

**MINUTES OF THE POLICE PENSION BOARD
QUARTERLY MEETING
WEDNESDAY, APRIL 30, 2008**

CALL TO ORDER:

President Helgerson called the meeting to order at 5:32 p.m.

ROLL CALL:

Present: President Stan Helgerson, Vice-President David Comstock, Secretary Andrew Doles, Assistant Secretary Dennis Walker, and Trustee Ken Azarela. A quorum was present. Also in attendance: Village Treasurer Jack Walde, Attorney Cary Collins, and Recording Secretary Laura Donohue.

ADOPT AGENDA:

A motion was made by Doles and seconded by Comstock to adopt the agenda as presented. Voice vote: unanimous ayes - motion carried.

APPROVAL OF MINUTES:

The minutes of the regular meeting held February 6, 2008 were presented. There were no questions or changes to the minutes. A motion was made by Comstock and seconded by Doles to approve the minutes of the February 6, 2008 meeting. Voice vote: unanimous ayes - motion carried.

TREASURER'S REPORT:

Financial Statements for the Period Ending March 31, 2008

Balance Sheet:

The total book value of assets reported was \$8,589,568.29 which reflects the 03/31/2008 market adjustment of the equity investment assets. The 03/31/2008 allocation of investment assets at market value is Cash 0.4%, Fixed Income Bonds 57.6%, and Mutual Funds 42.0%.

Income Statement:

Total revenues through 03/31/2008 were \$758,004.94 or 56.8% of budget. Of this amount, employer contributions were \$445,268.48 or 100.1% of budget. The employee contributions were \$305,536.01 or 85.4% of budget. Investment income was a gain of \$7,200.45 which includes the referenced market loss on equity investments.

Expenditures through 03/31/2008 were \$255,312.61 or 93.9% of budget. Benefit payments were \$198,619.43 and reflect pension payments to Schinkel, Stone, Azarela, Weber and Frasier. Administrative expenses were \$56,693.18 or 128.9% of budget.

Unrealized Gain/Loss – Book vs. Market Value:

The 03/31/2008 market value of the Fixed Income portfolio exceeded book value by \$186,100.49.

Distributed with the financial reports for the period ending 03/31/2008 were 1st Quarter 2008 Check Register, Wire Transfers, Investment Transactions, Client Account Statements, the 1st Quarter Bank Statements, 1st Quarter Money Market Statements, and a Certification Form from Algonquin State Bank as well as an Amendment to the Travelers Insurance Policy detailing the Certified Acts of Terrorism Endorsement. A Composite Investment Monitor with information as of 03/31/2008 prepared by Mary Tomanek of Smith Barney was also distributed.

Doles questioned the administrative expenses being over budget. Helgerson explained that this is a reflection of the residual expenses related to the Frasier hearing and other outstanding physicians' invoices. Helgerson continued that Mary Tomanek will be joining the board at the July meeting to discuss alternative, defensive investments.

A motion was made by Walker and seconded by Doles to accept the Treasurer's Report and to ratify the money manager's transactions, wire transfers, ACH transfers and the check register through March 31, 2008. Voice vote; unanimous ayes - motion carried.

APPROVE BILLS FOR PAYMENT:

There are no bills for payment.

REQUEST FOR BENEFITS:

One police officer has been hired and submitted application for the Pension Fund. His name is Timothy Cooney with a hire date of April 28, 2008.

A motion was made by Comstock and seconded by Walker to accept the officer listed above into the Police Pension Fund. Voice vote: unanimous ayes – motion carried.

NEW BUSINESS:

Helgerson noted that based on the auditor's recommendation Smith Barney has added additional coverage to safeguard the Police Pension Board's investments so as to remove custodial credit risk. Doles questioned whether it was additional cost to the board. Walde explained that it is not an additional charge.

Helgerson is looking for an update from Tomanek regarding a change in management at Becker Capital. Will advise when that is received.

Collins discussed current proposed legislation regarding police pension benefit plans in the State of Illinois. Walde explained the tax cap impacts within certain Illinois counties. Helgerson continued with points of the proposed legislation that he has been monitoring. Overall, approved benefits are not at risk.

OLD BUSINESS:

Disability Discussion - Doles has continued communication with the pregnant officer.

Walde briefed the board on the certification response from Algonquin State Bank. Helgerson questioned Collins as to timeline for letters in the future. Certification letters must be on file annually.

NEXT QUARTERLY MEETING:

The next regular Police Pension Board meeting will be held on Wednesday, July 30, 2008 at 5:30 p.m. in Room 154 of Village Hall.

ADJOURNMENT:

There being no further business, it was moved by Azarela and seconded by Walker to adjourn. Voice vote: unanimous ayes – motion carried.

The meeting adjourned at 6:12 p.m.

/s/ Andrew Doles
Secretary