



VILLAGE OF HANOVER PARK
POLICE PENSION COMMITTEE
REGULAR MEETING

Municipal Building: 2121 W. Lake Street
Hanover Park, IL 60133

Tuesday October 18, 2011
4:00 p.m.

Amended Minutes Approved at the meeting of 10/14/14.

MINUTES

1. CALL TO ORDER - ROLL CALL

Chairman Sullivan called meeting to order at 4:03pm.

PRESENT: Committee
Members: President Sullivan, Secretary
Langhenry, Trustee Seidel, Trustee
Walther, Trustee Young

ABSENT: Committee
Members:

ALSO PRESENT: Fund Attorney Bob Zelek, Craig Larsen-Apple Hill, Nathan
Gaskill and Allison Barrett-Lauterbach & Amen, Steve Eitel
and John Barry-PNC, Thomas Sawyer-Sawyer/Falduto

2. FINANCIAL PRESENTATIONS/ REPORTS:

2-a. Steve Eitel from PNC Institutional Investments presented to the board a review of account status and market conditions. The total portfolio allocation is invested in AAA rated securities only. US treasuries is weighted at 66.6%, US Agencies 16.4%, Mortgage Backed Securities 13.2%, and cash 2.8%. The portfolio has outperformed the benchmark during the 3 year and since inception time period by .58% and .51% respectively. The last 3 month period was marked by a 2.93% return.

2-b. Thomas Sawyer from Sawyer/Falduto presented to the board a review of account status and market conditions. The portfolio is weighted in US treasury 41.5%, US agencies 43.3%, US agencies callable 10.2%, Mortgage backed securities 1.1%, Taxable Municipal 3% and cash .09%. The portfolio has underperformed the bench for the 3 year and inception time period by -.31% and -.43% respectively. The last 3 month was marked by a 2.94% return.

2-c Craig Larsen-Apple Hill Consulting, reported on the quarterly investment performance ending Sept 2011. He distributed the Review and Analysis and provided the board with current economic conditions that may be influencing the funds performance. Mr Larson discussed the equity market returns and bond investment outlook. The 3th quarter saw a jump in the volatility of equity markets. Risk aversion is the cause for many to trend towards quality and seeks safety in the US dollar and US treasury securities. US Companies are enjoying strong balance sheets and high profit margins with many companies holding onto large reserves of cash. The Federal Reserve has embarked on another round of easing to stimulate what they fear is a faltering economy. It announced they will implement Operation Twist, by lengthening the duration of its bond portfolio. The Fed will also attempt to help the housing market by reinvesting maturing debt back into mortgage backed securities. In August Congress reach an agreement to raise the debt ceiling in order to avoid an unprecedented default of US sovereign debt. Although a deal was reached Standard & Poor's still downgraded the US credit rating from AAA to AA+.

2-d Allison Barrett and Nathan Gaskill from Lauterback & Amen discussed with the board the Vender direct deposit and Vendor invoice payment program. The program would authorize Lauterback to remit payments for Board approved invoices via ACH and would disburse payments for invoices within two days. A one time deposit of \$10,000 to be transferred to the Pension Fund's Harris bank account by the Village used to cover payments of invoices approved by the Board. The Harris bank account would be available for on-line viewing by the board president, treasurer and investment consultant.

A military buy-in by Ofc Langhenry was received by Lauterback & Amen. The revised date of hire under Public Act 096-1260 is now October 7, 1994.

Former Police Officer Josh Singer has requested a payout from the Fund of his contributions. The calculations to determine the total amount has been completed. A letter was mail to Josh Singer on Sept 14, 2011 for his review and acceptance.

A recent audit by Lauterback & Amen revealed two retired members are being over paid. Jorge Martinez has been over paid due to a clerical error in his date of birth. Michael Lane is being over paid do to an incorrect date use for calculating his retirement benefits. The Fund Attorney, Bob Zelek advised the Board what possible actions the board could take in reference to overpayments due to any clerical errors, exemptions, and misrepresentations. The board has decided not to take any actions regarding Michael Lane and conduct more research involving his pension conversions from a disability to a retirement in 2001. Discussion continued to January 2012 meeting.

4. APPROVAL OF MINUTES:

Motion by President Sullivan to approve minutes of July 19, 2011. Motion seconded by Trustee Seidel.

Voice Vote:

All Ayes. Motion Carried

5. ACTION ITEMS:

5-a. Motion Motion by President Sullivan to approve Accounts Payable for third quarter totaling \$77,992.26. Seconded by Trustee Seidel.

Voice Vote:

All Ayes. Motion Carried

5-b. Motion Motion by President Sullivan to accept into the Fund new police hires as listed below. Timothy Allen appointed 09/12/11, Oscar Morales appointed 06/20/11, Andrew Lawler appointed 06/20/11, and Joseph Giudice appointed 09/12/11. Seconded by Trustee Langhenry.

Voice Vote:

All Ayes. Motion Carried

5-c. Motion Motion by President Sullivan to accept Lauterback & Amen's program for Vender direct deposit and two day payment for approved invoices through Harris bank account. Seconded by Trustee Walther.

Voice Vote:

All Ayes. Motion Carried

5-d. Motion Motion by President Sullivan to set the 2012 years meeting dates for January 17, April 17, July 17 and Oct 16. Seconded by Trustee Langhenry.

Voice Vote:

All Ayes. Motion Carried

6. OLD BUSINESS (NON-ACTION ITEMS):

- 6- a. Fund Attorney Bob Zelek updated the board on the status of Brenda Ingebrigtsen's disability pension. The hearing for her appeal of the board's decision is set for Nov 18, 2011. Written ruling would soon follow.

7. NEW BUSINESS (NON-ACTION ITEMS):

- 7-a. None

ADJOURNMENT:

Motion by President Sullivan to adjourn at 6:15pm.
Second by Trustee Seidel.

Voice Vote:

All Ayes. Motion Carried.