

# Homewood Police Pension Fund

17950 Dixie Highway ♦ Homewood, IL 60430 ♦ (708) 206-3420



Emmet Cassidy  
Board President

Greg Knoll  
Board Vice-President

Brian Beauchamp  
Board Secretary

## **MINUTES OF REGULAR MEETING**

**JULY 27, 2011**

### **Two Hundred Twenty Fifth Meeting**

I. Meeting was called to order at 3:20 PM.

#### II. ROLL CALL

Board members present were: President Emmet Cassidy, Vice President Greg Knoll, Secretary Brian Beauchamp, Trustee Denise McGrath and Trustee Michael Nickolaou. Non-Members Present were: Phil Kosmala and Jeffrey Krenchick of Lowery Asset Consulting, LLC., Dennis Bubenik from the Village of Homewood, Nathan Gaskill of Lauterbach & Amen and Richard Reimer of Reimer and Associates.

#### III. ELECTION OF OFFICERS

The annual election of officers was held.

- (a) There was a motion made by Greg Knoll to elect Brian Beauchamp as secretary. The motion was seconded by Michael Nickolaou and was carried by unanimous voice vote.
- (b) There was a motion made by Brian Beauchamp to elect Michael Nickolaou as the assistant secretary. The motion was seconded by ---- and carried by unanimous voice vote.
- (c) There was a motion by Michael Nickolaou to elect Greg Knoll as president. The motion was seconded by Brian Beauchamp and was carried by unanimous voice vote.
- (d) There was a motion by Brian Beauchamp to elect Denise McGrath as the vice president. The motion was seconded by ----- and was carried by unanimous voice vote.

#### IV. APPROVAL OF MINUTES

The minutes were reviewed by the board members. There was a motion by Greg Knoll to approve the minutes from 04-21-2011. The motion was seconded by Michael Nickolaou and was carried by unanimous voice vote.

#### V. PUBLIC COMMENT

There were no public comments made.

#### VI. CONFERENCE CALL CONCERNING PROFESSIONAL LIABILITY INSURANCE

There was a conference call held with

## **New Business**

Sergeant Michael MacDonald applied for his retirement to the Homewood Police Pension Board. Kelly Krueger of Lauterbach & Amen related that she would get the calculations for his payment to the board. A special meeting will be held on 04-27-2011 at 9:00 AM at the Homewood Village Hall to call a vote on the approval of his retirement calculations.

## **Pension Fund Performance**

Phil Kosmala and Jeffrey Krenchik of Lowery Asset Consulting reviewed the fund's performance for the fourth quarter.

**Large Cap Value Stocks (Davis Venture Value)** were up 4.6% for the first quarter with an ending value of \$2,149,844.

**Large Cap Growth Stocks (Navellier)** were up 4.2% for the first quarter with an ending value of \$1,645,463.

**Large Blend Stocks (Contravisory)** were up 7.7% for the first quarter with an ending value of \$1,498,236.

**Tactical Stocks (Leuthold Core)** were up 5.5% for the first quarter with an ending value of \$1,269,007.

**Segal, Bryant & Hamill (Fixed Income Manager)** was up 0.25% for the first quarter with an ending value of \$5,520,590.

**Mitchell, Vaught & Walker (Fixed Income Manager)** was up 0.03% for the first quarter with an ending value of \$5,311,195.

**Natural Resources (Ivy Global)** were up 12% for the first quarter with an ending value of \$1,138,592.

**International Stocks (Dodge & Cox)** were up 2.5% for the first quarter with an ending value of \$1,544,864.

Overall **The Homewood Police Pension Fund** was up 2.7% for the first quarter with an ending value of \$22,232,968.

Phil Kosmala recommended that we move \$220,000.00 from Leuthold Core and \$220,000.00 from Dodge & Cox into Segal, Bryant & Hamill. The motion was made by Brian Beauchamp to move those funds as recommended by Phil Kosmala. The motion was seconded by Greg Knoll and was carried by unanimous voice vote.

There was discussion about U.S. Bank being our custodian. Currently there are a number of accounts for each fund. There was discussion on a solution to the transfer funds into in the Illinois Funds Account that covers employee benefits. In the past, board members had to call U.S. Bank to have funds transferred into that account to cover benefits. Phil Kosmala recommended that we transfer funds from the Mitchell, Vaught & Walker account into the Illinois Funds account on a monthly basis so the telephone calls did not have to be made. Phil Kosmala stated that he was going to contact a number of different custodians to permanently alleviate the issue of having to call U.S. Bank to transfer the funds. Kelly Krueger stated that we need \$115,000.00 per

month to cover pension benefits. There was a motion to direct Mitchell, Vaught & Walker (Account # 7139155827) to provide \$115,000.00 per month into Illinois Funds Account (Account # 7139109636) until further notice. The motion was seconded by Brian Beauchamp and carried by unanimous voice vote.

## **Invoice Approval**

Kelly Krueger presented the board and discussed the financial report prepared by Lauterbach & Amen, LLP.

The following invoices were presented to the board for payment:

- Lauterbach & Amen, LLP in the amount of \$725.00 for professional services in connection with monthly accounting and preparation of interim financial statements for the month of March, 2011.
- Lauterbach & Amen, LLP in the amount of \$200.00 for professional services rendered in connection with year-end IRS tax forms for the calendar year ended.
- Lauterbach & Amen, LLP in the amount of \$500.00 for professional services rendered to prepare the Municipal Compliance Report as required by House Bill 5088 for the year ended.
- Lauterbach & Amen, LLP in the amount of \$725.00 for professional services rendered in connection with monthly accounting and preparation of interim financial statements for the month of January, 2011.
- Lowery Asset Consulting, LLC in the amount of \$4,200.00 for performance evaluation and consulting services for fourth quarter 2010.
- Lowery Asset Consulting, LLC in the amount of \$4,200.00 for performance evaluation and consulting services for first quarter 2011.
- Illinois Public Pension Fund Association in the amount of \$775.00 for yearly dues.
- Village of Homewood in the amount of \$2,432.36 for reimbursement for payment of fiduciary liability insurance premiums.

A motion was made by Greg Knoll to approve the invoices for payment. The motion was seconded by Denise McGrath and carried by unanimous voice vote.

The election for active member trustee was held. Denise McGrath ran unopposed and will be retained as active member trustee.

There was discussion by Richard Reimer in reference to documents needed for him to review. The following is the list of items requested by Mr. Reimer:

- Current Investment Policy
- Contract with Investment Consultants/Managers/Custodians
- Meeting minutes for year 2010
- Most recent Audited Financial Report
- Current Actuarial Evaluation
- Administrative Rules and Regulations
- Most Recent Department of Insurance Compliance Audit
- Villages Ethics Ordinance/Policies
- Fiduciary Liability Insurance Policy

There was discussion on changing the upcoming regular meeting dates. There was a motion by Brian Beauchamp to change the regular meeting dates to the following dates:

- July 27<sup>th</sup>, 2011 at 3:15 PM
- October 26<sup>th</sup>, 2011 at 3:15 PM
- January 25<sup>th</sup>, 2012 at 3:15 PM

All meetings will be held at the Homewood Police Station.  
The motion was seconded by Denise McGrath and was carried by unanimous voice vote.

A motion was made and carried to adjourn the meeting.

Respectfully Submitted,

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Brian Beauchamp – Secretary  
Homewood Police Pension Board