mortgage application. Mr. Eitel from PNC indicated that PNC would handle the matter.

**X. Adjournment**

Wegge made a motion, seconded by Gutraj to adjourn the meeting at 9:10 a.m. All "Ayes".  
Motion carried.

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MINUTES APPROVED on 10.19.17

  
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PRESIDENT

  
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SECRETARY

VICE PRESIDENT

*RPE ABSTAIN*