

Meeting Minutes - October 9, 2012

Call to Order – The meeting was called to order at 9:15 a.m. in room 101 of the Des Plaines City Hall, 1420 Miner Street, Des Plaines, Illinois.

Roll Call – Chairman Chiaro, and Trustees Niemann and Rotkvich were present. Trustees Neil and Muehlenbeck were absent. Also present were annuitant Wendall Whitted, City Treasurer, Dorothy Wisniewski, Investment Consultant Tom McShane and the Board's attorney, Camille Cribaro-Mello.

Approval of Prior Meeting Minutes – A motion was made by Trustee Rotkvich, seconded by Trustee Niemann, to approve the minutes of the August 14, 2012 meeting. The motion passed by unanimous vote.

Approval of Disbursements – A motion was made by Trustee Niemann, seconded by Trustee Rotkvich, to approve the Disbursements in the amount of \$9420.24 as set forth on Warrant List #35. On a roll call vote, all members in attendance voted in favor and the motion passed.

Board's Attorney Report – Attorney Cribaro-Mello updated the Board regarding the status of Sgt. Matthew Hicks appeal. The Board was updated regarding Eleanor Ventimigla's administrative review. The Board's decision was upheld and Ventimigla has until October 22, 2012 to file a notice of appeal.

The Board was reminded about the need to complete the on-line Open Meetings Act training provided by the Illinois' Attorney General. Training must be complete by the end of the year. There were no new court decisions to report.

Old Business

- The board was updated regarding the service transfer request for Officer John Hutson to purchase two years of military time. Hutson has all of the information but he has yet to complete the paperwork regarding the repayment plan. Trustee Rotkvich indicated he would talk to Officer Huston regarding his intentions.
- The Board received the retirement application of Commander William Prim. The pension was calculated by Lauterbach and Amen and the calculations were approved by the Treasurer. Prim is eligible to receive an annual pension of \$76,007.04 with monthly payments of \$6333.92. A motion was made by Trustee Niemann, seconded by Trustee Rotkvich, to approve the retirement pension of Commander

Prim. On a roll call vote, all members in attendance voted in favor and the motion passed.

New Business

- The Board indicated it had received the municipal compliance report prepared by Lauterbach & Amen. The Treasurer was asked to review the report and if the report appeared to be accurate, it will be submitted to the City Council.

Approval of Lauterbach & Amen Balance Sheets for July and August 2012 - A motion was made by Trustee Niemann, seconded by Trustee Rotkvich, to approve the Lauterbach & Amen balance sheets for July and August 2012. A roll call vote was taken and the motion passed by unanimous vote.

Financial Report – Tom McShane reviewed the pension fund performance for the quarter ending September 30, 2012. McShane reported that of all the pension funds he works with, the Des Plaines Police Pension Fund had achieved the best performance. The total fund balance was \$56,739,680 comprised of \$26,849,184 in fixed income; \$19,111,360 in U.S. equity; \$8,933,923 in international mutual funds; and \$1,845,213 in cash.

The Board reviewed the current allocations among the investments and also discussed a recent opinion issued by the Illinois Department of insurance indicating that funds of the size of the Police pension fund could invest up to 65% in equity holdings. It was recommended that the Board have further discussion regarding its target allocation for equity investments at the December Board meeting. McShane further recommended that the board reallocate 1% of its portfolio (approximately \$500,000) to the S&P Index fund. McShane recommended that the \$500,000 be taken evenly from each of the fixed income managers. A motion was made by Chairman Chiaro, seconded by Trustee Niemann to reallocate the portfolio as recommended by McShane. A roll call vote was taken and the motion passed by unanimous vote.

Executive Session – No Executive Session was needed. The Board was reminded of the special meeting for the disability hearing on application of Officer Marquardt, to begin upon the conclusion of the meeting.

Adjournment - A motion was made by Trustee Rotkvich, seconded by Chairman Chiaro, to adjourn the meeting at 10:50 a.m. The motion passed by unanimous vote.

The meeting adjourned at 10:50 a.m.