

**Western Springs Police Pension Board Meeting:**

**January 28, 2020**

**Village Hall, President's Chamber**

**740 Hillgrove Avenue Western Springs, Illinois**

The meeting was called to order at 7:00 PM.

**Present:**

Mark Doyle, President  
David Dayhoff, Representative for Retirees  
Elizabeth Welsh, Trustee  
Meagan McPherson, Assistant Secretary  
John Mastandona, Assistant Director of Finance  
Grace Turi, Director of Finance  
Heidi Rudolph, Trustee Liaison

**Others Present:**

Mary Nye, AndCo Consulting

**Items of Discussion:**

**2. Citizen Comments**

No one present for citizen comments.

**3. Minutes – November 5, 2019**

Minutes are currently in a draft form. It will be reviewed and discussed at next meeting.

**4. AndCo Consulting Portfolio Managers and Allocation Review**

Mary Nye from AndCo Consulting presented the quarterly report.

Ms. Nye began with sharing an update on the firm. 2020 is AndCo's 20-year anniversary and has grown to employ 89 people while advising approximately \$92 billion in client assets. Attention was brought to the two new Partners in the firm; Kim Spurlin and Evan Scussel.

Ms. Nye reviewed the 4<sup>th</sup> Quarter 2019 Market Environment. Member attention was directed to overall market/quarter specific reports and their contents were detailed. Ms. Nye noted that this quarter saw overall positive growth. The only negative return was Barclays US government in fixed incomes.

Ms. Nye moved on to the one year report, where she pointed out everything had a positive return. She advised 2019 was a very good year from a performance point of view.

Ms. Nye then covered the fund specific market information. At the beginning of the 4<sup>th</sup> quarter the market value for the total fund was approximately \$16.9 million with net outflows of about \$353,000 with the return on investment just under \$1 million, resulting in a market value of approximately \$17.6 million at the end of the 4<sup>th</sup> quarter.

For the entire year the plan had net outflows of \$116,450 with a return on investment of approximately \$2.95 million resulting in \$17.6 market value.

Ms. Nye directed our attention to the asset allocation report, which reflected numbers within the targeted range for domestic equity, international and emerging markets equity and fixed income when combined with cash. Ms. Nye advised she felt comfortable leaving fixed income as is for now and reassessing next quarter.

Grace Turi advised she should be able to make the February payment but may be short in March. This is a timing issue due to the distribution of taxes in March. Ms. Nye said to just let her know and they can go over options for moving funds.

The 4<sup>th</sup> quarter yielded 5.87% return, ranking in the 22<sup>nd</sup> percentile. The fiscal year-to-date yielded 19.93% return, ranking in the 42<sup>nd</sup> percentile. Even with the restrictions, the portfolio did very well. The Vanguard and Acorn managers, for the most part, did well while Clearbridge struggled a little. Ms. Nye brought attention to the turnaround in performance by Acorn, which had been a point of discussion in past meetings due to its poor performance.

Ms. Nye expressed that 2019 was a very good year and does not have any concerns about current fund managers.

Mark Doyle asked what the attributions were for Clearbridge. Ms. Nye advised that their selection in IT hurt them quite a bit.

Mr. Doyle asked for any news on the consolidation. Ms. Nye and Director Turi advised there are currently no set rules and an interim board will be establishing rules. A permanent board is supposed to be made in January 2021. Due to the amount of work needed to be done, there is a consensus among other pension funds that 30 months will not be enough time to complete the consolidation.

Ms. Nye reassured the Board that AndCo will continue with Board until the end. She shared that AndCo is making sure she has other business to handle after she loses police and fire plans.

## **5. Quarterly Reports**

Director Turi reviewed the quarterly report, we ended the year with net income of \$2,799,723 giving us total assets at the end of the year of \$17,603,000. There are about \$6,000 or \$7,000 in accrued bank fees which will be approved tonight.

David Dayhoff made a motion to approve the quarterly report. Meagan McPherson seconded the motion. All were in favor. The motion carried.

## **6. Pension Request**

Meagan McPherson advised there is a new member of the police department, Bradley Jasutis. Bradley has the required paperwork to be approved at the next meeting and will also be submitting a letter of direction to transfer over his previous pension.

## **7. Refund Request**

Grace Turi advised that she had been contacted by Kevin Verdon who was looking for his refund of \$119. Paperwork was not submitted prior to this meeting.

## **8. Invoices**

Director Turi advised there were two invoices that needed approval. The quarterly for AndCo of \$5,250 and the quarterly of Mesirow for \$5,228.38.

David Dayhoff made a motion to approve. Elizabeth Welsh seconded the motion. All were in favor. Motion carried.

## **9. New Business**

Director Turi advised a COLA is in place per State statute.

Director Turi also advised that the Department of Insurance is requiring specific information (i.e the address of the meeting place) be included in the minutes.

## **10. Old Business**

Director Turi advised she will be sending over our reports to the actuary to help them determine the next years levy.