

Finance Committee Meeting Minutes

January 6, 2016

Meeting was called to order at 5:00 pm. Present were:

President Hodgkinson, Chair John Vires, Commissioner Frey, Commissioner Morrill, Executive Director Mike Benard, Executive Assistant Donna Siciliano, Finance Director Rita Trainor, Assistant Finance Director Andrea Chiappetta

Arriving at 5:04 Commissioner Mee

Guest: Steven Schenker, from Great Lakes Advisors

Guest: Tim Matthew, Michael Nguyen & Fenil Patel from PMA

Investment Advisor Presentations:

Great Lakes - Steven Schenker

Steven gave an overview of what Great Lakes would do for the Park District if chosen as our financial advisor. He stated they work with institutional and private wealth management. They would meet with us quarterly or more if needed. The current yield on the portfolio he was proposing is 1.74% vs 1.47 on the index, 1.8% coupon vs 1.5% index. He recommended leaving the CD's the way they are. He wouldn't sell them, instead he would let them mature and upon maturity those funds would be rolled into the portfolio he is proposing. He stated they can build a plan to target cash flows. There would be a 0-4 year maturity on bonds. We could liquidate in an emergency, but that is not what he would recommend.

Executive Director Benard asked if we would be backed by Wintrust Bank if something happened. Schenker stated we would not. Benard asked if there was an administrative benefit to working with a broker that is an offspring of our banker. Schenker stated there was not. Schenker stated the fee is 18 basis points for the first 50 million and 15 points on any balances over that and would be billed quarterly. The custodial fee is 1.5 basis points and is charged monthly from Chicago Trust. He stated it is possible to negotiate the fees.

Schenker left the meeting at 5:35 p.m.

PMA - Tim Matthew, Michael Nguyen & Fenil Patel presentation started at 5:40 p.m.

Patel stated that they focus on public fund clients and do not have corporate clients. Their philosophy is safety, liquidity and yield. They like to build from the ground up and look at cash flow as well as other factors (payroll- accounts payable etc.) and build the portfolio around this. They don't believe reserve funds should go out more than 18-24 months. They can provide a model portfolio if we give more information. They can provide a GASB 40 & 72 disclosures for the CAFR. They do not recommend a drastic change in what we are doing now. They believe in preservation of principal. They like taxable municipals, however they are not as liquid but they pay well. Benard asked if they recommend staying in CD's. They stated they do. They don't believe we can do better than this. They are not co-mingled funds we would be in. We would own the CDs. They could charge additional fees if we get more elaborate in our investing. The fees are 10-15 basis points some CDs are as high as 20 basis points. No custodial fees. They stated that the fees are negotiable.

PMA ended their presentation at 6:15 p.m.

After some discussion it was agreed that PMA was the better choice to hire as our advisor. It was agreed that we would let the CDs at Wayne Hummer expire and then roll them into PMA. This will be put on the January agenda for approval.

Legal services:

Executive Director Benard stated that Steve Adams and Nicole Karas from Tressler have both resigned from Tressler and are now at Robbin-Schwartz. The Board gave Benard permission to allow Adams and Karas to finish projects that they were working on for us while still at Tressler. The Board thought it would be a good idea to look into hiring several different firms for different specialties within the Park District. Benard will write an RFP for different legal specialties. He will write in the RFP how much a firm will charge to do either one specialty or multiple areas of law.

ANPI:

The Board agreed to put ANPI on the January agenda for discussion/approval.

457

The Board was agreeable to staff hiring a firm to write the RFP for 457 services.

Cell Phone Tower:

The Board stated they would like Benard to ask Charlene to take a look at this so that we can make a decision on this before the end of the year.

The meeting was adjourned without objection at 6:30 p.m.