

REGULAR MEETING OF THE
CAROL STREAM POLICE PENSION FUND BOARD
Village of Carol Stream, County of DuPage, Illinois
Tuesday, November 22, 2011 2:00 p.m.

I. Call to Order and Roll Call

The regular meeting of the Carol Stream Police Pension Fund Board of Trustees was called to order by President John Numrich at 3:10 p.m.

Present: President John Numrich, Vice President Diane Wells, Secretary Rich Garza, Trustee Tony Marzano

Absent: Assistant Secretary Ralph Salatino

Also Present: Employee Relations Director Caryl Rebholz, Finance Director Jon Batek, Assistant Finance Director Dawn Damolaris, Accountant Barb Wydra, Kelly Brainerd from Lauterbach & Amen, LLP, Financial Advisor Mary Tomanek present via teleconference.

President John Numrich introduced to the Police Pension Board Trustee Tony Marzano who was recently appointed to the Board.

II. Secretary's Report

- A. Secretary Rich Garza motioned to approve the minutes of the July 27, 2011 regular meeting. Motion was seconded by Vice President Diane Wells. Three ayes. Motioned carried. Trustee Tony Marzano abstained. Secretary Rich Garza motioned to approve the minutes of the September 28, 2011 special meeting. Motion was seconded by Vice President Diane Wells. Three ayes. Motioned carried. Trustee Tony Marzano abstained.

III. Treasurer's Report

- A. Kelly Brainerd from Lauterbach and Amen, LLP, presented a brief explanation of each page of the Treasurer's report through October 31, 2011. Secretary Rich Garza motioned to approve the Treasurer's report through October 31, 2011. Trustee Tony Marzano seconded the motion. All ayes. Motion carried.
- B. Vice President Diane Wells motioned to approve the check register from July 28, 2011 through October 31, 2011. Secretary Rich Garza seconded the motion. All ayes. Motion carried.
- C. Financial Advisor Mary Tomanek presented her report via teleconferencing. She stated that Total Equities through the 3rd quarter are down

about 9% and that the Total Fixed Income is doing outstandingly well. The market continues to be extremely volatile.

Mary Tomanek presented her research findings for replacement the Growth Fund of America. After a brief discussion, Mary's recommendation was to replace the Growth Fund of America with the Wells Fargo Advantage Growth Adm. Vice President Diane Wells motioned to move the assets from the Growth Fund of America to Wells Fargo Advantage Growth Adm. Trustee Tony Marzano seconded the motion. All ayes. Motion carried.

IV. Old Business

- A. Secretary Rich Garza stated that the Department of Insurance has completed the audit of the Pension Fund and found some discrepancies. The Pension Board is required to review the report, vote on each of the DOI discrepancy findings, and sign a form. The following motions were made to correct the discrepancy found by the DOI during the audit. Vice President Diane Wells motioned to continue to pay the widow of John Caruso the current rate of \$2,075.00. Secretary Rich Garza seconded the motion. All ayes. Motion carried. Secretary Rich Garza motioned to pay Hunter Gilmore \$431.72 for his overpayment to the Pension Fund at the time of his retirement. Trustee Tony Marzano seconded the motion. All ayes. Motion carried. Secretary Diane Wells motioned to approve Officer John Zalak's application to the Police Pension Fund effective February 19, 1993. Secretary Rich Garza seconded the motion. All ayes. Motion carried.

V. New Business

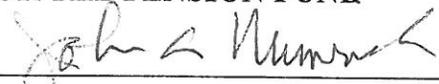
- A. President John Numrich stated that the Board has received a duty related disability application from Officer James Michalek. This has been referred to Attorney R. Reimer to handle for the Pension Board. The Village was subpoenaed for personnel records of Officer James Michalek and Secretary Rich Garza has obtained doctor's reports regarding Officer James Michalek. The Village has filed a motion to intervene allowing the Village to be involved in the disability hearing. According to the law, the Officer's attorney can file a motion not to allow the Village to intervene and has done so. In turn the Village Attorney has the right to respond to that motion and at that particular time the Police Pension Board will have to make a decision on whether or not to have a hearing solely on allowing the Village to intervene. Prior to making a decision, President John Numrich will distribute a complete packet to the Police Pension Board when all necessary paperwork is obtained. All discussion of this matter is prohibited.

- B. Finance Director Jon Batek presented the May 1, 2011 preliminary actuarial results prepared by Actuary Timothy W. Sharpe. The investment return for the fund for FY11 was 10.64%. Due to the Pension Reform Act, the 22-year amortization has been increased to 30 years with a 90% target. These changes results in the Tax Levy decreasing and the percent funded increasing. The Village is using an interest rate of 7.25% for FY12. Jon will contact Timothy Sharpe for clarification on the differences in the two chart exhibits attached to his August 17, 2011 preliminary report.
- C. Officer Frank Moore has submitted a letter to Chief Kevin Orr stating that he will be retiring February 1, 2012. Secretary Rich Garza will provide Officer Moore with the required application for retirement.

VI. Adjournment

- A. The next regular meeting is tentatively scheduled for January 19, 2012 at 10 a.m. Motion was made to adjourn by Secretary Rich Garza and seconded by Vice President Diane Wells. All ayes. Motion carried. Meeting adjourned at 4:39 p.m.

FOR THE PENSION FUND



John Numrich, President



Rich Garza, Secretary