

**PARK RIDGE POLICE PENSION FUND
BOARD OF TRUSTEES
July 26th, 2017 REGULAR QUARTERLY MEETING
MINUTES**

Pursuant to public notice, a regular quarterly meeting of the Board of Trustees of the Park Ridge Police Pension Fund was held on Wednesday July 26th, 2017 at 10:00 at City Hall, 505 Butler Place, Park Ridge, Illinois.

Call to Order: President Laura Kappler called the meeting to order at 10:05 a.m. Trustee Kappler took a roll call vote of trustees. Present were trustees Laura Kappler, James Stonebridge, Greg Orta and Jeff Hejza. Absent was trustee Jon Moehrlin. Also in attendance was Debbie Crabtree from Sikich LLP, Charles Atwell the board attorney, and Mary Tomanek from Graystone Consulting. Brian Boyd from Digital paper solutions and Tim Bowen from Mesirow Financial were there to do a short presentation on their products. Digital Solutions was established in 1998 and scans documents for numerous companies and government agencies in the area. There fees to set up scanning could range up to \$10,000 and a yearly cost to maintain would be about \$2,500 yearly. Tim Bowen explained how fiduciary works for the fund and the trustees and presented the yearly cost of about \$4,000 dollars.

Approval of Minutes: The trustees reviewed the minutes from the April 25th, 2017. A motion was made by Jeff Hejza to approve the minutes and a second by Jim Stonebridge. All were in favor the minutes were unanimously approved by the board.

Accounting Firm: Debbie Crabtree from Sikich presented the financial statement for the 12 months ending April 30th, 2017. She reviewed the report and the various schedules included. She also reviewed the finances, the investments that are coming due and the tax levy payments schedule. A motion was made by Jim Stonebridge and seconded by Greg Orta. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Hejza. "Nays" – None.

The warrant disbursement sheet for the past three months April 1st thru June 30th, 2017 totaling \$840,951.07 was presented to the board by Sikich. A motion was made by Jim Stonebridge and seconded by Jeff Hejza to accept the expenditure report ending June 30th, 2017. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Hejza. "Nays" – none. Debbie left after she submitted the financials.

Officers Robert Niemic resigned on 5-12-17 and Edward Chevere also resigned on July 15th, 2017.

Laura Kappler presented a letter signed by Retired Officer Greg Taylor's divorce attorney that the support had been terminated as of May 31st, 2017. This paperwork will be placed in his file. A vote was taken by the board to accept this letter all were in favor motion passed.

Attorney Atwell's Report: As of January 1st, 2018 second pensions will not be allowed going forward. There will also be some new legislation coming out about this soon.

Trustee Jim Stonebridge said he will be doing some training on line to get his hours in for the year.

Nomination of officers: A motion was made by Jim Stonebridge to keep the board officers the same. Laura Kappler – President, Jim Stonebridge Vice-President, Jon Moehrlin- Secretary, Greg Orta- Assistant Secretary and Jeff Hejza trustee. The treasurer will be the City of Finance Director. It was seconded by Greg Orta. All were in favor.

Investment Report: Mary Tomanek from Graystone Consulting a business of Morgan Stanley presented the quarterly investment report. She reviewed the performance of the portfolio and made recommendations.

She presented the investment quarterly report ending June 30th, 2017. A motion to accept the report was made by Jim Stonebridge and seconded by Jeff Hejza. A roll call vote was taken: “Yeas” – Stonebridge, Hejza, Orta, and Kappler. “Nays” – none.

Her first recommendations were to change in Investment Policy on page 5 as a whole. Jim Stonebridge made a motion to accept this change in the policy and it was seconded by Jeff Hejza. A roll call vote was taken: “Yeas” – Stonebridge, Hejza, Orta, and Kappler. “Nays” – none.

She recommended we consider vanguard Large Growth Index Fund, assets to be custodian at Vanguard or another Custodian. Jim Stonebridge made a motion to have Vanguard be the custodian of the funds. It was seconded by Jeff Hejza. A roll call vote was taken: “Yeas” – Stonebridge, Hejza, Orta, and Kappler. “Nays” – none.

She also recommended we transfer \$1 million from Red Granite Large Growth to Vanguard Large Growth Index Fund due to underperformance versus benchmark. Jim Stonebridge made a motion to transfer the \$1 million as recommended to Vanguard Large Growth Index Fund and it was seconded by Jeff Hejza. A roll call vote was taken: “Yeas” – Stonebridge, Hejza, Orta, and Kappler. “Nays” – none.

Lastly, she recommended the fund rebalance portfolio to equal weight Value/Growth to and transfer \$1.2 million from Vanguard Total Stock Market Index Fund to Vanguard Large Growth Index Fund. Jim Stonebridge made the motion to rebalance the portfolio and transfer the \$1.2 million it was seconded by Jeff Hejza. A roll call vote was taken: “Yeas” – Stonebridge, Hejza, Orta, and Kappler. “Nays” – none.

Adjournment: On a motion made by Greg Orta and seconded by Jim Stonebridge the meeting was adjourned at 1:05 p.m. Approved unanimously carried in a roll call vote.
Respectfully submitted,

Laura Kappler, President

Greg Orta, Assistant Secretary

Approved by the Board of Trustees on October 24th, 2017
These minutes were prepared by Laura Kappler