

## **Village of La Grange Police Pension Board**

Date: Wednesday, January 28, 2009

Time: 4:00 PM

Location: 304 Burlington

Minutes of the Meeting

VILLAGE OF LA GRANGE

POLICE PENSION FUND

January 28, 2009

Meeting was called to order by Secretary Vic Arnold at 4:00 P.M. Present were Secretary Vic Arnold, Treasurer Lou Cipparrone and Trustee Andy Peters. Also present were Investment Advisors Richard Barrett and Jessie Barrett. Absent were President Bryan Beaver and Vice-President Michael Holub.

Treasurer Cipparrone presented the December 31, 2008 Police Pension Fund Activity Report.

Treasurer Cipparrone presented the 2009-2010 Police Pension Budget.

Dick Barrett and Jessie Barrett presented the Wachovia Securities Asset Allocation Report.

Dick Barrett and Jessie Barrett (The Barrett Group) from Wachovia Securities, reviewed investment reports with the Police Pension Board, noting the DMA account was performing slightly below the benchmark due to the continued below average performance of the Kinetics manager within the DMA account. The Barrett Group advised hiring a new, quality manager to replace the under performing Kinetics manager after a review of available managers to maintain the diversity within the account. The Barrett Group will report back to the board within a few weeks and make a recommendation for a new manager (Neuberger Berman Funds).

The Barrett Group also updated the Pension Board on the Kemper Scudder annuity which includes a GRIB feature. In order to maximize the death benefit of this annuity, the Barrett Group advised the board to remove \$750,000, leaving a small balance (\$10,000 to \$20,000) with Kemper to continue the death benefit of approximately \$600,000. The funds from the sale of the Kemper Scudder annuity and other available pension funds of approximately \$250,000 would be reinvested in the DMA account on a dollar-cost average basis over a 4 month period beginning April 1st. The DMA account was selected as it has the lowest fees of the investments currently within the pension

portfolio.

Upon motion by Cipparrone, second by Arnold the Board unanimously approved to invest funds pursuant to the recommendations from Wachovia Securities.

Upon motion by Cipparrone, second by Peters the Board unanimously approved paying the IPPFA annual membership dues of \$750.00.

Upon motion by Arnold, second by Cipparrone the Board unanimously approved to pay the \$750.00 training costs to the IPPFA to send a Board member to the Certified Trustee Program.

The terms of Trustees Vic Arnold and Andrew Peters will expire on April 30, 2009. A letter seeking nominations will be posted regarding the active officer representative Trustee positions. An election will be held per bylaws with the results being tabulated at the next meeting. Trustee Arnold advised the Board he will not seek re-election. Trustee Peters advised the Board that he will seek re-election.

There being no other business the meeting was adjourned at 5:00 P.M. The next meeting is scheduled for Wednesday April 22, 2009 at 4:00 P.M. at the La Grange Police Department.

Respectfully Submitted,

Vic Arnold  
Secretary