

Meeting Minutes - February 14, 2012

A regular meeting of the Board of Trustees of the Des Plaines Police Pension Fund was held on Tuesday, February 14, 2012 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

A motion by Trustee Rotkvich to elect Trustee Dan Niemann as President Pro Tem, second by Vice President Muehlenbeck. Motion unanimously carried by voice vote.

President Pro Tem, Daniel Niemann called the meeting to order at 9:08 AM.

ROLL CALL

Upon roll call the following answered:

Present: President Pro Tem Daniel Niemann, Vice President Robert Muehlenbeck, Trustee Jeff Rotkvich, Secretary Robert Neil

Absent: President Nicholas Chiaro (excused)

Also Present: Retired Officers Wendall Whitted and James Roel, Board Attorney Camille Cribaro-Mello of RSNL&T, Tom McShane and John Burnfisher 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 December 13, 2011 minutes as presented, second by Niemann. Motion unanimously carried by voice vote.**

APPROVAL OF DISBURSEMENTS

The Board reviewed Warrant List #31 as presented in the Board meeting packet. **A motion by Niemann to approve Warrant List #31 with total check payments of \$4,933.32, as presented, second by Rotkvich. Roll Call Vote: Muehlenbeck . aye, Neil . aye, Rotkvich . aye, Niemann . aye, Chiaro . absent. Motion unanimously carried.**

BOARD'S ATTORNEY REPORT

Board Attorney Cribaro-Mello reviewed the Legal Updates and New Court decisions:

- Open Meetings Act required training; Davis offered to email the web link information for the Board.
- The Board discussed Matt Hick's and Eleanor Ventimigla's filing for administrative review.
- The Board discussed Officer Samuel Lopez. reserve military time; Cribaro-Mello indicated that the IDOI has no firm position on reserves, L&A may be able to run a calculation based on Lopez. active duty time . **TABLED for further follow up.**
- The Board discussed Sgt. Christopher Mierzwa and Officer James Lave's application for purchase of military service time . calculations were prepared by L&A and sent to the applicants; both have accepted.
- The Board discussed the handout distributed regarding PSEBA.

FINANCIAL REPORT

Review of Fund's Portfolio / Asset Allocation: Investment Advisor McShane distributed and reviewed the Fund's investment performance report for the period ending December 31, 2011. The total Fund balance for the quarter was \$52,470,352 up 4.79%

QTD (up 1.32% YTD). Asset allocations were: Total Equities . Domestic and Int.l. 45.63% and Total Fixed Income (including Cash) 54.37%; target allocations are total Equities 50.00%, total Fixed Income (with Cash) 50.00% (see investment attachments).

Cash flow Analysis: McShane discussed his recommends with the Board. **A motion by Neil to follow McShane's recommendation to conservatively, as the market allows over the next month or two, take \$375,000 from McDonnell . Fixed Income and invest the funds into Emerging Markets . Lazard; to take \$375,000 from SKBA . Fixed Income and invest the fund into International Equity . Amerifunds, second by Muehlenbeck.**

Roll Call Vote: Muehlenbeck . aye, Neil . aye, Rotkvich . aye, Niemann . aye, Chiaro . absent. Motion unanimously carried.

The Board further discussed the following: (1) guidelines for discretion on asset allocation and manager selection to make timely adjustments to the portfolio to benefit the Fund, (2) actuarial assumptions, and (3) information requested to be processed and provided from other investment consultants. fee structures. Board Attorney Cribaro-Mello will coordinate this process with the Fire Pension Board as well Thomas McShane was excused and left the meeting at 10:21 AM.

OLD BUSINESS . nothing further at this time

NEW BUSINESS

- Scheduled pension increases. The Board reviewed and discussed the 2012 COLA benefit increases as presented in the board meeting packet. **A motion by Neil to approve the 2012 COLA benefit increases, noting Robert Kujawa's .Type of Pension. disability conversion to retirement, second by Muehlenbeck . Roll Call Vote:**

Muehlenbeck . aye, Neil . aye, Rotkvich . aye, Niemann . aye, Chiaro . absent. Motion unanimously carried.

- Application for Retirement from Chief James Prandini: The Board reviewed the pension calculation prepared by L&A. **A motion by Rotkvich to approve the retirement calculations for James S. Prandini granted 01/03/2012, effective date of retirement 01/01/2012 with 31 years of creditable service earned, applicable salary of \$138,147.00, amount of originally granted monthly pension of \$8,634.19, annually \$103,610.28, second by Niemann. Roll Call Vote: Muehlenbeck . aye, Neil . aye, Rotkvich . aye, Niemann . aye, Chiaro . absent. Motion unanimously carried.**
- Application for Disability from Officer John Marquardt: The Board held a general discussion on officer Marquardt's disability application; he is currently receiving PEDAs benefits.
- Application for Membership from Officer Adam Banda: The Board accepted a pension fund application from new hire, Adam Banda; date of hire 12/19/2011.
- Application for Membership from Officer Michelle Hernandez: The Board accepted a pension fund application from new hire, Michelle Hernandez; date of hire 12/19/2011.
- Application for purchase of Military Service Time: The Board previously discussed this item under the Board's Attorney report.

APPROVAL OF L&A BALANCE SHEETS FOR NOVEMBER & DECEMBER 2011

The Board distributed and reviewed the balance sheets for November and December 2011.

A motion by Niemann to accept the L&A balance sheets for November & December 2011, second by Muehlenbeck. Motion unanimously carried by voice vote.

The Board further discussed elections being conducted for retired member, Nicholas Chiaro term expires May, 2012 and active member, Jeffery Rotkvich term expires May, 2012. Appointed member terms were discussed for Robert Muehlenbeck and Robert Neil.

EXECUTIVE SESSION . none needed

ADJOURNMENT

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