

Meeting Minutes - October 13, 2009

A regular meeting of the Board of Trustees of THE DES PLAINES POLICE PENSION BOARD was held on Tuesday, October 13, 2009 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, Secretary Larry Marks, Trustee Daniel Niemann, Trustee Robert Neil

Absent: None

Also Present: Finance Dir., Dorothy Wisniewski, Annuitant Wendall Whitted, Annuitant James Roel, Annuitant Michael Lambeau, Tom McShane of Graystone Consulting/Smith Barney, Attorney Camille Cribaro-Mello of RSNL&T, Becky Davis of Lauterbach and Amen

APPROVAL OF MINUTES

A motion by Muehlenbeck, seconded by Marks, to approve as presented, the minutes from the August 11, 2009 meeting. Motion unanimously carried.

APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements as identified in the October 13, 2009 Warrant list #17, totaling \$5,364.70. **A motion by Neil, seconded by Niemann, to approve the disbursements as identified in the October 13, 2009 Warrant list #17 totaling \$5,364.70. A Roll Call vote was taken: Ayes: Chiaro, Muehlenbeck, Marks, Niemann, Neil (5). Nays: None (0). Motion unanimously carried: 5-0.**

FINANCIAL REPORT

Investment Advisor, McShane, reviewed the portfolio report dated 9/30/09

(see Exhibit A). The Total Fund balance as of September 30, 2009 is approximately \$45.7 million; which is up 8.2% for the quarter.

Due to the recent death of an annuitant, there will be proceeds received from a Pacific Life Annuity. McShane advised the Board that the death certificate will be necessary to process the Annuity.

McShane reported that the Equity Asset Allocations have reached 47%. McShane recommended no changes are needed for now because the percentage will be balanced when the death benefits are processed.

McShane was excused and left the board meeting at 10:13AM.

BOARD ATTORNEY'S REPORT

a. Retirement of Detective J. Rafael Tovar – The Board reviewed and recorded the retirement summary for J. Rafael Tovar. Date of hire: 07-23-1970, Date of retirement: 09-30-2009. Annual pension amount of \$64,709.25; monthly pension amount of \$5,392.44.

Board discussion ensued about the City ordinance stating a mandatory retirement for officers at age 65. Research by Board Attorney Cribaro-Mello and Richard Reimer & Associates determined that this ordinance has been consistently enforced over the years. Also discussed, was the 1 ½% payroll deduction requirement for Medicare. New hires after the 1980's automatically pay the 1 ½%, those hired prior to that time may have not paid anything into Medicare, which is a pre-requisite for City's health care benefits at retirement. Cribaro-Mello found no statement in the union contract or public knowledge of these requirements. **President Chiaro directed Attorney Cribaro-Mello to request the City of Des Plaines Human Resources Department to issue a letter to the members stating the ordinance for mandatory retirement at age 65, and the Medicare contribution percentage requirement to receive the City insurance benefit at retirement.**

b. Officer Roszkowiak Disability Hearing Update – in process.

c. Officer Richard Niemann Disability Request – in process.

d. Legal Updates – no significant changes in legislation. Possible update to SB 2011 – extension to 2049?

Board discussion regarding a possible update to the Rules and Regs pertaining to the bill the Governor recently signed establishing a Trust for adopted children (pension benefits could be paid directly to the trust on the child's behalf). **Cribaro-Mello will follow up regarding this update to the Rules and Regs.**

e. Review of New Information – Eleanor Stephens, former wife of John Stephens, has been attempting to modify her Nevada divorce decree to receive surviving spouse benefits. John Stephens has been ill. Cribaro-Mello stated the Board can authorize the Board Attorney to advise Stephens' ex-wife of QILDRO requirements; the Board has no further obligations. **President Chiaro directed Atty. Cribaro-Mello to send the QILDRO information to Eleanor Stephens.**

OLD BUSINESS

- Wisniewski stated that there will be a change from 7 to 5 days to respond to F.O.I.A. requests.
- The IRS letter provided in the board packet was reviewed by Allison Barrett of Lauterbach and Amen and she stated that the letter means this should be a closed matter.

NEW BUSINESS - None

APPROVAL OF LAUTERBACH & AMEN BALANCE SHEETS FOR JULY & AUGUST, 2009

The Board reviewed the Lauterbach and Amen balance sheets for July and August, 2009. **A motion by Muehlenbeck and seconded by Marks, to approve the Lauterbach and Amen Balance Sheets for July and August, 2009. Motion unanimously carried.**

EXECUTIVE SESSION – **A motion by President Chiaro and seconded by Muehlenbeck, to continue the board meeting in Executive**

Session to discuss the Roszkowiak and Niemann disability matters. A Roll Call vote was taken: Ayes: Chiaro, Muehlenbeck, Marks, Niemann, Neil (5). Nays: None (0). Motion unanimously carried: 5-0.

Executive Session opened at 10:45AM

Executive Session closed at 11:09AM

ADJOURNMENT

Motion by Chiaro and seconded by Marks to adjourn the meeting at 11:14 AM. Motion unanimously carried.

Respectfully submitted,

Nicholas Chiaro, President

Approved by the Board of Trustees on _____ (date).

Minutes prepared by Becky Davis, Pension Services Administrator, on 10/15/09; revision 11/2/09.