

Minutes

Hanover Park Police Pension Board

April 20, 2010

CALL TO ORDER

President George Sullivan called the meeting to order at 4:05pm. Meeting held in Room 214 of the Hanover Park Village Hall.

ROLL CALL

Present were President George Sullivan, Secretary Tom Langhenry, Trustee Ray Seidel, Trustee Mark Walther, Fund Attorney Bob Zelek, Craig Larsen from Apple Hill Consulting.

Financial Presentations

Craig Larsen from AHC Advisors distributed the Review and Analysis and reported on 1st quarter Investment Performance of the fund. He also provided the board with current economic conditions that may be influencing the funds performance. Mr Larsen discussed the equity market returns and bond investment outlook. The 1st quarter continued with a rally on Wall Street from the 4th quarter of 2009. The funds Equity investment allocation is at 46.23%. Bond performances continue to remain steady. PCN Fixed Income 3 month rate of return comparison beat the benchmark by .06%. Sawyer/Falduto Fixed Income 3 month comparison matched the Fund's benchmark. Mr Larsen advised the board a rebalance of the fund per the investment policy is required. Discussion was made among board members regarding a rebalancing of funds from the equity markets to fixed investments.

President Sullivan made a motion to rebalance the fund's allocation to the target 40% equity, 57% fixed assets and 3% cash equivalent. Trustee Seidel seconded the motion which was then carried unanimously.

APPROVAL OF MINUTES

Trustee Seidel made a motion to approve the minutes from the Jan 19, 2010 meeting. The motion was seconded by Trustee Walther and carried unanimously.

APPROVAL OF PAYMENTS

Trustee Seidel made a motion to approve the accounts payable for 1st quarter which totaled \$327,166.47. President Sullivan seconded the motion which was then carried unanimously.

APPROVAL OF INVESTMENT TRANSACTIONS

Copies of the first quarter performance and transactions statements 2010 were disseminated for Sawyer/Falduto, PNC Capital Advisors, and Fidelity Investment.

President Sullivan made a motion to approve the transactions which was seconded by Trustee Walther and carried unanimously.

OLD BUSINESS

Board attorney Zelek updated us on the status of Brenda Ingebrigtsen's disability pension. A draft of the decision and order was disseminated for the board to approve and sign.

NEW BUSINESS

President Sullivan presented the board with the 2010 election results. A copy of the vote totals have been made available for inclusion with the minutes. George Sullivan and Tom Langhenry have been elected to another term with the board. Their term begins on May 11, 2010 and continues through May 11, 2012. Mark Walther has been elected as the retiree Trustee and will also have the same term.

The board was given notice that Mayor Rodney Craig appointed Mr. Lafayette Linear, Director of Finance, as a member of the Police Pension Board. He replaces Tom Dahl. The effective date of appointment for Mr. Linear is April 9, 2010 and continues through April 30, 2011. The appointment letter is attached with the minutes. Trustee Ray Seidel's advised the board his appointment continues through April 30, 2011.

Secretary Langhenry presented the board with a copy of a Department of Insurance letter received on February 22, 2010. The letter covered an examination of the Pension Fund. The examiners' findings in the summary report called for the board's attention to items number 1 through 6. A reply to the letter was required thirty days from the date of the letter. Secretary Langhenry contacted the Chief Compliance Officer, John McNutt and was granted an extension for the reply to May 30, 2010. This date was selected because it would allow the board to meet on a regular schedule meeting date.

A discussion of the examiners comments were held within the board. The board felt in regards to item #1 that staggered terms have now been achieved.

Item #2 was discussed and the current forum of President, Secretary, and Treasure is sufficient and would remain the same.

The board believed compliance with Item #3 had already been met by having the assistant village Treasurer, Tom Dahl a signer on all accounts.

Item #4 found that Holiday pay was excluded from salary for purpose of pension benefits. The board determined holiday pay was not apart of base pay and was a contractual agreement the village pays to police officers.

Item #5 found Betty Driscoll, the surviving spouse of Daniel Driscoll, is currently being paid a cost of living increase. The fund's attorney advised the board the Illinois Supreme court had provided further guidance in respect to the benefits and an adjustment would be for coming.

Item #6 was discussed and future minutes would be expanded to include those items listed in the "Corporate Records" section of the report.

President Sullivan advised the board he would draft a letter to the Compliance Officer with the board's discussion and action taken on the Examiners findings.

ADJOURNMENT

President Sullivan made a motion to adjourn the meeting at 6:30 pm which was seconded by Secretary Langhenry and carried unanimously.

Submitted by Secretary Langhenry

Hanover Park Police Pension Board
2010 Election Results

<u>TOTAL VOTES</u>	<u>MEMBER NAME</u>
3	Alonzo, Amy
5	Atkinson, Mark
0	Bockstadter, Sean
6	Cianco, Joe
2	Dossey, John
28	Langhenry, Tom
4	Menough, Mike
34	Sullivan, George
3	Villanueva, Eric

George Sullivan and Tom Langhenry have been elected to the Pension Board and Mark Walther has been elected as the retiree Trustee.

VILLAGE OF HANOVER PARK
 POLICE PENSION FUND
 ACCOUNTS PAYABLE LISTING
 January 1 - March 31, 2010

CHECK #	DATE	PAYEE	PURPOSE	AMOUNT
	1/26/2010	Robert Zelek	1/10 - 3/10 Retainer	\$ 500.00
	4/7/2010	AHC Advisors, Inc.	Quarterly Investment Consulting Fees	4,353.07
	1/31/2010	Charles Schwab	Quarterly Investment Management Fees	3,346.00
	1/31/2010	National City/Allegiant	Quarterly Investment Management Fees	2,753.07
W.T.	1/29/2010	Fifth Third Bank	January Pensions	105,005.38
W.T.	2/26/2010	Fifth Third Bank	February Pensions	105,005.38
W.T.	3/31/2010	Fifth Third Bank	March Pensions	106,203.57
TOTAL:				\$ 327,166.47