

City of Hickory Hills
Police Pension Board Minutes
January 21, 2015 5:30pm

Attendance: David Wetherald, President; Robert Troy, Vice-President; Mary McDonald, Secretary; James Kardelis, Appointed Trustee; Dan Schramm, Treasurer; Dan Davis, Senior VP, Morgan Stanley

Dan Davis presented the December 31, 2014 Client Statement to review the accounts' performance for 2014. The pension portfolio contains 35% of fixed investments which is mostly tied to mortgages and was up 3%. The 65% equities portion which is comprised of a lot of different mutual funds was up 4.2%. The fund began the 2014 year with \$20,951,323 with \$917,096 of credits that is deposits into the account and \$1,098,509 in debits those are the monthly draw of about \$90,000 so the net debits on a cash flow stand point is \$181,413. The actual increase in value we were looking for was 7% or \$1.4 million we ended up with \$795,978 net increase. The year balance is \$21,565,888. There is a balance of \$681,913 sitting in the money market. The recommendation by Dan Davis was to take \$600,000 from the money market you put it in a gnma mortgage. The average life of the investment would be 4 to 4 1/2 years and ther current rate to be about 2.3%. David Wetherald made a motion to invest \$600,000 as recommended. Robert Troy seconded the motion. The board members unanimously approved the investment.

The next schedule meeting of the pension board will be Wednesday, April 22' 2015 at 5:30 pm in the Police Department conference room

Mary McDonald presented the October 8, 2014 minutes for approval. James Kardelis made a motion to approve the October 8, 2014 minutes. Robert Troy seconded the motion. The board unanimously approved the minutes.

Mary McDonald stated that the fund has a new pension board member Scott Chicoine. He was sworn in on December 11, 2014 and started the academy on January 5, 2015.

Mary McDonald requested a payment of \$325 be made to the Northern Illinois University so she can attend the May conference in East Peoria. The board agreed to issue to conference payment.

Mary presented Officer McCauley's resignation letter from the Pension Board as he could not attend today as well as his Retirement for Pension Benefit form. His hire date was 10/19/1993 and two suspension days were noted. The last day he will be paid by the City is February 19, 2015 with his pension benefit starting February 20,2015. His base salary was \$81,488.00 then when adding the holiday pay of \$2,820.63 his pensionable salary is \$84,308.63. He will be receiving an annual pension benefit of \$44,262.03 with partial benefit payment for February in the amount of \$1,185.59. Robert Troy made a motion to accept the pension benefit for Dan McCauley. David Wetherald seconded the motion. The board unanimously approved the pension benefit for Dan McCauley.

Mary McDonald stated that she will be sending out in February with the City paychecks the request for nominations for the two pension board positions to represent the active members. The new two-year term begins May 1, 2015

Jim Kardelis made a motion to adjourn the meeting. David Wetherald seconded the motion.

The board adjourned the meeting at 6:30pm.