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WESTMONT POLICE PENSION BOARD OF TRUSTEES

REGULAR MEETING

April 17, 2012

VILLAGE HALL, 31 W. QUINCY STREET, WESTMONT, IL 60559

7:00 P.M.

MINUTES

CALL TO ORDER

ROLL CALL

Craig Grember, Spencer Parker, Paul Bartuch, Tom Conidi, Steve Thompson, Scott Opelt, Lynn Johnson, Kevin Crain, Nathan Gaskill (Lauterbach and Amen), John Bright, Randy King

MINUTES OF PREVIOUS MEETING

Minutes of meeting held January 17th, 2012 reviewed.

Motion to accept minutes made by Tom Conidi, seconded by Paul Bartuch.

Passed unanimously.

REPORTS

President Craig Grember:

Paul Bartuch's term (retired member trustee) will end in May 2012. The nomination and election process is in progress, and will be completed by May 14th 2012.

The Village Board has requested Tom Conidi serve another two year term on the board. Conidi has accepted, agreeing to serve another term. Official appointment will be made at the next Village Board meeting.

2012 IPPFA Conference will be held at Lake Geneva, October 2nd through October 5th.

Fund Consultant Kevin Crain, Morgan Stanley Smith Barney:

Kevin provided members with copies of the First Quarter Account Review. Total fund performance for the previous twelve months was +12.53%. First fiscal quarter of 2012 was +4.83%.

Kevin made a recommendation to consider reallocating some funds into emerging markets, as has been discussed at the past several meetings. Kevin provided the board with four funds as recommended options. After discussion of the funds, Craig made a motion to reallocate $200,000.00 from Madison Small Cap, and $200,000.00 from Royce Mutual Fund, into Oppenheimer Developing Markets and Virtus Emerging Markets. Motion was seconded by Bartuch and passed unanimously.

Kevin advised after July 1st 2012, a change in pension rules will allow the board to consider investing up to 55% in equity assets. Current investment in equities is at 46%.

Arrangements will be made for a conference call between the board and Hoisington (fund manager) at the next board meeting on 07/17/2012. Said meeting will be scheduled to start early (at 6:30 P.M.) to allow time for the call.

Nathan Gaskill, Lauterbach & Amen:

Nathan provided each member with a copy of the monthly financial report for the month ended February 29th, 2012. End of period assets, $22,031,136.72

Westmont recently hired three new officers not covered under the previous pension system (Tier 1). Nathan advised new police officers hired under the new pension system (Tier 2), will still be contributing to the same pension fund. The differences will be in retirement benefit calculations for those officers only (and new hires thereafter).

A Vendor Checks Report was provided to the board. A motion to approve the vendor checks was made by Bartuch and seconded by Craig. Motion passed unanimously.

Treasurer Spencer Parker:

Village is continuing payment into pension fund at 105%.

Village made a lump payment of $90,000.00 into pension fund, in addition to the current standard payment of 105%.

Spencer and Nathan discussed a need for the board to approve maintaining a $10,000.00 cushion in the Harris account (account used by Lauterbach to disperse funds). The board agreed that such a cushion should be maintained.

Spencer advised he needed the board to choose an actuarial ARC calculation option for reporting purposes (to the IDOI). The board chose a 7% interest assumption with a 30 year amortization.

Trustees:

None

OLD BUSINESS

Trustee Opelt advised Compton had further questions about his calculated date of hire (due to buybacks). Compton had provided a copy of a 2009 Summary of Benefits form, indicating a calculated date of hire of 02/18/1988.

Both Lauterbach representatives and Village Finance Department employees present indicated they were aware of the form, and the calculated date on said form was in fact the error that Lauterbach had located. The current calculated hire date of 02/12/1989 is the correction of said error.

The Krogull overpayment issue is considered completed. Legal consul has advised the board that the issue is between Krogull and the Village. The board will take no action.

Legal consul has sent a letter to Village Manager Ron Searl, asking the Village to file a claim on their errors and omissions insurance, reference the Shepardson overpayment. No response has been received as of yet.

Lauterbach has completed calculations on Smallwood's IMRF buy-back, however, the matter remains unresolved. Lauterbach has drafted a letter, which has been sent to Smallwood, explaining the calculations.

NEW BUSINESS

None

Date for next meeting set as July 17th, 2012, 6:30 P.M.

Motion to adjourn made by Bartuch and seconded by Thompson. Motion passed unanimously.

Meeting adjourned at 8:47 P.M.