

Meeting Minutes - October 14, 2014

1. Call to Order - the meeting was called to order at 9:15 a.m. in room 101 at City Hall, 1420 Miner Street, Des Plaines, Illinois.
2. Roll Call - Chairman Chiaro and Trustees Rotkvich and Muehlenbeck were present. Trustees Neil and Treantefelis were absent. Also present were pensioner Wendall Whitted, Investment Consultant Tom McShane, Treasurer Dorothy Wisniewski 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 12, 2014. All voted in favor of the motion.
4. Approval of Disbursements - The Board reviewed Warrant List #47 indicating expenditures in the amount of \$10,240.29. There was a motion by Trustee Rotkvich, seconded by Trustee Muehlenbeck to approve payment of the disbursements noted on Warrant List #47. A roll call vote was taken and all members present voted in favor of the motion.
5. Financial Report - Tom McShane discussed the current market conditions and reviewed returns from selected indices, which demonstrated that returns for larger companies were faring better under current conditions. McShane reviewed the pension fund performance for the period ending September 30, 2014. The total fund balance was \$63,447,613 reflecting a loss for the month of September of \$1,543,177. The performance for each investment manager was reviewed and it was noted that Great Lakes continued to lag the market. McShane will closely monitor Great Lakes performance for the next quarter. If there is a recommendation to make a change to the large cap value manager, he will bring it to the Board for consideration. The Board's investment allocation was reviewed and at present, all investments are in line with the Board's strategic allocation. Accordingly, no allocation adjustments were recommended.

The Board indicated that it had received some monies from Chicago Clearing Corporation, who is monitoring securities litigation on the Board's behalf. McShane suggested that all such monies be deposited in the Board's cash management account for use in paying pension benefits. The Board also discussed transitioning to electronic statements and confirmations for the cash management account.

6. Board's Attorney Report - Attorney Cribaro-Mello updated the Board regarding the scheduling of an IME for a current disabled pensioner who

has received disability payments for more than ten years and remains under age 50. The Board was also updated regarding the collection of medical records for disability applicant James Brown. Cribaro-Mello confirmed that since the last meeting two QILDRO's had been received; one is finalized and the other is still being reviewed. Attorney Cribaro-Mello also discussed recent court decisions involving the pension code and the status of the constitutional challenge to the State pension reform. She also reviewed with the Board how a disability pension is converted to a retirement pension related to the Hicks/ Thomas request. The specific language of the pension code at section 5/3-116.1 was reviewed.

7. Old Business - None.

8. New Business -

- The Board was updated regarding the FOIA request and response, seeking information regarding the retirement pension of Tim Veit.
- The Board was notified of the resignation of Officer Brandon Lanham. Lanham has been informed of his right to withdraw his contributions to the fund.
- The Board was notified of the death of surviving spouse Mona Wolf.
- The Board was notified of the request by former Sergeant Hicks (now Thomas) to convert his non-duty disability pension to a retirement pension upon attaining age 50 in December, 2014. The Board requested attorney Cribaro-Mello to create a form for such requests.

9. Approval of Lauterbach & Amen balance sheets for July and August 2014 - A motion was made by Trustee Rotkvich, seconded by Trustee Muehlenbeck to approve the balance sheets prepared by Lauterbach & Amen for July and August 2014. A roll call vote was taken and all members voted in favor of the Motion.

10. Public Comment - None.

11. Executive Session - None.

12. Adjournment - A motion was made by Trustee Muehlenbeck, seconded by Trustee Rotkvich to adjourn the meeting at 10:23 a.m. The motion passed unanimously.

The meeting adjourned at 10:23 a.m.