



VILLAGE OF HANOVER PARK
POLICE PENSION COMMITTEE
REGULAR MEETING

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

Tuesday July 19, 2011
4:00 p.m.

MINUTES

1. CALL TO ORDER - ROLL CALL

Chairman Sullivan called meeting to order at 4:10pm.

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-Lauterbach & Amen

2. FINANCIAL PRESENTATIONS/ REPORTS:

2-a. Nathan Gaskill from Lauterbach & Amen the Pension Fund's benefit administrator gave a presentation. Nathan reported an audit of all existing calculations for pension payment is on-going. The previous year Department of Insurance compliance report is past due. The Pension Fund has contracted with Lauterbach & Amen to complete the report and work is on-going.

2-b. Craig Larsen-Apple Hill Consulting, reported on the quarterly investment performance ending June 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. 2th quarter economic growth moved slow. The second round of QE2 by the FED fell short of expectations. The employment report for May 2011 was disappointing and remains at 9.2%. Mr Larson briefed the Fund members on the European Union debt markets. Portugal and Ireland have both joined Greece in seeing their debt obligations downgraded. It is anticipated Greece will default on their massive debt obligation which will have significant effects on world markets. The US has hit a debt ceiling of \$14.3 trillion and Washington lawmakers are working on a deal with the President. Moody's has hinted at a downgrade if the US misses any expected payments.

PNC fixed income performance finished the quarter on the positive side. A three month return was at 1.77% and 2.37% for the year. However, the rate of return was lower then the benchmark of 2.08% and 2.65% respectively. Sawyer/Falduto fixed income faired slightly better for the quarter with a rate of return at 1.87%. Sawyer/Falduto has a 12 month return at 2.28%. Mr Larson distributed to the board a draft copy of a new Statement of Investment Policy Objectives and Guidelines. The new statement has been updated to reflect current IL law 40 ILCS 5/1-113.4 and 5/1-113-10 which allows for increased asset allocation to equity markets. The pension board has not decided to take action on the Statement until each member has had time to review the document.

4. APPROVAL OF MINUTES:

Motion by President Sullivan to approve minutes of April 19, 2011 pending the additional motion taken by the Board on April 19 to allow Ofc Ted Crawford in the Pension fund. Second by Trustee Walther.

Voice Vote:

All Ayes.

Motion Carried

5. ACTION ITEMS:

5-a. Motion Motion by President Sullivan to approve Accounts Payable to reflect action taken by the board beginning 10/01/10 through 5/31/11 detailing expenditures totaling \$1,031,727.51. Seconded by Trustee Seidel.

Voice Vote:

All Ayes.

Motion Carried

5-b. Motion Motion by President Sullivan to accept the reappointment of Ray Seidel as Pension Fund Trustee for a new two year term ending April 30, 2013. Seconded by Secretary Langhenry.

Voice Vote:

All Ayes.
Motion Carried

- 5-c. Motion Motion by President Sullivan to withdraw former Trustee Linear as the Security Administrator and appoint Rebekah Young as the current Security Administrator beginning July 19, 2011. Seconded by Trustee Walther.
Voice Vote:
All Ayes.
Motion Carried
- 5-d. Motion Motion by President Sullivan to approve the Municipal Compliance Report completed by Lauterbach & Amen for the year ending April 30, 2010. Seconded by Secretary Langhenry.
Voice Vote:
All Ayes.
Motion Carried
- 5-e. Motion Motion by President Sullivan to approve Sgt Roper's application for Pension benefits beginning on 05/05/11 with a final salary of 95,490.10 Seconded by Trustee Walther.
Voice Vote:
All Ayes.
Motion Carried
- 5-f. Motion Motion by President Sullivan to approve Ofc Herman's application for Pension benefits beginning on 06/19/11 with a final salary of \$79,022.67. Seconded by Trustee Walther.
Voice Vote:
All Ayes.
Motion Carried
- 5-g. Motion Motion by President Sullivan to approve the withdraw from the Pension fund and the return of contributions by former Ofc Rodriquez totaling \$529.00. Seconded by Trustee Walther
Voice Vote:
All Ayes.
Motion Carried
- 5-h. Motion Motion by President Sullivan to approve the withdraw from the Pension fund and the return of contributions by former Ofc Hamala totaling \$39,834.87. Seconded by Trustee Walther.
Voice Vote:
All Ayes.
Motion Carried

- 5-i. Motion Motion by President Sullivan to ratify the engagement letter of Lauterbach & Amen to provide pension benefits administrator services beginning June 2011. The contract having been previously reviewed by Fund Attorney and accepted by the Board. Seconded by Trustee Walther.
Voice Vote:
All Ayes.
Motion Carried
- 5-j. Motion Motion by Secretary Langhenry to adopt the updated Asset allocation and target range allowed by current law as list in Appendix A. Seconded by President Sullivan.
Voice Vote:
All Ayes.
Motion Carried
- 5-k. Motion Motion by President Sullivan to remove Lafayette Linear as a signer on all accounts and transfer account signer to President Sullivan, Secretary Langhenry, and Pension Fund Treasurer Rebakah Young. Seconded by Secretary 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. Her attorney filed a complaint against the board to reverse the board's decision to deny her claim. The next hearing date is set for mid August.

7. NEW BUSINESS (NON-ACTION ITEMS):

- 7-a. A discussion by the board was had regarding the resignation of former board member and Treasurer Linear. The interim Finance Director Rebekah Young will be taking over his duties on the Pension board.

8. ADJOURNMENT:

Motion by President Sullivan to adjourn at 6:03pm.
Second by Trustee Seidel.

Voice Vote:

All Ayes.

Motion Carried.