



## VILLAGE OF HANOVER PARK

### POLICE PENSION COMMITTEE REGULAR MEETING

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

Tuesday January 15, 2013  
4:00p.m.

### MINUTES

#### 1. CALL TO ORDER - ROLL CALL

Chairman Sullivan called meeting to order at 4:07pm.

PRESENT:                    Committee    President Sullivan,  
   Members:    Trustee Seidel, Trustee Walther, Trustee  
                      Flakus

ABSENT:                    Committee    Secretary Langhenry  
   Members:    Bob Zelek-Fund Attorney

ALSO PRESENT:        Tom Sawyer-Sawyer Fadulto, PNC Advisors Steve Eitel,  
   Craig Larsen-Apple Hill Consulting, A.J. Weber-Lauterbach  
   & Amen

#### 2. ACCEPTANCE OF AGENDA

Motion by Trustee Walther to accept agenda

Second by Trustee Seidel.

Voice Vote:

All Ayes. Motion Carried.

#### 3. PRESENTATIONS/REPORTS

3-a                    Tom Sawyer of Sawyer Falduto, reported on the 2012 financial year  
   advising the fixed marked has been positive for the year but treasury has

been lagging behind. The cash flow investment return was \$122,508 for the year. The performance review for Total Account Return (Gross) year to date was 2.47%. The review for Total Account Return (Net) year to date was 2.16% and the account benchmark was 1.73%. Fixed Income Return year to date 2.48% and the Barclays US Gov't Bond at 1.73%. The Cash Equivalent Return year to date 0.01% and 3 month Treasury Bill 0.06%.

The long-term performance since inception 1/31/08 is 3.95% with account bench mark 4.10%

Steve Eitel-PNC Capital Advisors, reported that the portfolio's performance has outperformed the bench mark in all measured time periods. In addition, underweight US Treasuries was a positive for the year. In Fixed Income Allocation we continue to be underweight non-Treasuries as we see better relative value in other sectors. The overweight to mortgages is the smallest the portfolio has had due to valuations and higher coupon bonds being susceptible to pre-payment risk. The total portfolio market value under PNC is \$5,349,278.

3-b. Craig Larsen-Apple Hill Consulting, reported on the quarterly investment performance ending December 2012. 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. Mr. Larson also advised and presented a new Executive Summary Report for the 4<sup>th</sup> Quarter 2012. The report covers the Economic Numbers, Benchmark Performance, Actuarial Assumed Rate of Return, Portfolio Summary, and Mutual Fund Performance. The report is attached and will now be a regular entry to the minutes.

3-c A.J. Weber from Laturbach and Amen provided to the board the monthly financial report for the period ending December 31, 2012. He discussed the Statement of Plan Net Assets- Modified Cash basis along with the expenses/Vendor checks and pension payroll for the quarter.

**4. APPROVAL OF MINUTES:**

Motion by President Sullivan to approve minutes for October 16, 2012.

Motion seconded by Trustee Walther.

Voice Vote:

All Ayes. Motion Carried

**5. ACTION ITEMS:**

5-a. Motion Motion by Trustee Seidel to approve 4th quarter accounts payable and

pension benefits totaling \$420,498.00  
Seconded by Treasurer Flakus.  
Voice Vote:  
All Ayes. Motion Carried

- 5-b. Motion Motion by President Sullivan to accept into the record Board Trustee training required under the Pension code for continual education. President Sullivan, Trustee Walther, Trustee Seidel, and Treasurer Flakus attended the IPPFA 8 Hour Trustee Education in Hoffman Estates February 27, 2013 and received 8 hours credit.  
  
Seconded by Trustee Seidel.  
Voice Vote:  
All Ayes. Motion Carried
- 5-c. No Action Taken
- 5-d. No Action Taken
- 5-e. Motion Motion by President Sullivan to approve the 2013 new pension benefit calculations for retired members as prepared by Lauterbach&Amen which is attached.  
Seconded by Treasurer Flakus.  
Voice Vote:  
All Ayes. Motion Carried
- 5-f. Motion Motion by President Sullivan to accept the retirement application including the Pension Calculation History Worksheet for Officer Michael Kozenczak as prepared by Lauterbach&Amen with retirement date May 8, 2013.  
Seconded by Trustee Walther.  
Voice Vote:  
All Ayes. Motion Carried
- 5-g. Motion Motion by President Sullivan to accept the pension contribution refund to former Officer Noel Alcantara in the amount of \$27,240.45 as calculated by Lauterbach&Amen.  
Seconded by Trustee Seidel.  
Voice Vote:  
All Ayes. Motion Carried

6. **TOWNHALL SESSION:** None

7. **OLD BUSINESS (NON-ACTION ITEMS):**

7- a. None

8. **NEW BUSINESS (NON-ACTION ITEMS):**

8-a. President Sullivan advised of receiving a written request for beneficiary change from former Officer Jeff Driskill. President Sullivan discussed matter with Board Attorney Zelek and Jeff was advised to have request reviewed by attorney for proper court order.

8-b. President Sullivan advised the Cook County Clerks Statement of Economic Interests list was prepared and all members will be notified shortly to submit forms.

8-c. President Sullivan discussed training he attended via internet for the Chicago Clearing Corporation. The training information was emailed to Board Attorney Zelek for further review.

9. **ADJOURNMENT:** Seconded by Trustee Walther.

Voice Vote:

All Ayes. Motion Carried

Motion by Trustee Walther to adjourn at 5:55pm.

Second by Trustee Seidel.

Voice Vote:

All Ayes. Motion Carried.

Recorded and transcribed by,  
President George Sullivan  
Hanover Park Police Pension President