

Minutes of the Meeting of the  
Board of Trustees of the Des Plaines Police Pension Fund  
June 9, 2015

1. Call to Order – the meeting was called to order at 10:05 a.m. in room 101 at City Hall, 1420 Miner Street, Des Plaines, Illinois.
2. Roll Call – Chairman Chiaro and Trustees Muehlenbeck, Neil, Rotkvich and Treantefelis were present. Also present was trustee-elect Oscar Szczerbinski, pensioner Wendall Whitted, Investment Consultants Tom McShane and Seema Kinra, and Board Attorney Camille Cribaro-Mello.
3. Approval of Minutes – There was a motion by Trustee Neil, seconded by Trustee Rotkvich to approve the minutes of the meeting from April 14, 2015. All voted in favor of the motion.
4. Approval of Disbursements – The Board reviewed Warrant List #51 indicating expenditures in the amount of \$84,499.73. There was a motion by Trustee Muehlenbeck, seconded by Trustee Neil to approve payment of the disbursements noted on Warrant List #51. A roll call vote was taken and all members voted in favor of the motion.
5. Board's Attorney Report - Attorney Cribaro-Mello discussed the recent death of pensioner Joe Kozenczak and the surviving spouse application filed by Karen Kozenczak (see New Business below). She discussed the Illinois Supreme Court decision on pension reform, which held unconstitutional the legislature's attempt to reduce COLA increases for pensioners in State-funded pension plans. Attorney Cribaro-Mello then reviewed with the Board and clarified the trustee training requirements under Sec. 1-109.3 and Sec. 1-113.18 (Ethics Training) of the pension code. The Board discussed reviewing the pension hours each trustee had attained at the time of the August board meeting, so that if additional training was needed, options for seminars or in-house training could be addressed.
6. Old Business – The Board's attorney discussed the status of officer James Brown disability application and the Board agreed to conduct a hearing on the application in connection with its regular meeting in August. She also confirmed that the IME for Lori Jacoby was confirmed for June 15, 2015. It was affirmed by the Board Recording Secretary that Statements of Economic interest had been timely filed by all trustees.
7. New Business –
  - Active Member Trustee Election – An election was held for the Active Member Trustee position currently held by Trustee Treantafeles, who did not seek re-election. Three active officers ran for the trustee position and the ballots returned the following results: Gary Klier – 15; Dan Niemann – 10; Oscar Szczerbinski - 26. A motion was made by Trustee Rotkvich, seconded by Trustee Neil, to affirm and ratify the election results. All members voted in favor of the Motion, and Oscar

Szczerbinski was declared the new Active Member Trustee. Chairman Chiaro and the other members thanked Trustee Treantafeles for his service to the Board.

- The Board discussed the application of Officer Alexander Dunn to transfer service credit from the Berkeley Police Pension Fund. A motion was made by Trustee Muehlenbeck, seconded by Trustee Rotkvich, to approve the transfer request. All members voted in favor of the Motion.
- Board Officers – A Motion was made by Trustee Rotkvich, seconded by Trustee Neil, to have Board Officers remain as follows: Chairman/President Nick Chiaro; Vice President Bob Muehlenbeck; Secretary Bob Neil. All members voted in favor of the Motion.
- Surviving Spouse Application - The Board discussed the application for surviving spouse pension benefits filed by Karen Kozenczak. According to the Pension Fund records, Joe Kozenczak retired on October 20, 1989 and married Karen on March 27, 2008. Pursuant to sec.3-120 of the pension code, if a police officer marries after retirement, the surviving spouse is not entitled to a pension upon the death of the officer. There are limited exceptions to this rule, but none appear to apply to the facts regarding Kozenczak's date of retirement and the date of his marriage to Karen. Accordingly, a Motion was made by Chairman Chiaro, seconded by Trustee Neil, to deny the surviving spouse application of Karen Kozenczak. All members voted in favor of the Motion. The Board asked Attorney Cribaro-Mello to prepare a letter advising Karen Kozenczak.

8. Approval of Lauterbach & Amen balance sheets for March and April 2015 – A motion was made by Trustee Szczerbinski, seconded by Trustee Neil to approve the balance sheets prepared by Lauterbach & Amen for March and April 2015. A roll call vote was taken and all members voted in favor of the Motion.

9. Financial Report - Tom McShane reviewed the pension fund performance for the period ending April 30, 2015. The total fund balance was \$65,324,032 reflecting a gain for the month of April of \$114,937. McShane did not recommend any change to investment allocation at this time. McShane recommended that \$1 million be transferred from the fixed asset manager, SKBA, to cash to allow the board to pay pension benefits. Chairman Chiaro made a motion as recommended by McShane, which was seconded by Trustee Rotkvich. A roll call vote was taken and all members voted in favor of the Motion.

McShane and Seema Kinra, then conducted continuing education/training regarding the requirements of GASB 67/68 regarding the difference between time-weighted and dollar-weighted returns.

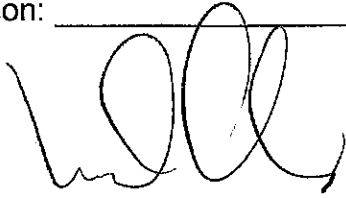
10. Public Comment – None.

11. Executive Session – None.

12. Adjournment – A motion was made by Trustee Chairman Chiaro, seconded by Trustee Muehlenbeck to adjourn the meeting at 11:48 a.m. The motion passed unanimously.

The meeting adjourned at 11:48 a.m.

Approved on: \_\_\_\_\_



By: \_\_\_\_\_

Chairman

By: \_\_\_\_\_

Vice President