

Downers Grove Police Pension Board

Report of Proceedings

October 30, 2017

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<p style="text-align: center;">1</p> <p style="text-align: center;">BEFORE THE DOWNERS GROVE POLICE PENSION BOARD</p> <p style="text-align: center;">REPORT OF PROCEEDINGS October 30, 2017 11:00 a.m.</p> <p>PROCEEDINGS HAD and testimony taken before the DOWNERS GROVE POLICE PENSION BOARD, taken at the Downers Grove Village Hall, 801 Burlington Avenue, Downers Grove, Illinois, before LINDA M. CIOSEK, C.S.R. a Notary Public qualified and commissioned for the State of Illinois.</p> <p>BOARD MEMBERS PRESENT:</p> <p>MR. PAUL LICHAMER, President. MR. ANDREW BLAYLOCK, Trustee. MR. DENNIS BURKE, Trustee. MR. BILL NIENBURG, Trustee. MR. NORMAN SIDLER, Trustee.</p> <p>ALSO PRESENT:</p> <p>MS. JUDY BUTTNY MR. ERIC ENDRIUKAITIS MR. DOUG OEST MR. TODD DAVIS</p>	<p style="text-align: center;">3</p> <p>1 here to talk about -- primarily the first time you guys came 2 in, there was another person at the team. Now he's retired, 3 so we thought it would be prudent to come in talk about it 4 and just give a quick update today.</p> <p>5 MR. DAVIS: Thank you, always nice to be here.</p> <p>6 I have a little book to use as a crutch 7 to kind of go into the discussions. I'll be brief, because 8 it's a pretty full agenda. When Dan Skubiz and I presented 9 back here in January for our MVP Small Cap Core Product, Dan 10 was the co-CIO of the strategy. Dan became the full CIO, 11 Chief Investment Officer, effective August 1st as Greg 12 Glidden retired. Greg was on the team for a long, long 13 time. We have a very, very stable team. Greg is a guy 14 57-years old, married to a retired teacher, and I think he 15 said you know what, life's too short, he was in a position 16 to move away, and he's enjoying retirement. So last week he 17 was in Hawaii, a couple weeks before he was somewhere more 18 exotic, and it's a nice opportunity for Dan to become the 19 full CIO. Dan is probably one of the most process-minded 20 PM's I've ever seen. And so from a team standpoint, for 21 Greg to move on, obviously for us I'm happy for him to go 22 away, to retire. It is definitely a loss, but I think we're 23 in great shape with Dan leading the ship.</p> <p>24 We added an analyst to the team, Helen</p>
<p style="text-align: center;">2</p> <p>1 MR. LICHAMER: I'm going to call to order the Downers 2 Grove Police Pension Board meeting for October 30th, 2017, 3 11:00 a.m.</p> <p>4 Roll call of the officers.</p> <p>5 MR. BURKE: Burke here.</p> <p>6 MR. LICHAMER: Lichamer here.</p> <p>7 MR. BLAYLOCK: Blaylock here.</p> <p>8 MR. NIENBURG: Nienburg here.</p> <p>9 MR. SIDLER: Sidler here.</p> <p>10 MR. LICHAMER: We have a motion to permit the 11 electronic attendance. I don't think it's necessary today.</p> <p>12 MR. BURKE: We'll pass.</p> <p>13 MR. LICHAMER: Motion to accept the minutes of August 14 21st, 2017?</p> <p>15 MR. NIENBURG: So moved.</p> <p>16 MR. SIDLER: Second.</p> <p>17 MR. LICHAMER: Roll call?</p> <p>18 MR. BURKE: Burke aye.</p> <p>19 MR. LICHAMER: Lichamer aye.</p> <p>20 MR. BLAYLOCK: Blaylock aye.</p> <p>21 MR. NIENBURG: Nienburg aye.</p> <p>22 MR. SIDLER: Sidler aye.</p> <p>23 MR. LICHAMER: Doug, you're up.</p> <p>24 MR. OEST: In the interest of time and schedule, I'm</p>	<p style="text-align: center;">4</p> <p>1 Li, as well to cover a couple different sectors and to give 2 Dan more time in the portfolio. I have a page in the book, 3 it's page 5 or 6 in here that has kind of -- page 5 that has 4 our team as it is today.</p> <p>5 We're seeing tremendous growth in this 6 product. Assets today are over a billion dollars. And as 7 you can see, Dan is leading the team. Gary Hurlbut has been 8 with the team since inception as well. Helen is the new 9 addition, taking consumer away from Dan. And then John 10 Price on the bottom picked up consumer staples and health 11 care.</p> <p>12 So from a team standpoint, again, we're 13 very well-equipped with Dan. Dan is in his mid-40's. As an 14 aside, numbers have been terrific lately, so year-to-date 15 we're just ahead of the benchmark through Friday. So, 16 things are looking very, very good across the board. I just 17 wanted to address Greg is no longer on the team.</p> <p>18 MR. LICHAMER: Can you just talk a little bit about 19 the communication of it. That was probably, from our end, 20 the thing that was a little bit more surprising. A lot of 21 times you get, "Greg is going to retire in a year", 22 something like that. Was this a spur-of-the-moment decision 23 kind of thing?</p> <p>24 MR. DAVIS: In hindsight when we look back, I would</p>

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<p style="text-align: right;">5</p> <p>1 say probably it was more methodical the way he thought about 2 it. He had said to me, once it was announced, once he came 3 to us, he told us his thinking was, "Hey, the new portfolio 4 is ready to go under Dan. I've seen Dan as a professional 5 grow, he's ready to handle things full-time. And that 6 worked out in Greg's life. So it was one where he said, 7 "Hey, I'll stick around as long as you want", but kind of 8 the time frame was appropriate for what he wanted to do. 9 MR. NIENBURG: They were co-CIO's? 10 MR. DAVIS: Yes. 11 MR. OEST: And then stylistically, you know, 12 obviously the idea would be that things won't really change 13 all that much. Do you see any differences in the portfolio 14 with Dan running it full-time versus Greg being there? 15 MR. DAVIS: Not at all. If you asked Dan, he 16 describes Greg as a mentor. And our team really buys into 17 what we do. (Indecipherable) support with a very similar 18 approach. It's cash overturn on capital investment 19 approach. And so, from a standpoint, anybody that we 20 brought in, I think the biggest thing is do you do what we 21 do. Because the process is not going to change, the 22 philosophy is not going to change, and I view Dan as the 23 implementer of a team philosophy. But people on our team, 24 they believe in what we do 100 percent.</p>	<p style="text-align: right;">7</p> <p>1 guarantee he is 100 percent done. 2 MR. SIDLER: What we all aspire to do at one point. 3 MR. DAVIS: Absolutely. 4 MR. NIENBURG: Is Greg remaining on in any capacity 5 with the Board, or is he available? 6 MR. DAVIS: He's available. I mean, Dan has talked 7 to him I think four or five times at least. They're very 8 good friends as well. 9 MR. NIENBURG: He's not staying on in any official 10 capacity? 11 MR. DAVIS: He's a client of the product, and he has 12 money in the product still that he's kept in, has every 13 intention of keeping in, but he is happily retired. Again, 14 Dan talked to him four or five times. I think that shows a 15 lot of kind of the way he left before with Dan at the time. 16 MR. NIENBURG: How would you contrast their two 17 investments philosophies, no differences? 18 MR. DAVIS: I would say identical. And I think a lot 19 of it is, you know, one of the things you look at of what 20 we've done in our results, it's a very processed sort of 21 cash flow return on investment approach. There's some stuff 22 in the book later on. You've heard it already from Dan, but 23 I think the biggest thing is -- and I think Greg would 24 probably agree that Dan does what I do, we've done it</p>
<p style="text-align: right;">6</p> <p>1 MR. SIDLER: The question -- we were concerned a 2 little bit when we first heard of the information that Greg 3 was not going to go off and potentially be a competitor of 4 yours and start his own business, which is why we asked you 5 to come in. You relayed something to me that I hope I'm not 6 taking it out of school, but maybe you can give a little bit 7 of a validation. When we were in IPPFA in St. Louis 8 talking, that you had mentioned Greg lost a brother who was 9 fairly young. 10 MR. DAVIS: Yes. 11 MR. SIDLER: He sort of looked at it to say, hey, 12 life is too short, I'm going to enjoy this, I've put my 13 money aside, I'm going to move on. And you felt very 14 confident he's not coming to start a competitive group, and 15 we thought by -- if he did, our feeling was he would have 16 done it right after he left, and so fair statement? 17 MR. DAVIS: Oh, yeah, 100 percent. I think for Greg 18 personally, his kids are grown and launched, they're 19 successful. And he got remarried to a retired teacher. His 20 thing is -- and he lives very modestly, so he imparted two 21 way: I've been a good saver in life, I want to go and enjoy 22 the fruits of my labor. He's not coming back. Dan talked 23 to him last week. He called him in Hawaii and he was 24 sitting on the beach relaxing. So I think this is -- I will</p>	<p style="text-align: right;">8</p> <p>1 together, and basically it is the same approach. 2 MR. OEST: Any other future staffing plans? Any 3 additions, changes? 4 MR. DAVIS: No, nothing I'm aware of for sure. I 5 think out team is poised for growth. We have a six-person 6 team. This team is the team going forward and poised for 7 additional asset growth as the firm continues to grow. I 8 see nothing coming up. 9 MR. SIDLER: Did Helen make the move to St. 10 Louis to join the team, or was she from the area? 11 MR. DAVIS: From St. Louis. The people from St. 12 Louis like being in St. Louis. Their office is in suburban 13 Clayton, their rides to work are 15, 20 minutes. It's not 14 heading downtown for an hour, downtown Chicago. And I think 15 people like that. The people from St. Louis want to be in 16 St. Louis. That's a great investment community down there 17 as well. From where our office is, you can walk to probably 18 at least six, seven, eight investment firms, consulting 19 firms, et cetera. 20 MR. LICHAMER: I have no questions. 21 MR. OEST: Anybody have any questions? 22 (No response.) 23 MR. DAVIS: Great. Thank you. Thank you all. Have 24 a great day. Thank you, take care.</p>

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<p style="text-align: right;">9</p> <p>1 MR. OEST: Any thoughts while we're fresh here? 2 Concerns? 3 MR. SIDLER: Any from your end? 4 MR. OEST: Before coming out here I talked with our 5 research team again. They're still on alert, and Ayel 6 (phonetic) said he's going to keep them on alert. His 7 original recommendation was six months, which would I think 8 be January, but he still likes the team, thinks the process 9 is going to be the same and, you know, Dan has grown up in 10 that school of thought. I think he really was mentored by 11 Greg, so I think it's -- I think you're going to get 12 something similar to what you had before. I think the only 13 thing to keep a watch on is just sector specific with 14 responsibilities switching away from Greg. 15 MR. LICHAMER: Could you educate me a little bit why 16 -- I mean, I get it -- why it's such a big deal. Have you 17 seen like the person leaves in charge of funds and all of a 18 sudden they sell everything? 19 MR. OEST: Well, philosophy can change. Let's say 20 you were the number two for a long time, the PM leaves, and 21 you just always had a problem with one thing that the PM 22 did. And whether it's maybe the self-discipline, or maybe 23 he would always let stocks ride a little bit more, and you 24 always thought they should trim them early. It can be</p>	<p style="text-align: right;">11</p> <p>1 point is accurate, there's probably not going to be a big 2 material change here. 3 MR. SIDLER: Marquette is not revealing assets from 4 Ziegler? 5 MR. OEST: No, it was just an alert status 6 recommendation six months to be evaluated. That will be 7 again in January, so I think the next time we meet, by that 8 point in time we'll probably have another memo, and most 9 likely unless the material changes, I think our research 10 team will probably take them off alert. 11 MR. SIDLER: For me, hearing that performance is 12 still solid, they've obviously continued to do well with 13 Greg departing, and I thought the concern to trust and 14 validate if your number two leaves, and he does decide that 15 he's going to start up a competing team, he would be doing 16 that within three to four months of departing. Enough time 17 has elapsed, at least from what I've seen from my experience 18 in the industry, somebody leaves, they don't let it go stale 19 before they go start up their own business. So, I'm 20 confident with the statement that if Greg was going to do 21 that, he would have done it by now. 22 MR. OEST: No other issues, concerns? 23 MR. LICHAMER: How we doing? 24 MR. OEST: Let's flip forward. Do you guys want to</p>
<p style="text-align: right;">10</p> <p>1 something as small as that, but that's a pretty material 2 difference on the portfolio going forward. So that's -- the 3 thing is he wasn't the sole guy, and now he is. So it's 4 always a chance that there could be a difference in 5 philosophy. 6 MR. LICHAMER: But I mean you look at who is the head 7 honcho here, would he want to -- you know what I'm saying? 8 MR. OEST: Again -- 9 MR. LICHAMER: Somebody retires and we're shaking 10 everything. I mean, who would do -- 11 MR. OEST: Dan's probably not going to do it, but as 12 I said, sometimes it's on the margins. And sometimes they 13 do have something where it's a complete change of 14 philosophy. There are other firms where something like this 15 happened, somebody new comes in and it's a different 16 product. So, that's why I think in this case, this is an 17 instance where you had somebody being groomed, and I don't 18 think the philosophy is going to change much, if at all. I 19 think the concern more is just the analyst coverage. And 20 you took Greg's responsibilities and split them up, you've 21 got a new analyst on the team. So that's at least where our 22 research team is going to focus, just looking at underlying 23 stock selection and seeing if you start to see some misses 24 within the change of responsibilities. But I think your</p>	<p style="text-align: right;">12</p> <p>1 hear anything about the market? I know you got a long 2 meeting. 3 MR. LICHAMER: I would briefly, just a quick one, 4 because it's going up and up. 5 MR. OEST: That's your market environment. Page 2 is 6 the economic review. 3Q came in above expectations at 3 7 percent from a gross standpoint. Unemployment is still very 8 low. The Fed right now is likely to raise rates in 9 December. This, as of print date, said 83. That's in the 10 upper 90's now. The big thing on the Fed is the balance 11 sheet. We talked about this in the past, but the Fed now, 12 they're going to be looking to reduce the balance sheet by 13 about \$10 billion a month, and that's mortgage, VATs, and 14 treasuries. They have four and-a-half trillion dollars on 15 their balance sheet. They're going to let \$10 billion roll 16 off. They're not going to buy anything else. They're just 17 going to let it gradually roll off. And then as the market 18 digests this, they're going to let it go up to maybe \$50 19 billion a month on a monthly basis. The expectation's over 20 five years is it will go down to around one and-a-half 21 trillion dollars in a decrease. So you'll set it around \$3 22 trillion five years from now. 23 If you look at what they're doing there, 24 coupled with the fact that they're raising rates, they're</p>

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<p style="text-align: right;">13</p> <p>1 slowing the economy. The other major point here is when you 2 look at the yield curve, which is on page 4, the black line 3 is where we were a year ago, and the blue line is where we 4 are as of the end of September. You've seen a shift up 5 across the board. So yields have increased across the 6 board. We've stayed steady this year so far from a yield 7 standpoint, but if you think about the Fed slowly bringing 8 their balance sheet down, that's taking a buyer out of the 9 market, and they're raising rates, all of that could have an 10 impact on yields in the mortgage and treasury market. 11 There's still ample demand right now, but the speculation is 12 that these two coupled together, you could start to see 13 rates pick up even more. Again, people have been calling 14 for rising rates for a very long time. We're not going to 15 try to time the interest rates, but it's a point of fact 16 that as you take a large volume out of the market, you could 17 see some impacts on yields.</p> <p>18 Page 5, you can't go into below 19 investment grade spreads, but just to point out everything's 20 getting relatively overvalued, not just the equity markets, 21 but in the fixed income markets as well. People are 22 reaching for yield, people are trying to get a return 23 anywhere they can, and valuations now are looking fairly 24 tight.</p>	<p style="text-align: right;">15</p> <p>1 start taking away some liquidity, so the question is how is 2 the equity markets going to react to that, in addition to 3 the fact that on page 8, you're a little overvalued. Which, 4 again, when you hit all-times highs, that's to be expected. 5 Just because, you know, when you look at the price of 6 earnings or other valuation metrics that were above 7 historical averages doesn't mean there's going to be a 8 pullback, but it does mean that on a value basis if you look 9 at the next five years, or the next ten years, priced 10 earnings or other valuation metrics do have a decent 11 correlation between future returns. So expectations for 12 future returns on the equity markets are lower now than what 13 they were five or ten years ago.</p> <p>14 Page 9 is Non-U.S. Equity. The big story 15 here was currency. The dollar's weakened relative to other 16 major currencies, so that's been a pretty big benefactor for 17 non-U.S. equity. You can see the difference. That's the 18 highlighted box there. The EAFE is the developed markets 19 index up 20 percent. When you look at it in local currency, 20 it's taking away the currency effect, it was actually 21 underperforming U.S. markets. So currency is going to have 22 a pretty major play in non-U.S. equity returns. Since this 23 date, the dollar's actually strengthened a little bit, so 24 that's going to be a headwind for non-U.S. equity.</p>
<p style="text-align: right;">14</p> <p>1 Page 6 is the equity markets. The two 2 things to point out here: Obviously the market's rallied 3 quite a bit. Growth has outperformed value by a pretty wide 4 margin. We have a (indecipherable) large cap. You'll see 5 returns there are pretty nice. Small caps underperformed 6 large caps all the way up till September, and that 7 highlighted just the month of September small caps bounced 8 back. This coincided with some of the talks on corporate 9 tax reform. Again, if you remember back post-election, 10 small caps were running up pretty dramatically, then you saw 11 them fade off as there must be some skepticism around it. 12 Now you're starting to see a little bit of a rally again. 13 Small caps will probably be one of the largest impacted by 14 corporate tax reform.</p> <p>15 And then page 7 just looks at liquidity. 16 It's kind of like a shaded bar there, but that's the Fed's 17 balance sheet. So if you look on the left axis, that's the 18 four and-a-half trillion dollars. You can see it growing 19 over the various quantity of usings. And the point here is 20 just the Fed put a lot of liquidity into the markets. The 21 equity markets really rallied during this time. You saw 22 yields compressed down pretty low. People were searching 23 for return, and the Fed basically wanted people to look for 24 risky (indecipherable) classes. Now the Fed's are going to</p>	<p style="text-align: right;">16</p> <p>1 And then page 11, real estate numbers 2 came in at another 2 percent quarter. I think in the 3 beginning of the year we said expect 6 to 8 percent. It's 4 looking like it's going to be right in the middle of there. 5 Principal outperformed third quarter again, so it's another 6 good year for real estate relative to other major classes, I 7 guess with the exception of equities.</p> <p>8 So, if you flip over and go to page 3 on 9 the next tab. High-level market value's at close to \$55 10 million. This is another all-time high from a market value 11 standpoint, so good news there. With the run of the equity 12 markets, that's probably not too surprising. S&L allocation 13 wise we are underweight to fixed income, overweight to cash, 14 a little bit overweight to real estate, a little bit 15 overweight to equities.</p> <p>16 The cash is probably the one thing to 17 talk about today from an asset allocation standpoint is we 18 got the property tax money in, and you're a little 19 overweight to cash. We've got some cash needs, obviously, 20 on a month-to-month basis. This is really the last large 21 influx of cash you're going to get for several months, so we 22 do want to make sure we have cash available for payments. 23 But if you think that you're running around 300,000 or so a 24 month in net cash flows out, you could stand to move a</p>

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<p style="text-align: right;">17</p> <p>1 little bit out of cash into fixed income. Again, if that's 2 something you want to talk about. 3 The yield difference right now is pretty 4 substantial, as you're probably well aware. Boyd Watterson 5 has yielded around 2.2 percent. Money markets are yielding 6 in the point 7 to point 8 range. Checking is obviously not 7 yielding anything. 8 So, you know, at a very minimum we would 9 want to get this out of the checking account and at least 10 into the cash account, but moving some into fixed income I 11 think would be an okay thing to do at this point. Again, 12 there is a chance that yields could rise during this time 13 period. You're still in an intermediate duration, so you're 14 not taking on the full interest rate of the broad market, 15 but you're pretty far off from the policy target in terms of 16 fixed income. 17 MR. SIDLER: You had alluded to 300,000 monthly cash 18 flow. We're at 486. Is it safe to say you're looking at 19 advising 186 to 200,000 to move out roughly? 20 MR. OEST: Maybe 400. 21 MR. SIDLER: Cash flow's coming in, feel comfortable? 22 MR. BURKE: Judy, do we have enough money? 23 MS. BUTTNY: Yes. 24 MR. OEST: We're still going to be underweight, but</p>	<p style="text-align: right;">19</p> <p>1 MR. LICHAMER: Lichamer aye. 2 MR. BLAYLOCK: Blaylock aye. 3 MR. NIENBURG: Nienburg aye. 4 MR. SIDLER: Sidler aye. 5 MR. OEST: All right. Let's move on to performance, 6 page 7. If you haven't already looked, it was a good 7 quarter, up 3 percent for the quarter, outperformed your 8 policy benchmark, outperformed your actuarial rate. If you 9 look down the three-month column there, fixed income 10 outperformed, U.S. equity outperformed, and your index in 11 the non-U.S. equity, so that really is more of a match. And 12 on real estate and your alternatives both outperformed. 13 Year-to-date you're up 9.3 percent, again outperforming your 14 policy benchmarks. All your composites are either meeting 15 or outperforming. 16 Really the big thing here on page 9, Boyd 17 & Watterson has done a good job this year. They're 18 outperforming. One of the largest impacts on the equity 19 side is your growth index, which is up over 20 percent 20 year-to-date. And then SouthernSun, as you know, 21 SouthernSun, again, they're up over 12 percent over the 22 benchmark year-to-date. Very good performance as you know. 23 MR. BURKE: Being slow is good. 24 MR. OEST: It's always good to kind of sell high.</p>
<p style="text-align: right;">18</p> <p>1 just clearing a little off of there and getting it off of 2 fixed income I think would be a good idea. 3 MR. LICHAMER: So we need a motion to transfer 4 \$400,000.00 from our cash equivalents to our fixed incomes, 5 Boyd Watterson? 6 MR. SIDLER: So moved, unless you want to go and 7 overweight your equity position, get even more aggressive 8 than that, I would say equities have run hard, instead of 9 making nothing sitting in cash. As exciting as a 2.2 10 percent yield is on fixed, it's a prudent move I think given 11 how strong -- 12 MR. NIENBURG: We're not worried about valuation on 13 fixed? 14 MR. OEST: No. I mean, the State statute doesn't let 15 you really go into that area. The other thing is, if you 16 recall, Boyd Watterson came in at the last meeting. They 17 wanted to invest more in triple B's. We told them no. I 18 think your portfolio is pretty high quality. You have less 19 to worry about there than a lot of other fixed income -- out 20 there. 21 MR. BLAYLOCK: Did anybody second? 22 MR. BURKE: He made the motion, he seconded. 23 MR. LICHAMER: Roll call? 24 MR. BURKE: Burke aye.</p>	<p style="text-align: right;">20</p> <p>1 Again, during this time period where you had money and you 2 were talking about the decision here with Ziegler, 3 SouthernSun we talked about. There's not anything 4 materially wrong with this product, it's just the volatility 5 is something that everyone around the table has expressed an 6 interest in getting something a little bit less volatile. 7 So, again, a good year performance for SouthernSun. 8 Principal and real estate outperformed again. Just as a 9 reminder, we're expecting returns to continue to moderate. 10 So that's 6 to 8 percent. We don't have projections yet for 11 next year, but I would think that they're going to be -- I 12 don't anticipate 8 percent being in the range, so it's going 13 to continue to come down. 14 Any questions on returns, any of the 15 managers? 16 MR. SIDLER: Just to go on and let you know on 17 record, didn't we talk about holding an extra quarter 18 thinking SouthernSun would outperform, and we then talked to 19 Ziegler, and it just played out that way. 20 MR. OEST: I think when we talked about this, we 21 talked about it at the beginning when we were hiring, and 22 the thought was there that SouthernSun was coming off of a 23 couple bad years, and stylistically that tends to reverse 24 itself. So I think, you know, credit every one of you guys.</p>

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<p style="text-align: right;">21</p> <p>1 MR. SIDLER: Collective pat on the back. 2 MR. OEST: Yeah. So overall, again, a very good year 3 so far. You're well ahead of your actuarial rate. Markets 4 are up substantially. Since this report, markets are up 5 even more. I think the key thing for us, as we've talked 6 about, is just to make sure you're disciplined, to maintain 7 this discipline going forward. There's funds that let their 8 equity positions wildly overswing. The good thing is you're 9 not doing that, so that's the key thing here is just to make 10 sure that we continue to rebalance and kind of save the 11 discipline through the process. 12 MR. SIDLER: When do we dial back risk is going to be 13 the big question for us. 14 MR. OEST: On that topic, next meeting -- this one is 15 pretty full, but next meeting -- I talked about at the last 16 meeting coming in with some stress tests so you guys can 17 take a look at a couple of different portfolios just to see 18 how they react in different environments. That's a good way 19 to kind of look at it, you know, the risk in the portfolio, 20 look at real stress events and some fake ones that will 21 probably never happen, but just so you can see how they 22 would react and make sure everyone is comfortable with the 23 level of risk in the portfolio. 24 So that's one thing I would like to do at</p>	<p style="text-align: right;">23</p> <p>1 substantially over the last couple of quarters. 2 You know, the days of multiple expansion are probably gone, 3 but earnings have been very strong as of late. That's been 4 a really key point of it. I would say looking forward if 5 you see some earnings misses, there's not enough room in 6 terms of the market right now. If we start to see earnings 7 misses, you could see a pullback, but this kind of 8 overhanging prospect of potential tax reform, you know, who 9 knows. 10 MR. BLAYLOCK: Whose tax reform? 11 MR. OEST: Corporate tax reform. I don't know if 12 it's going to go through. Nobody knows. They were talking 13 about this right after the election. We stay away from 14 trying to figure out whether or not policies are going to be 15 enacted, but that's another potential thing going forward. 16 But earnings have been one of the biggest drivers. 17 MR. BLAYLOCK: Thank you. 18 MR. LICHAMER: All right. 19 MR. OEST: Everyone is good to be skeptical. 20 MR. LICHAMER: I want to make sure. 21 MR. OEST: That's -- 22 MR. LICHAMER: And you can't keep going forever. 23 MR. SIDLER: Historic eight-year now run of the 24 markets. At some point corporate earnings will pull, and</p>
<p style="text-align: right;">22</p> <p>1 the next meeting. 2 MR. LICHAMER: That's a good idea. So, I might have 3 missed it when you were talking in the beginning here, the 4 global outlook, but things are continuing to look stressful. 5 I mean, what do you -- 6 MR. OEST: You mean like geopolitical issues? 7 MR. LICHAMER: No. That seems to have died down. It 8 just seems to be going up and up. 9 MR. OEST: The interesting thing about it is there's 10 certain areas of the market where you do see people start to 11 get overly optimistic on things, but we're still sitting 12 around the table and still worrying about it. 13 You know, we always joke that you know 14 things are getting stretched when you come and recommend 15 rebalancing out of equities and fixed income. And people 16 say why would we do that, look at the returns. Or people 17 want to let things run. They're still -- people are still 18 pessimistic about this, which is somewhat interesting. 19 MR. BLAYLOCK: What do you think the biggest reason 20 is for the markets the past eight, seven, nine months? 21 MR. OEST: The most recent one? 22 MR. BLAYLOCK: Why it's up so much. 23 MR. OEST: Well, the one thing that gets lost a 24 little bit is that earnings have been growing pretty</p>	<p style="text-align: right;">24</p> <p>1 the challenge for us, like it was in '08, was to pull risk 2 back and potentially miss some of the upside while everyone 3 says it's running. But when corporate -- as Doug alluded 4 to, getting everybody out of the door is never as neat as 5 coming in the doors, meaning when it pulls back and 6 corporate earnings do start to slow, I think it's safe to 7 say you'll see 10, 15 percent pretty quick as people start 8 to say let's pull risk off. 9 MR. LICHAMER: So far earnings have been very solid 10 this -- the big -- last week was the big week. 11 MR. OEST: Yep. 12 MR. LICHAMER: So you got to wait for the next 13 quarter then? 14 MR. OEST: Yeah. The thing here is, again, just 15 because we're at all time highs doesn't mean there's going 16 to be a significant pullback. I mean there's been periods 17 before where the market has been overvalued for a 18 significant length of time. So it's really difficult to 19 call peaks and valleys of the market. I think the one thing 20 to remember is, just objectively speaking, the fund is 21 already conservative just due to the statute. You also are 22 a little bit overweight to fixed income relative to the 23 minimum you could have. So, just looking at that, you're 24 already pretty conservative relative to kind of a peer</p>

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1 group, if that helps a little bit. But I think next meeting
2 the big thing would be to come in and just show you here's a
3 portfolio, here's how it could react, and then show a couple
4 different portfolios just so you can see what would make you
5 feel more comfortable.
6 MR. LICHAMER: I mean, back when it crashed the last
7 time, we lost a percent?
8 MR. SIDLER: No, it was a little bit more than that.
9 We were still --
10 MR. OEST: We were down 9.7.
11 MR. BURKE: We still stayed in the single digits, and
12 everybody else was double.
13 MR. SIDLER: Benchmarks were down, even on our
14 balance portfolio, 13 to 15 percent. We were down 10. So
15 being conservative was significant.
16 MR. LICHAMER: It paid off. It's just that I keep
17 concerning what goes up, comes back down.
18 MR. SIDLER: At some point it does.
19 MR. OEST: Again, it's very difficult to time those
20 things. I think what we're most focused on is making sure
21 the same discussion with SouthernSun is the risk tolerance
22 and making sure that we're adequately exposed to the right
23 risks.
24 MR. BURKE: Good job.

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1 MR. OEST: But good quarter.
2 MR. SIDLER: Great year so far.
3 MR. BURKE: I would sure like to see it end that way
4 December 31.
5 MR. LICHAMER: All right. Move on to number 5.
6 Eric?
7 MR. BURKE: Do you want to go?
8 MR. LICHAMER: The only thing is that normally when
9 Doug leaves we look at the next date so he sees it.
10 MR. BURKE: January or February.
11 MR. SIDLER: To get year end numbers, it's going to
12 have to be end of January, the beginning of February, or
13 else we need three weeks at least, don't you?
14 MR. OEST: Yeah, for the full characteristic stuff
15 would be --
16 MR. BURKE: January 29th is a Monday. Does that
17 work?
18 MR. NIENBURG: Yeah.
19 MR. BLAYLOCK: Works for me.
20 MR. LICHAMER: Uh-huh.
21 MR. BURKE: Let's say 9:00, and then we can always
22 adjust the time. Does that work?
23 MR. OEST: Yeah. That date is open. So if it's a
24 later time, that's fine, too.

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1 MR. BURKE: Thank you.
2 MR. OEST: Thanks, everybody.
3 MR. SIDLER: See you after another 5 percent quarter.
4 MR. OEST: Make sure that's --
5 MS. BUTTNY: No pressure.
6 MR. OEST: I did not say anything about 5 percent for
7 the quarter.
8 MR. SIDLER: Have a good day.
9 MR. OEST: Thanks.
10 MR. LICHAMER: All right, Eric, now you're up.
11 MR. ENDRIUKAITIS: Sounds good. I believe I gave
12 everybody a September monthly compilation report. We'll
13 start with 2-1. As Doug pointed out, on the bottom of that,
14 funds totalling net positions held in trust, \$54,860,024.26.
15 So right on target.
16 If you move along to the next page, the
17 contributions from the village and members of \$3,345,759.00,
18 plus the investment income of \$4 million, for a total gross
19 of \$7,891,000.00. Deductions paid to date, \$3,112,000.00.
20 So you take the total in, less total out comes to a positive
21 nine month change of \$4,772,981.00.
22 MR. BURKE: That's good.
23 MR. ENDRIUKAITIS: I want to take you guys over to
24 4-1. And then the middle section, the contributions. If

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1 you look to the far right-hand column, you did get a tax
2 contribution of \$1.2 million, which puts you at a positive
3 monthly total of 948,710 on the bottom to the right there.
4 And then we do expect some monies to
5 trickle in in October and November, and a little bit in
6 December, for future reference.
7 Turn to page 6-1. This is the funds
8 detail revenue report, which you have contributions from
9 village and members, with the left-hand side showing
10 September 30th, and the right-hand column showing nine
11 months ended.
12 Down by investment income, interest and
13 dividends, gains and losses broken down by account and
14 category. Once again, the left-hand column showing
15 September 30th, right-hand showing nine months ended.
16 We'll skip over 7-1 and go right to 8-1.
17 This is the detailed expense report, which we had pension
18 benefits broken down by type. Once again, the left-hand
19 column shows September 30th, the right-hand column shows
20 nine months ended, and then followed by your administrative
21 expenses.
22 Pages 9-1 through 9-3 is the fund's
23 equity contribution report with the far right-hand column
24 showing total accumulated contributions as of September 30th

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<p style="text-align: right;">29</p> <p>1 of 2017. I'll let you take a moment and look at that. 2 Pages 10-1 through 10-15 is the payroll 3 journal for the month of September. Finally, 11-1 through 4 11-3 is the fund's quarterly tax report which shows all 5 checks, transfers and expenses out of the fund as of July 6 1st through September 30th of 2017. The total balance for 7 payments is \$189,456.06. A few of those payments are for 8 the conference in St. Louis. That's why you guys all get 9 stars next to your name. 10 That's all I've got. Short and quick. I 11 can answer any questions if you guys like. 12 MR. LICHAMER: No, looks good. 13 MR. BLAYLOCK: Do you have everything you need? I 14 know there is a couple emails out there. 15 MR. ENDRIUKAITIS: I believe it was just more of the 16 new hires, and I think I got some of those forms over. 17 MR. BURKE: Yeah, Jennifer Rosario, Servatius. I got 18 some on my desk that I was going to scan and send them to 19 you. 20 MR. ENDRIUKAITIS: Sounds good. I think that's all 21 we needed. And I do believe we have the engagement letter. 22 MR. BURKE: We saw that. 23 MR. BLAYLOCK: For the next three years. 24 MR. ENDRIUKAITIS: If you have any questions on that.</p>	<p style="text-align: right;">31</p> <p>1 MR. SIDLER: I'll make a motion to accept. 2 MR. BURKE: I'll second. 3 MR. LICHAMER: Roll call? 4 MR. BURKE: Burke aye. 5 MR. LICHAMER: Lichamer aye. 6 MR. BLAYLOCK: Blaylock aye. 7 MR. NIENBURG: Nienburg aye. 8 MR. SIDLER: Sidler aye. 9 Eric, you guys do a very nice job of 10 detailing all the cash flows and making things a heck of a 11 lot easier. 12 MR. ENDRIUKAITIS: Thank you. Trust me, our staff 13 accountants do that every day. 14 MR. SIDLER: We appreciate that. 15 MS. BUTTNY: You'll just need someone to sign the 16 letter? 17 MR. ENDRIUKAITIS: Correct. Actually, you know, if 18 you guys sign two, I'll take an original and you guys keep 19 an original. 20 Just to point out, I'll send out the COLA 21 increases for next year mid-December, so just be on the 22 lookout for that. 23 Thank you very much. I believe that's 24 all the operational stuff I have.</p>
<p style="text-align: right;">30</p> <p>1 I brought it with me if anybody wants to take a look. I 2 sent it out. 3 MR. BURKE: I already looked at it. Does this renew 4 us with you for three years? 5 MR. ENDRIUKAITIS: Yeah. 6 MR. LICHAMER: I don't want to lose it, so do we need 7 to make a motion? 8 MR. ENDRIUKAITIS: I believe so. 9 MR. SIDLER: To sign for three years, probably. 10 MS. BUTTNY: Yes. 11 MR. SIDLER: Is this a fee negotiation time? 12 MR. ENDRIUKAITIS: Judy did call me on Friday. 13 MS. BUTTNY: The 2018 fee was encompassed in the RFP. 14 It's consistent with that. And then for 2019 it's a 2.47 15 percent increase, and 2020 is a 2.86 percent increase over 16 each year. 17 MR. ENDRIUKAITIS: And some of that is due to the 18 actuarial valuation is a little higher in 2020. 19 MS. BUTTNY: Okay. But had been flat prior to that? 20 MR. ENDRIUKAITIS: Correct. 21 MR. LICHAMER: You're getting a raise. 22 MR. ENDRIUKAITIS: Sure. I could say that. 23 MR. LICHAMER: It would probably be best to move a 24 motion to accept that.</p>	<p style="text-align: right;">32</p> <p>1 MR. BURKE: Okay. 2 MR. LICHAMER: Go ahead, Judy. 3 MS. BUTTNY: All rightly. I have received the 2018 4 IPPFA membership due invoice in the amount of \$795.00, and 5 I'm looking for approval on that. 6 MR. BURKE: I make a motion we approve the payment of 7 the IPPFA membership due. 8 MR. BLAYLOCK: Second. 9 MR. LICHAMER: Roll call? 10 MR. BURKE: Burke aye. 11 MR. LICHAMER: Lichamer aye. 12 MR. BLAYLOCK: Blaylock aye. 13 MR. NIENBURG: Nienburg aye. 14 MR. SIDLER: Sidler aye. 15 Judy, it was 7 -- 16 MS. BUTTNY: \$795.00. 17 MR. BLAYLOCK: Can we call him because that keeps 18 coming to my house, and then I have to -- that's my address 19 on there; isn't it? 20 MS. BUTTNY: Oh, yeah. 21 MR. BLAYLOCK: So like when we pay for it, just let 22 them know. 23 MR. BURKE: Care of Village of Downers Grove, 801 24 Burlington.</p>

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1 MR. SIDLER: The bill comes to your home?
2 MR. BLAYLOCK: Yeah. It's like the second or third
3 year in a row.
4 MR. BURKE: Maybe we should have it just come to the
5 finance director of the Village of Downers Grove.
6 MR. BLAYLOCK: However it gets to 801 probably
7 instead of my house.
8 MS. BUTTNY: Enough bills coming to your house.
9 MR. BLAYLOCK: Yeah, no doubt.
10 MS. BUTTNY: Then the last time we approved the
11 listing of bills was through the period ended July 30th, so
12 we have to approve them from August 1st through September
13 30th. So this is a truncated list of what you've already
14 seen a couple minutes ago in Eric's report. Invoices
15 totalling \$118,419.85 from the period 8/1/17 through
16 9/20/17.
17 I'll ask for a motion. Items on here
18 are, as Eric pointed out, there's payments for the IPPFS
19 conference. Other than that, they're all straight-forward
20 payments. Internal Revenue Service, et cetera, for payroll,
21 and the already pre-approved items for consultants
22 Marquette.
23 MR. LICHAMER: We need a motion to pay the bills?
24 MR. NIENBURG: Motion to pay the bills.

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1 MR. SIDLER: Second.
2 MR. LICHAMER: Roll call?
3 MR. BURKE: Burke aye.
4 MR. LICHAMER: Lichamer aye.
5 MR. BLAYLOCK: Blaylock aye.
6 MR. NIENBURG: Nienburg aye.
7 MR. SIDLER: Sidler aye.
8 MR. LICHAMER: I just wanted to make note just for
9 the minutes that Dennis and I purchased the rooms for next
10 year's pension conference a couple days ago.
11 MR. BURKE: For all five trustees.
12 MR. LICHAMER: All five trustees' positions. And the
13 main hotel was booked already, so we're down by the
14 waterpark.
15 MR. BURKE: Andy and I both have grueling elections
16 in April.
17 MR. LICHAMER: You and I.
18 MR. BURKE: Did I say Andy?
19 MR. LICHAMER: Yeah.
20 MR. BURKE: Paul and I.
21 MR. LICHAMER: Grueling. We'll see, I hope. But,
22 yeah, so we booked that and paid for that, so you'll
23 probably see that.
24 MR. ENDRIUKAITIS: Sounds good.

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1 MR. BURKE: We talked about -- just a quick moment,
2 because Paul brought this up and I said I asked about it, is
3 would we be able to get a pension board card instead of
4 using like Village P card --
5 MR. BLAYLOCK: He already said we couldn't do that,
6 remember?
7 MR. BURKE: I'm just repeating to see if anything has
8 changed.
9 MR. ENDRIUKAITIS: Oh, no. It's just things could
10 get lost. Illinois policies, we just don't feel comfortable
11 in giving out debit cards or credit cards. I understand
12 it's for pension purposes, but for someone to have that much
13 access.
14 MR. LICHAMER: The reason I said it is I just didn't
15 want to burden the village. As long as it transfers and
16 everything, that's fine.
17 MR. BURKE: I stayed and talked with Judy and I
18 talked to Eric, it's just a -- we get the bill. I've
19 already sent it to Eric, Judy asks for payment, you guys cut
20 a check.
21 MR. ENDRIUKAITIS: Right.
22 MR. BURKE: As long as it works out, that's fine.
23 MS. BUTTNY: It will work out. It will be fine.
24 MR. LICHAMER: I don't want a credit either.

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1 MR. BURKE: And there will be another bill.
2 MR. LICHAMER: All right, great.
3 MR. SIDLER: Just a quick point on that, I'll circle
4 back with you because, as I recall, when I checked in, they
5 didn't have everything on file, and I just had to go back
6 through my card. I think they paid. Did you have the same
7 thing, too?
8 MR. NIENBURG: No.
9 MR. BURKE: No, we took care of that. But if you
10 send it, I'll forward it to Eric. Eric, you would then
11 reimburse Norm; right?
12 MR. ENDRIUKAITIS: Yeah.
13 MR. SIDLER: I'll look into that. I need to
14 reconcile last month's expenses.
15 MR. BURKE: Okay.
16 MR. LICHAMER: All right. We got some new business.
17 We have some new police officers we have to accept into the
18 fund.
19 MR. BURKE: Mr. President, I would like to say that
20 since our last meeting, we've had two new officers join the
21 department that have made application to join the Downers
22 Grove Police Pension Fund, Aaron Porter and John Tague, I'd
23 like to make a motion that they be accepted as members of
24 the Downers Grove Police Pension Fund.

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<p style="text-align: right;">37</p> <p>1 MR. BLAYLOCK: Second. 2 MR. LICHAMER: Roll call? 3 MR. BURKE: Burke aye. 4 MR. LICHAMER: Lichamer aye. 5 MR. BLAYLOCK: Blaylock aye. 6 MR. NIENBURG: Nienburg aye. 7 MR. SIDLER: Sidler aye. 8 Can the record show my assumption these 9 are both tier -- 10 MR. BURKE: -- 2 employees. 11 MR. SIDLER: That are being brought on. 12 MR. LICHAMER: Eric, do you have it broken down, by 13 chance, who is tier 1 and who is tier 2 in our active? 14 MR. ENDRIUKAITIS: We do, it's just not recorded on 15 the financial statement. 16 MR. BURKE: I'm going to call you because we're 17 always trying to figure out how many we have. 18 MR. ENDRIUKAITIS: Correct. 19 MR. BURKE: Because at some point you find more tier 20 2's than tier 1's, it will change the liability. 21 MR. ENDRIUKAITIS: Right. 22 MR. BURKE: Mr. President, since our last meeting we 23 had a police officer separate from the department, Kaitlin 24 Baker. I would make a motion that the Board recognizes the</p>	<p style="text-align: right;">39</p> <p>1 MR. BURKE: His attorney has emailed Reimer. Reimer 2 sent them an application form, and then he'll be talking to 3 us, I'm sure, about the doctors, like we did with the other. 4 So that's coming. 5 MR. BLAYLOCK: We will come back to the disability 6 application referenced by John Stone after recess. 7 MR. BURKE: Okay. 8 MR. LICHAMER: Old business? 9 MR. BLAYLOCK: None for me. 10 MR. LICHAMER: We set the next meeting date, so 11 that's done. 12 MR. NIENBURG: On old business, you know Jessica had 13 followed up on the request for how to package and maybe do a 14 draft report out for counsel after the August meeting? 15 MR. ENDRIUKAITIS: Right. 16 MR. NIENBURG: If you guys are okay with it, I can 17 keep working with her on bringing back a proposal and what 18 that might look like. 19 MR. ENDRIUKAITIS: Okay, sounds good. 20 MR. BLAYLOCK: Sounds goods to me. 21 MR. NIENBURG: We're missing follow-up right after 22 she sent out a one-pager version, so I can follow up with 23 her on that. 24 MR. ENDRIUKAITIS: Sounds good.</p>
<p style="text-align: right;">38</p> <p>1 separation of Kaitlin Baker and authorize any refund she may 2 request for contributions she made. 3 MR. SIDLER: Do we anticipate she will be requesting 4 a refund? 5 MR. BURKE: Yeah, I do. 6 MR. SIDLER: Okay, thank you. 7 MR. BLAYLOCK: So moved. Did you make the motion? 8 MR. BURKE: I made the motion. 9 MR. BLAYLOCK: So second. 10 MR. LICHAMER: Roll call? 11 MR. BURKE: Burke aye. 12 MR. LICHAMER: Lichamer aye. 13 MR. BLAYLOCK: Blaylock aye. 14 MR. NIENBURG: Nienburg aye. 15 MR. SIDLER: Sidler aye. 16 MR. BURKE: I was hoping when we got to the next 17 item, the Board's attorney Richard Reimer would be here. 18 Since I do suspect that we will go into a recess to 19 reconvene for another matter on this agenda, I'm asking if 20 perhaps we can bypass this, put it on the side for now and 21 discuss it when Mr. Reimer is present. 22 MR. LICHAMER: I think that's a very good idea. 23 We'll just pass that. 24 MR. SIDLER: Paperwork has been filed, requested?</p>	<p style="text-align: right;">40</p> <p>1 MR. SIDLER: Good point. I'm happy to help draft 2 that so that you guys have talking points, a one-pager. 3 MR. LICHAMER: I'd like to, after seeing the pension 4 fund, after seeing it at the conference, we need to 5 incorporate that to our elected officials as well. 6 MR. NIENBURG: You mean a report out on the 7 conference? 8 MR. LICHAMER: Remember she said you guys got to talk 9 to your local representatives and make sure they understand, 10 A, the condition of our fund, understanding what benefits we 11 do receive and groups, and explaining it to them, how it all 12 works, because I think to some degree not only do our 13 counsel have to understand it, but -- 14 MR. SIDLER: Absolutely. The elected officials and 15 constituents. 16 MR. LICHAMER: But first after the counsel, elected 17 officials, we need to take it to them and explain what we do 18 here. 19 MR. NIENBURG: Yeah. 20 MR. ENDRIUKAITIS: When is that meeting, December? 21 MR. NIENBURG: Maybe weekly. It's just a matter of 22 getting our act together and having -- we all agree on what 23 we're going to present and then having some time to present 24 it.</p>

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<p style="text-align: right;">41</p> <p>1 MR. ENDRIUKAITIS: Yeah. 2 MR. SIDLER: I think that's a great thought. I'm 3 more than happy to help you with that. Thanks for taking 4 that on and drafting that up for you guys to look at, 5 because I do think it's important to relay to the 6 constituents within the village as to the job that's been 7 done and the steps that are taken, and where exactly we 8 stand in funding and why, the actuarial rate and what it is 9 and what it was ten years ago, and I think those are 10 important talking points. 11 MR. LICHAMER: Exactly. 12 MR. NIENBURG: We're out 18 months from an election, 13 so people need to be educated. 14 MR. SIDLER: Particularly when people that throw 15 numbers out that don't know what they're talking about and 16 they resort to them as fact. Getting in front of that makes 17 a heck of a lot of sense. 18 MR. LICHAMER: You hear Rauner with crushing pension 19 debt. You know what I'm saying? They don't understand 20 that. They hear that -- they think all of us just because 21 we're working in the State. 22 I think we need to educate about us and 23 so on. So good. 24 MR. SIDLER: Quick question to Judy, or I don't know</p>	<p style="text-align: right;">43</p> <p>1 MS. BUTTNY: Yes. 2 MR. NIENBURG: There were still active proposals from 3 the three developers. Did that ever go to a vote? 4 MR. LICHAMER: Yes. It was never seconded. 5 MS. BUTTNY: Right. That's exactly what happened. 6 MR. SIDLER: A motion was made, but not seconded? 7 MR. BLAYLOCK: It was before the workshop. 8 MS. BUTTNY: The motion was made and no second. 9 MR. NIENBURG: It went to the workshop and never came 10 back up for an active vote? 11 MS. BUTTNY: Right. And based on all of the input, 12 this is the direction that staff interpreted, put forward 13 and has been accepted as what the majority says. There's 14 different people on the counsel that don't agree with this, 15 but this was the majority direction on this topic. 16 MR. SIDLER: Do you want to say anything? 17 MR. NIENBURG: I guess just for in the spirit of 18 transparency, I'm going to talk. I'm frustrated about this 19 issue, significantly frustrated, not only from the 20 standpoint of knowing you guys and the village's 21 relationship and going through the facilities personally 22 ourselves to see what is being dealt with and just realizing 23 how open the village is for a facility that is years and 24 years and years past safety and where it should stand.</p>
<p style="text-align: right;">42</p> <p>1 -- I don't want to spend much time on it, but maybe just to 2 give the Board a brief update on the public facility 3 possibly. Everything appears to be completely done with 4 that? 5 MS. BUTTNY: Well, it's basically on hold for two 6 years. In the village's budget message, what we're doing 7 right now is waiting to discuss it in 2019 and maintaining 8 our existing buildings at the lowest possible cost until 9 replacement options are evaluated, and continuing to save 10 money for that. That's directly from our budget message as 11 far as what the plan is for the facilities. It will come up 12 again in 2019. 13 MR. NIENBURG: After they -- I forget the date of the 14 meeting, but they recessed and reconvened and Dave conducted 15 that workshop. Did it ever come to a vote of council? 16 MS. BUTTNY: For the facilities? 17 MR. NIENBURG: Yeah. There was never a motion. 18 MS. BUTTNY: Well, all of the input that was gathered 19 from those discussions where then Dave turned around and 20 drafted -- because there's seven people you're getting input 21 from. He drafted what the majority direction was, and 22 that's what it is. 23 MR. NIENBURG: But do you remember the workshop that 24 I'm referring to?</p>	<p style="text-align: right;">44</p> <p>1 For taxpayers -- you go ahead and continue to talk, but just 2 from a taxpayer's standpoint and where things stand, to 3 continue to see an opportunity that's on the table that's 4 pushed down the road, this taxpayer would -- on a personal 5 basis, we're going to do everything we can to just let the 6 constituents know in a much more vocal fashion. It's 7 frustrating. I get a permit to build a home that is more 8 than any other community. I do so to live in this village, 9 and I do expect that they don't continue to pass this thing 10 down the road and turn it into a political event. From one 11 person's opinion, I feel like it's become a political event 12 that nobody wants to take leadership of, and it's 13 frustrating to see it happen like that. 14 Again, this is -- you guys are doing 15 everything that you need to do. This is our elected 16 officials, which will hear more from us. 17 MR. SIDLER: Yeah, because I think the 2019 -- wait 18 to revisit in 2019 is another way of saying our position is 19 it's an election year issue, campaign issue, and I think 20 wasting money for two more years on facilities that are past 21 due its full life is irresponsible, and we're going make to 22 some noise about it, just so you guys know. 23 MR. LICHAMER: On the record. 24 MR. BURKE: I make a motion that the Board go into</p>

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1 recess, and we will reconvene at 1:00 in the committee room
2 to continue the Michael Eddy disability hearing?
3 MR. LICHAMER: Correct.
4 MR. BLAYLOCK: Second.
5 MR. LICHAMER: Roll call?
6 MR. BURKE: Burke aye.
7 MR. LICHAMER: Lichamer aye.
8 MR. BLAYLOCK: Blaylock aye.
9 MR. NIENBURG: Nienburg aye.
10 MR. SIDLER: Sidler aye.
11 MR. LICHAMER: Go into recess.
12 (Whereupon, the meeting was
13 adjourned into recess.)
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46

1 STATE OF ILLINOIS)
2) SS.
3 COUNTY OF DU PAGE)
4 I, LINDA M. CIOSEK, C.S.R. No. 084-2892 Notary Public
5 duly qualified and commissioned for the State of Illinois,
6 County of DuPage, do hereby certify that at the request of
7 the DOWNERS GROVE POLICE PENSION FUND, subject to the usual
8 terms and conditions of County Court Reporters, Inc,
9 reported in shorthand the proceedings had and testimony
10 taken at the public hearing of the above-entitled cause, and
11 that the foregoing transcript is a true, correct and
12 complete report of the testimony so taken at the time and
13 place hereinabove set forth.
14
15
16
17 _____
18 CERTIFIED SHORTHAND REPORTER
19
20
21
22 My Commission Expires:
23 May 5, 2018
24

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