

Minutes of the Meeting of the
Board of Trustees of the Des Plaines Police Pension Fund
October 13, 2015

1. Call to Order – the meeting was called to order at 9:08 a.m. in room 101 at City Hall, 1420 Miner Street, Des Plaines, Illinois.
2. Roll Call – Chairman Chiaro and Trustees Muehlenbeck, Rotkvich and Szczerbinski were present. Trustee Neil was absent. Also present was annuitant Wendall Whitted, Investment Consultant Tom McShane and Board Attorney Camille Cribaro-Mello.
3. Approval of Minutes – There was a motion by Trustee Muehlenbeck, seconded by Trustee Rotkvich to approve the minutes of the meeting from August 11, 2015. All voted in favor of the motion.
4. Approval of Disbursements – The Board reviewed Warrant List #53 indicating expenditures in the amount of \$10,542.58. There was a motion by Trustee Szczerbinski, seconded by Trustee Rotkvich to approve payment of the disbursements noted on Warrant List #52. A roll call vote was taken and all members present voted in favor of the motion.
5. Board's Attorney Report - Attorney Cribaro-Mello discussed the filings with the Illinois Supreme Court by Eleanor Ventimigla, in an apparent attempt to seek review of the Appellate Court decision affirming the Board's denial of her surviving spouse application. If Ventimigla's briefs are accepted by the Supreme Court, a Response will be filed on behalf of the Board. Attorney Cribaro-Mello also discussed recent Appellate and Supreme court decisions concerning the procedure by which a board conducts a disability hearing and PSEBA benefits.
6. Old Business – None.
7. New Business –
 - The Board was informed of the resignations of officers Stults and Molina. Both officers have been notified of their right to withdraw contributions.
 - The Board was updated regarding active member records/file maintenance
 - Eleanor Ventimigla Supreme Court Petition (see Attorney Report above).
 - The Board reviewed the 2014 Municipal Compliance Report, prepared by Lauterbach & Amen for submission to the City. Tom McShane will verify that the investment return information reconciles with his records prior to the Report being submitted. If correction are needed, McShane will coordinate with Lauterbach & Amen.
8. Approval of Lauterbach & Amen balance sheets for July and August 2015 – A motion was made by Trustee Szczerbinski, seconded by Trustee Muehlenbeck to

approve the balance sheets prepared by Lauterbach & Amen for July and August 2015. A roll call vote was taken and all members present voted in favor of the Motion.

9. Financial Report - Tom McShane reviewed the pension fund performance for the period ending September 30, 2015. The total fund balance was \$61,141,608 reflecting a loss for the period of \$1,076,962. McShane reviewed the market outlook and conditions that contributed to the market losses across all sectors.

Based on market conditions, McShane discussed the implementation of certain allocation strategies previously discussed and approved by the Board's investment committee. The strategies are aimed to take advantage of the volatility in the market and will also allow for a rebalance of the portfolio in an orderly fashion. The strategies include the following BUY Orders, which would be entered as Good until Cancelled:

Order 1: BUY 1,336 shares of the S&P 500 Exchange Traded Fund (ticker IVV) @ \$183 (15% below high of \$215)

Order 2: BUY 1,450 shares IVV @ \$172 (20% below high of \$215)

Order 3: BUY 1,550 shares IVV @ \$161 (25% below high of \$215)

Order 4: BUY 1,660 shares IVV @ \$150.5 (30% below high of \$215)

Order 5: BUY 1,785 shares IVV @ \$140 (35% below high of \$215)

After a discussion, a motion was made by Trustee Rotkvich, seconded by Muehlenbeck, to ratify the strategic direction approved by the Investment Committee and to keep the strategy in place. A roll call vote was taken and all members present voted in favor.

Based on current cash flow needs and the amount of cash on hand, McShane did not recommended any other changes at this time.

10. Public Comment – None.

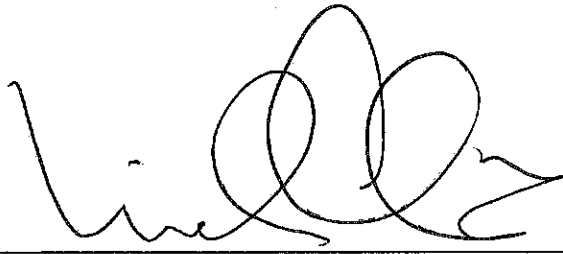
11. Continuing Education – the Board reviewed the number of training hours accumulated for each Board member to date.

12. Executive Session – None.

13. Adjournment – A motion was made by Trustee Rotkvich, seconded by Trustee Szczerbinski to adjourn the meeting at 10:27 a.m. The motion passed unanimously.

The meeting adjourned at 10:27 a.m.

Approved on: _____

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

By: _____

Chairman

By: _____

Vice President