

Meeting Minutes - October 12, 2010

A regular meeting of the Board of Trustees of THE DES PLAINES POLICE PENSION BOARD was held on Tuesday, October 12, 2010 at 9:00AM at City Hall, 1420 Miner Street, in Room 101, pursuant to notice, a copy of which is attached to their minutes.

CALL TO ORDER BY PRESIDING OFFICER

President Nicholas Chiaro called the meeting to order at 9:10AM.

ROLL CALL

Upon roll call the following answered:

Present: President Nicholas Chiaro, Vice Pres. Robert Muehlenbeck, Trustee Jeff Rotkvich, Trustee Daniel Niemann, Trustee Robert Neil

Absent: None

Also Present: Annuitant Wendall Whitted and James Roel, Tom McShane of Graystone Consulting/MSSB, Board Attorney Camille Cribaro-Mello of RSNL&T, Dorothy Wisniewski Treasurer, Becky Davis and Colleen Murphy of Lauterbach and Amen

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the August 10, 2010 minutes as presented in the board meeting packet. **A motion by Muehlenbeck to approve the August 10, 2010 regular meeting minutes as presented, second by Rotkvich. Motion unanimously carried.**

APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements on Warrant list #23 as presented in the board meeting packet. **A motion by Neil to approve the disbursements as listed on the October 12, 2010 Warrant List #23 totaling \$12,213.96, second by Muehlenbeck. Roll Call**

Vote: Rotkvich – aye, Neil – aye, Muehlenbeck – aye, Niemann – aye, Chiaro - aye. Motion unanimously carried.

BOARD ATTORNEY'S REPORT

- Officer R. Niemann Disability Hearing Update: Board Attorney Cribaro-Mello discussed the status of Officer Niemann's case, IME visits with assigned doctors have been scheduled and medical reports are in process of being collected. The Disability Hearing date has not been determined and will be communicated to the Board as soon as the medical reports have been completed.
- Legal Update: No rulings at this time. Cribaro-Mello discussed recent legislation regarding PA 096-0297 Military Service Benefits, buy back time is up to 2 years. Processing calculations has been on hold for now waiting for the state to resolve some calculation issues. Allison Barrett of Lauterbach and Amen is working on this issue. QILDRO's were discussed.
- Review of New Court Decisions: None at this time.

The Board discussed the recent re-appointment of the two Mayoral appointees – Robert Neil whose term expires April 30, 2011 and Robert Muehlenbeck, whose term expires April 30, 2012.

OLD BUSINESS - none

NEW BUSINESS

- Review of Closed Sessions Minutes Rule 208c: Board Attorney Cribaro Mello reviewed the Closed Session Minutes and recordings; determining all to remain closed for the following dates: 08/10/2004, 09/14/2004, 06/08/2007, 02/12/2008, 04/08/2008, 06/10/2008.

APPROVAL OF LAUTERBACH AND AMEN BALANCE SHEETS – July and August 2010

The Board reviewed the July and August 2010 Monthly Financial Reports as presented at the meeting. No questions or discussion. **A motion by Rotkvich to approve the Lauterbach and Amen Monthly Financial Reports for July and August 2010, second by Niemann. Motion unanimously carried.**

FINANCIAL REPORT

- Review of Funds Portfolio / Asset Allocation: Investment Advisor, McShane, presented and reviewed with the Board the Performance Review Report for the Third Quarter of 2010. A copy of which is attached (see Exhibit A). Total fund was up 7.70% for the quarter, outperforming the Custom Benchmark. Total Fund balance was \$50,408,335 as of 09/30/2010. Asset allocations were discussed. It was recommended that the board rebalance the portfolio to 45% equity by December 31st.
- Cash flow Analysis: McShane presented his recommendations.

A motion by Chiaro to follow Investment Advisor McShane's recommendation to move \$1.8 million in the following manner:

\$400,000 from S&P 500 Index fund to Lazard Emerging Markets, \$700,000 from McDonnell Fixed income to cash, \$700,000 from SKBA Fixed Income to cash; and an additional \$400,000 from S&P 500 Index fund transferred to cash, second by Neil. Roll Call Vote: Chiaro – aye, Rotkvich– aye, Neil – aye, Muehlenbeck – aye, Niemann – aye. Motion unanimously carried.

The Board further discussed Actuarial Assumptions with Treasurer Wisniewski.

EXECUTIVE SESSION – none needed

ADJOURNMENT

A motion by Muehlenbeck to adjourn the meeting at 10:09AM, second by Neil. Motion unanimously carried.

Respectfully submitted / Minutes prepared by PSA, Becky Davis on October 26, 2010.

Approved by the Board of Trustees on _____.

Nicholas Chiaro, President