

Meeting Minutes - December 13, 2011

A Regular Meeting of the Board of Trustees of THE DES PLAINES POLICE PENSION BOARD was held on Tuesday, December 13, 2011 at 9:00 AM at City Hall located at 1420 Miner Street, in Room 101, Des Plaines, IL 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 9:20 AM.

ROLL CALL

Upon roll call the following answered:

Present: President Nicholas Chiaro, Vice President Robert Muehlenbeck, Trustee Daniel Niemann

Absent: Trustee Jeff Rotkvich, Secretary Robert Neil

Also Present: Retired Officers Wendall Whitted and James Roel, Board Attorney Camille Cribaro-Mello of RSNL&T, Tom McShane of Graystone Consulting-MSSB, Becky Davis of Lauterbach & Amen, LLP (L&A)

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the prior meeting minutes provided in the Board meeting packet. **A motion by Muehlenbeck to approve the October 11, 2011 minutes as presented, second by Niemann. Motion unanimously carried by voice vote.**

APPROVAL OF DISBURSEMENTS

The Board reviewed Warrant List #30 as presented in the Board meeting packet. **A motion by Muehlenbeck to approve the Warrant List #30 with total disbursements of \$24,293.90, as presented, second by Niemann. Roll Call Vote: Chiaro – aye, Muehlenbeck – aye, Niemann – aye, Neil – absent, Rotkvich - absent. Motion unanimously carried.**

The Board discussed and agreed to the following 2012 Board meeting dates: February 14th, April 10th, June 12th, August 14th, October 9th and December 11th; all meetings will be held at 9:00 AM in the same location except for the June meeting which will be held in Chicago at 11:00 AM as posted.

BOARD'S ATTORNEY REPORT

Board Attorney Cribaro-Mello reviewed the following Legal Updates and New Court decisions: (1) Open Meetings Act (OMA) training was mandated by law (on August 23, 2011) for all Board members to successfully complete training curriculum developed and administered by the IL Attorney General's (AG) Public Access Counselor (PAC) by completing a course provided on the AG's website – existing members, within one year (by 01/01/2013) new members, within 90 days of assuming responsibilities as trustee (elected or appointed). (2) Communication via electronic devices during a public meeting can be subject to FOIA, it does not matter if the device is personal or company issued. The Board indicated that electronic devices such as cell phones should be turned off during Board meetings. (3) Pension reform is still pending. (4) Double dipping issues were addressed and law enacted. (5) The Supreme Court case Nowak v. City of Country club Hills as discussed with regard to when PSEBA benefits apply.

OLD BUSINESS

The Board discussed the following topics: (1) Matthew Hicks Decision – non-duty disability pension was awarded to Sergeant Matthew Hicks in the amount of 50% of the salary attached to his rank as Sergeant (\$97,367 plus \$1,919 longevity), said pension to be effective as of September 13, 2011. Hicks to submit a corrected application to the Pension Board no later than September 30, 2011; decision dated 09/23/2011. (2) Eleanor Ventimigla Decision – Claim for surviving spouse benefits was denied; decision dated 11/15/2011. (3) Lave – transfer from Chicago, is still in progress, L&A hopes to have final figures by December 22nd.

NEW BUSINESS

The Board discussed the following topics: (1) Statements of Economic Interest will be activated by the Board and then must be filed by Board members prior to February 1, 2012. (2) Actuarial services bulletin The Siren discussed – the IDOI will not provide Actuarial Valuations this year and Pension Funds and/or Municipalities will need to retain their own actuary for 2011. The IDOI expects to regain the ability to generate suggested levies in 2012. (3) Actuarial Valuation completed by L&A for 12/31/2010; Municipal compliance report completed by L&A for 12/31/2010; tax levy letter submitted to Mayor Moylan, members of the City Council and City Manager Slowinski on 11/17/2011 stating a levy amount of \$3,483,688 for the 2011 property tax levy per mandate of Section 3-125 of the IL Pension Code. (4) Trustee training available through the IPPFA was distributed and members reminded of their responsibility to complete 16 hours of continuing training/education as required by statute. Board Attorney Cribaro-Mello provided the following certification based on education incorporated in meetings and recorded in the minutes: Neil 12 hours, Niemann 12 hours, Rotkvich 11 hours, Muehlenbeck 11.50 hours, Chiaro 13.50 hours.

APPROVAL OF L&A BALANCE SHEETS FOR SEPTEMBER & OCTOBER 2011

The Board distributed and reviewed the balance sheets presented. **A motion by Niemann to accept the L&A balance sheets for September & October 2011, second by Muehlenbeck. Motion unanimously carried by voice vote.**

FINANCIAL REPORT

Review of Fund's Portfolio / Asset Allocation: Investment Advisor McShane reviewed the Fund's investment performance report for the period ending November 20, 2011. The total Fund balance for the quarter was \$52,585,150 up 4.38% QTD (up 0.97% YTD). Asset allocations were: Total Equities – Domestic and Int'l. 45.69% and Total Fixed Income (including Cash) 54.31%; target allocations are total Equities 50.00%, total Fixed Income (with Cash) 50.00% (see investment attachments Exhibit A).

Cash flow Analysis: McShane recommended no changes at this time.

McShane discussed Graystone Consulting's goal of reducing volatility/risk by creating a more steady stream of returns to the Fund. The Board discussed giving discretion on asset allocation and manager selection to make timely adjustments to the portfolio to benefit the Fund. McShane will work with Board Attorney Cribaromello to draft verbiage for guidelines – **TABLED until the next meeting.** The Board noted that Graystone's contractual agreement is to be reviewed prior to 2014.

EXECUTIVE SESSION – none needed

ADJOURNMENT

A motion by Niemann to adjourn the meeting at 10:43 AM, seconded by Muehlenbeck. Motion unanimously carried by voice vote.

Respectfully submitted,

Nicholas Chiaro,
President

Minutes prepared by Pension Services Administrator, Becky Davis