

BOARD OR COMMISSION: Glen Ellyn Police Pension

MEETING: Regular

QUORUM: Yes

DATE: July 11, 2012

CALLED TO ORDER: 7:30 p.m.

ADJOURNED: 8:29 p.m.

PRESENT: John Adduci, James Mullany, James Monson

ABSENT: Bill Housey, Raymond Munch

OTHERS: Investment Manager Merrill Rajeck, Finance Director Kevin Wachtel, MB Financial Bank Vice President of Retirement Plan Services Michael Stuart

AUDIENCE: None

CALL TO ORDER:

The July 11, 2012 regular meeting of the Glen Ellyn Police Pension Board was called to order by Trustee Adduci at 7:31 p.m. in Room 301 of the Glen Ellyn Civic Center. A quorum was present.

AUDIENCE PARTICIPATION:

None.

APPROVAL OF MINUTES:

Trustee Mullany moved to approve the April 11, 2012 meeting minutes, and Trustee Monson seconded. The motion carried unanimously.

QUARTERLY INVESTMENT MANAGER'S REPORT:

Manager Rajeck presented the Quarterly Investment Manager's Report and reviewed the Investment Management Review with the board. In the past three months, bonds went up and stocks went down giving the fund a Net Total Fund Investment Return of -.26% compared to 3.81% for the past twelve month period. Three transactions were made for the period; FFCB, FHLB, and FNMA (Fannie Mae) coupon bonds were purchased. Coupon bonds were purchased in anticipation of when interest rates begin to increase. Energy prices went down, but will inevitably increase again. Materials were also down.

The outlook right now is that stocks have a very solid base, but stocks are not moving at the moment. Manager Rajeck reported the fund is fully investment in bond portfolios, but had the possibility of investing sizable money in stocks but suggested waiting for a better buying opportunity first. Future ideal purchases would be gross stocks and large cap growths, and possibly small caps. He believes it is

too early for the fund to invest in industrial funds. The fund may want to double up on foreign country index funds. The iShares iBoxx Investment Group Bond Funds would be a nice addition to the fund, but the price is too high right now for investment.

Trustee Adduci inquired as to why the market did not experience better growth last period. Manager Rajeck explained investors are purchasing stable investments right now, such as, large corporations and utilities. Larger term growths will outperform stable investments, but experience more ups and downs.

Trustee Adduci also inquired how does an election season traditionally influence the market cycle. Manager Rajeck responded the market is more progressive for a democratic presidency.

At this point, Rajeck left the meeting at 8:14 p.m.

Trustee Monson moved, and Trustee Mullany seconded, to approve the Quarterly Investment Manager's Report. The Motion carried unanimously.

ELECTION OF PENSION FUND OFFICERS:

Trustee Adduci inquired as to Trustee Munch's health recovery. Trustee Monson related Trustee Munch will have a six month recuperation period. The board wished to express all the members were thinking of him.

Trustee Mullany motioned, and Trustee Monson seconded, the present officers of the board be retained for the coming year. The Motion carried unanimously.

APPROVAL OF MEMBERSHIP CHANGES/CONTRIBUTION REFUNDS/TRANSFERS:

Finance Director Wachtel reported Officer Thomas Staples retired as of May 4, 2012. The first month of Officer Staples' pension is prorated, and then he will receive a full pension at beginning of second month.

Trustee Monson motioned, and Trustee Mullany seconded, to accept Officer Thomas Staples pension. The Motion carried unanimously.

Roll Call Vote – Trustee Adduci, Trustee Mullany, Trustee Monson

APPROVAL OF EXPENSES:

The following expenses were recommended for approval:

Chadwick & Garvey, LLC, CPA	\$525.00
MB Financial	\$3,892.12
Rockwood Company, Fiduciary Insurance	\$3,668.00
Jay Company, Investment Management	\$8,412.00
Illinois State Treasurer, DOI Compliance Fee	\$4,554.45
James Mullany, IPPFA Conference	\$657.28
Chadwick & Garvey, LLC, CPA	\$525.00

Trustee Mullany moved, and Trustee Monson seconded, to approve payment of the above expenditures and approval of vouchers as presented by staff. The Motion carried unanimously.

Roll Call Vote – Trustee Adduci, Trustee Mullany, Trustee Monson

OTHER BUSINESS:

Trustees Monson and Munch are planning to attend the Midwest Pension Conference on October 2-5, 2012. Trustee Adduci may attend. Trustees can either pay for the conference through accounts payable process or receive reimbursement.

Finance Director Wachtel distributed an annual filing report to the board and the Village of Glen Ellyn stating the current status of the fund, and the amount due to and from the police pension and the village.

Finance Director Wachtel inquired which trustee had not signed the annual fiduciary liability policy. Trustees Mullany and Monson reviewed the document's signature list and stated Trustee Housey had not signed the document.

Michael Stuart, Vice President of Retirement Plan Services at MB Financial Bank in Rosemont, Illinois, introduced himself to the board and offered assistance to the board related to financial planning or questions. His contact information was distributed to the board.

NEXT MEETING:

The next meeting will be October 10, 2012.

ADJOURNMENT:

Trustee Mullany moved, and Trustee Monson seconded, to adjourn the meeting. The motion carried unanimously. The July 11, 2012 meeting was adjourned at 8:29 p.m.

Submitted by Jody Conidi, Recording Secretary

President