

**PARK RIDGE POLICE PENSION FUND  
BOARD OF TRUSTEES  
October 24<sup>th</sup>, 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 Tuesday October 24th, 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 10:17 a.m. Trustee Kappler took a roll call vote of trustees. Present were trustees Laura Kappler, James Stonebridge, Greg Orta and Jon Moehrlin. Absent was trustee Jeff Hezja. Also in attendance was Debbie Crabtree from Sikich LLP, Charles Atwell the board attorney, Mary Tomanek from Graystone Consulting, Andrea Lamberg City Finance Director and Carl Brauweiler citizen of Park Ridge and former trustee.

Approval of Minutes: The trustees reviewed the minutes from the July 26th, 2017. A motion was made by Jim Stonebridge to approve the minutes and a second by Greg Orta. All were in favor the minutes were unanimously approved by the board.

Accounting Firm: Debbie Crabtree from Sikich presented the financial statement for the 5 months ending September 30<sup>th</sup>, 2017. A motion was made by Jim Stonebridge to accept the report and it was seconded by Greg Orta. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

Debbie mentioned the Municipal Compliance Report was needed, the signature sheet was received from the board, and lastly she presented the engagement letter for services for next year. There will be a 4% increase in their services. A motion was made by Jim Stonebridge and seconded by Greg Orta to retain Sikich for another year. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

Debbie also presented the Warrant Disbursement for the months of July, August and September 2017. The total was \$893,195.02. A motion was made by Jim Stonebridge and seconded by Greg Orta to accept the report. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

Officer Status Report: Officer Agnes Szpiganowicz sent in her yearly disability form from her doctor. Per Charlie Atwell we needed to make a motion to keep her on disability. A motion was made by Jon Moehrlin to continue her disability and it was seconded by Greg Orta. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

Officer Hector Cruz had previously entered into a QUILDRO when he got divorced years ago. The board received paperwork signed by a judge that vacates the previous order. It will be placed in his pension file.

Charles Atwell Report: He talked about the legislature wanting to consolidate all of the police and fire pension funds statewide but there has not been any movement on this. He also talked about Chief's of Police not being able to collect a second pension from a municipality as of January 1<sup>st</sup>, 2018. There will be a siren about this from the Department of Insurance when this comes in to play for the funds.

Fiduciary Insurance: After the last meeting where the board approved purchasing the insurance for the fund. A policy from Mesirov Financial was put together after Laura Kappler filled out an application. The Markel American Insurance Company will be the company the pension fund will have insurance with. The yearly premium is \$3,825.00 and paid up now through September 15<sup>th</sup>, 2018. A motion was made by Jim to accept this insurance plan and seconded by Jon Moehrlin. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

Trustee Training: Jim Stonebridge completed his training as of August 2017 and submitted the bill for payment to the fund.

Next Year Meeting dates: January 23<sup>rd</sup>, 2018, April 24<sup>th</sup>, 2018, July 24<sup>th</sup>, 2018 and October 23<sup>rd</sup>, 2018. A motion was made by Jim Stonebridge and seconded by Greg Orta to accept this dates as our 2018 meeting dates. All were unanimously in favor of the motion.

Investment Report: Mary Tomanek from Graystone Consulting a business of Morgan Stanley presented the quarterly investment report ending September 30<sup>th</sup>, 2017. She reviewed the performance of the portfolio and had no recommendations for this quarter. She only advised that there the board would need to take \$400,000 from CSMkee to put in the money market for future benefit payments. A motion was made by Jim Stonebridge to move the money to the money market and it was seconded by Greg Orta. A roll call vote was taken: "Yeas" – Kappler, Stonebridge, Orta, and Moehrlin. "Nays" – none.

The investment policy was passed around to sign since Mary brought a clean copy. Jeff Hejza was absent so he will have to sign it at the next board meeting in January.

Quarter in Review: International markets continued to outperform the US in the 3rd Quarter. Returns were driven by earnings in EM, Japan and Europe higher than the US. In aggregate, S&P 500 companies posted 2Q earnings per share growth of 10.7%. On a sector level, tech (anchored by strong earnings), energy (carried higher with crude recovering), and financials (lifted by the move higher in rates near quarter-end) all outperformed the broader market in 3Q. Real Estate and utilities (interest rate sensitive sectors), consumer discretionary (weaker consumer) and consumer staples (defensive) all underperformed the broader market.

Since the agenda did not have the actuary report and levy on it there will be a special meeting to vote on it on October 30<sup>th</sup>, 2017 at 530pm at Park Ridge City Hall. A notice will go out this week.

Adjournment: On a motion made by Jim Stonebridge and seconded by Greg Orta the meeting was adjourned at 12:05pm. Approved unanimously carried in a roll call vote.  
Respectfully submitted,

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Laura Kappler, President

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Jon Moehrlin, Secretary

Approved by the Board of Trustees on January 23<sup>rd</sup>, 2018  
These minutes were prepared by Laura Kappler