

Meeting Minutes - April 13, 2010

A regular meeting of the Board of Trustees of THE DES PLAINES POLICE PENSION BOARD was held on Tuesday, April 13, 2010 at 9:00AM at City Hall, 1420 Miner Street, in Room 101, 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 9:00AM.

ROLL CALL

Upon roll call the following answered:

Present: President Nicholas Chiaro, Secretary Larry Marks, Vice Pres. Robert Muehlenbeck, Trustee Daniel Niemann, Trustee Robert Neil

Absent: Finance Director Dorothy Wisniewski

Also Present: Asst Finance Director Ilana Bromber, Annuitant Wendall Whitted, Annuitant James Roel, Tom McShane of Graystone Consulting/MSSB, Attorney Camille Cribaro-Mello of RSNL&T, Becky Davis of Lauterbach and Amen

APPROVAL OF MINUTES

The Board reviewed the February 9, 2010 minutes as presented in the board meeting packet. **A motion by Neil to approve the 2/9/10 minutes as presented, second by Niemann. Motion unanimously carried.**

APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements as presented on Warrant list #20. **A motion by Muehlenbeck to approve the disbursements as listed in the April 13, 2010 Warrant list #20 totaling \$7,969.96, second by Marks. Roll Call Vote: Chiaro – aye, Marks – aye, Muehlenbeck – aye, Neil - aye, Niemann - aye. Motion unanimously carried.**

BOARD ATTORNEY'S REPORT

Legal Update: Board Attorney Cribaro-Mello reviewed the current status of legislation: **HB 5059** - Pen CD Investment Derivatives; **HB 5149** - Pen CD - Art 3 - Beneficiary Trust; **HB 5297** - Pen CD-Art 3&4 - Financing - Levy; **HB 5417** - Pen CD - Art 3 - Insufficient Fund; **HB 5478** - Pen CD - Art 3 - Disability Increase; **HB 5483** - Open Meetings - Minutes; **HB 5684** - Pen CD - Police Widow Increase; **HB 5873** - Pen CD - Pension Division - Report; **HB 6117** - Pen CD - IL Fiduciary College; **HB 6619** - Pen CD - Dnst Police - Marry in Retirement; **SB 2525** - Pen CD - Art 1 - Fiduciaries; **SB 2574** - Pen CD - Art 3&4 - Financing - Levy; **SB 2822** - Pen CD - Domestic Partners; **SB 3022** - Public Employee Benefits - Tech; **SB 3162** - Pen CD - Fund of Fund Management; **SB 3191** - Pen CD - Art 5 - Duty Disability.

Jason Roszkowiak and Attorney Anthony Argeros arrived at 9:16AM

The Board Attorney further discussed with Board the issues and intense lobbying being done by the IL Municipal League and related union groups.

- Review of New Court Decisions: No new cases currently.
- Officer J. Roszkowiak Disability Hearing Update: Board Attorney Cribaro-Mello recommended that the Board discuss during Executive Session.
- Officer R. Niemann Disability Hearing Update: Board Attorney Cribaro-Mello recommended that the Board discuss during Executive Session.

OLD BUSINESS

- Response to Department of Insurance Audit: The Board thanked Board Attorney Cribaro-Mello for her appropriate action and professional handling of the responses to the IDOI Audit Summary of Findings. All appropriate action has been completed.

The Board was updated on the following items of importance: IRS issues being addressed by Lauterbach and Amen; Elections: Retiree position - Nick Chiaro's term is expiring. Nominations have been received and Ballots are ready to be tallied. Active position - Larry Marks' term is expiring. Nominations have been received and Ballots are ready to go out today; Active File Maintenance: is in process. Overpayment: Trustee Neil was overpaid for reimbursement of seminar attendance and expenses, he has reimbursed the Fund.

- Ratification of Recording Secretary Pay Increase: **A motion by Chiaro to approve the ratification of the Recording Secretary's pay increase from \$16/per hour to \$25/per hour, second by Neil. Roll Call Vote: Chiaro - aye, Marks - aye, Muehlenbeck - aye, Neil - aye, Niemann - aye. Motion unanimously carried.**

NEW BUSINESS

- Renewal of Fiduciary & D&O Insurance Policies: in process.
- Report on Annual Affidavit Compliance: All pensioners responded, 100% compliance.
- Status of Statement of Economic Interest Filing: The Board discussed and determined that all Statements of Economic Interest have been completed.
- Financial Consultant Pre-billing: McShane explained that normally the Fund was being billed at the end of the quarter; it is now being billing at the beginning of the quarter.

APPROVAL OF LAUTERBACH & AMEN BALANCE SHEETS FOR January & February 2009

The Board received and reviewed the Lauterbach and Amen monthly financial reports for January and February 2010. **A motion by Muehlenbeck to approve the Lauterbach and Amen monthly financial reports for January and February 2010, second by Marks. Motion unanimously carried. The Board directed PSA Davis to add the Asst. Financial**

Director, Ilana Bromber, to the list of members to receive the Lauterbach and Amen monthly financials.

FINANCIAL REPORT

- Review of Funds Portfolio / Asset Allocation: Investment Advisor, McShane, presented and reviewed with the Board the Performance Review Report as follows: Total fund rate of return for the 1st Quarter was up 2.96% for a gain of \$1,035,488; ending balance as of 3/31/10 was \$50,499,495 (see Exhibit A). McShane reviewed the Asset Allocations with the Board – no action at this time and stated a possible Investment Committee meeting to discuss possible strategies going forward.
- Cash flow Analysis: McShane reviewed the Estimated Annual Fees based on 03/31/2010 reported Market Values with the Board. Investment Manager Fee: 0.36% and Consultant Fee: 0.15% for a total Estimated Annual Fees of 0.51%.

EXECUTIVE SESSION – A motion by Secretary Marks to continue the board meeting in Executive Session to discuss the J. Roszkowiak and R. Niemann disability matters, second by Trustee Niemann. Motion unanimously carried.

Open Session closed at 10:26 AM Executive Session opened at 10:39 AM

Executive Session closed at 10:57 AM

ADJOURNMENT

A motion by Muehlenbeck to adjourn the meeting at 10:59 AM, second by Niemann. Motion unanimously carried.

Respectfully submitted,

Nicholas Chiaro, President