

Meeting Minutes - February 8, 2011

A regular meeting of the Board of Trustees of the Des Plaines Police Pension Fund was held on Tuesday, February 08, 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 9:00 AM.

ROLL CALL

Upon roll call the following answered:

Present: President Nicholas Chiaro, Secretary Robert Neil, Trustee Daniel Niemann, Trustee Jeff Rotkvich

Absent: Vice President Robert Muehlenbeck

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

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the December 14, 2010 minutes as presented in the board meeting packet. **A motion by Neil to approve the December 14, 2010 regular meeting minutes as presented, second by Rotkvich. Motion unanimously carried.**

APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements on Warrant list #25 as presented in the board meeting packet. **A motion by Niemann to approve the disbursements as listed on the February 8,**

2011 Warrant List #25 totaling \$5,027.61, second by Rotkvich. The Board discussed the purchase of office equipment and agreed with Board Attorney Cribaro-Mello's statement that no prior Board approval is necessary as long as costs are reasonable and necessary. **Roll Call Vote: Neil – aye, Chiaro – aye, Niemann – aye, Rotkvich – aye. Motion unanimously carried.**

BOARD ATTORNEY'S REPORT

- Legal Update: Board Attorney Cribaro-Mello discussed several items of interest to the Board, handouts were provided in the board meeting packet. SB 3538 pension changes; P.A. 96-1495 expanded investment opportunities for certain Funds, changes in municipal funding, COGFA reporting; SB 1679-Consolidation; civil union laws and the possibility of trailer bills.
- Review of New Court Decisions: Cribaro-Mello discussed, per a handout provided, a recent Appellate Court decision, affecting Cook County, stating that municipalities must pay 100% of insurance premiums for injured public safety employees from date of injury.
- Officer R. Niemann Disability Hearing Update: Cribaro-Mello updated the Board on the status of Mr. Niemann's medical information and stated that the Board can proceed setting a hearing date. After discussion the Board agreed to change the next board meeting date from April 12th to April 19th at 9:00 AM and to include the R. Niemann disability hearing.

Additional information was discussed: The Board reviewed and discussed a FOIA request (provided in the board meeting packet) received and responded to by Board Attorney Cribaro-Mello on January 28, 2011; Identity Protection Act and fiduciary & civil rights insurance renewals.

OLD BUSINESS

- Update on Annual Trustee Training Requirements: The Board reviewed and discussed the 2011 trustee training opportunities and requirements as presented in the board meeting packet. Rotkvich will be attending the March, 2011 certified training program.
- Update on purchase of creditable time for Military Service: The Board discussed Matthew Hicks buy back of military time payment options and interest requirements. Cribaro-Mello will work on this, collaborate with Allison Barrett of Lauterbach and Amen, then draft a letter to Hicks to instruct and explain his options.
- Discussion of Officer William Wolf's Overpayment: The Board acknowledged and discussed the death of retired member, William Wolf, on February 5, 2011; surviving spouse, Mona Wolf; overpayment issue is no longer an issue.

NEW BUSINESS

- Death of Retired Officer William Wolf: The Board discussed this earlier under OLD BUSINESS.
- Death of Retired Sergeant Thomas Rembacz: The Board discussed and acknowledged the death of retired member, Thomas Rembacz, on February 7, 2011; surviving spouse, Joan Rembacz.
- Written Statements of Economic Interest: The Board discussed the on-line filing of the annual statements of economic interest; board members must file each year separately from the Village and for each public entity.
- Annual Disability Physicals: The Board discussed annual physicals for those under age 50.
- Annual Affidavits of Continued Eligibility: The Board discussed the annual affidavits that will go out to all pensioners.

- Active Officer Trustee Election: The Board discussed the active member elections to be conducted for Daniel Niemann, Board of Trustees term expiring in March 2011.

FINANCIAL REPORT

- Review of Funds Portfolio / Asset Allocation: Investment Advisor, McShane, distributed and reviewed with the Board the Performance Report for the 4th Quarter of 2010. As of January 31, 2011, a copy of which is attached (see Exhibit A). The Total Fund balance was \$52,777,582; up 3.86% for the quarter; YTD up 11.81%. Target allocation was discussed – reallocation to 45%; 50% status was due to growth in the market; recommending no changes at this time, will review and update the Investment Policy Statement to reflect new legislation changes allowing increases in Equity exposure. Wells still on the watch list. New legislation was discussed regarding Corporate Bonds; McShane distributed a handout explaining this topic, explaining the limitations/guidelines; diversification and tactical weights. ****The Board noted that Review of the Investment Policy Statement will be an agenda item for the next regular meeting.** McShane stated that the handout regarding Comparisons of Equity Managers may qualify as continuing education credit.
- Cash flow Analysis: The Board discussed the cash flow analysis and estimated annual fees with the Board.

APPROVAL OF LAUTERBACH AND AMEN BALANCE SHEETS – November and December 2010

The Board distributed and reviewed copies of the November and December monthly financial reports from L&A. **A motion by Neil to approve the November and December 2010 monthly financial reports from L&A, second by Niemann.** Motion carried.

ADJOURNMENT

**A motion by Niemann to adjourn the meeting at 10:44 AM,
second by Rotkvich. Motion unanimously carried.**

Respectfully submitted and minutes prepared by Pension Services
Administrator, Becky Davis.

Approved by the Board of Trustees on _____.

Nicholas Chiaro, President