



# DARIEN POLICE PENSION BOARD

In the County of DuPage and the State of Illinois  
Incorporated 1969

## NOTICE OF A REGULAR MEETING OF THE BOARD OF TRUSTEES

The Darien Police Pension Fund Board of Trustees will conduct a regular meeting on Wednesday, April 29, 2015 at 7:00 PM at 1710 Plainfield Road, Darien, IL 60561 for the purposes set forth in the following Agenda:

### AGENDA

- 1) Call to Order
- 2) Roll Call
- 3) Public Comment (limited to 3 minutes per comment)
- 4) Approval of Minutes
- 5) Accountant's Report
  - a) Monthly Financial Report
  - b) Presentation and Approval of Bills
  - c) Additional Bills, if any
    - i) Lauterbach & Amen Invoices
    - ii) IDOI Compliance Fee
- 6) Investment Reports
  - a) Portfolio Review - MB Financial
  - b) Portfolio Review - Sawyer Falduto Asset Management
  - c) Review/Update Investment Policy
- 7) Old Business
  - a) Trustee Training Update
- 8) New Business
  - a) Board Election Results – Active Member/Retired Member Positions
  - b) Board Appointment – John Breslin
- 9) Correspondence & Reports
  - a) Statements of Economic Interest
- 10) Attorney's Report
  - a) Legal Updates
  - b) QILDRO – Robert Pavelchik
- 11) Closed Session, if required
- 12) Adjournment

Posted on: \_\_\_\_\_

By: Anton Hruby, Vice President



# DARIEN POLICE PENSION BOARD

In the County of DuPage and the State of Illinois  
Incorporated 1969

## THE REGULAR MEETING MINUTES OF THE DARIEN POLICE PENSION FUND BOARD OF TRUSTEES JANUARY 28, 2015

A regular meeting of the Darien Police Pension Fund Board of Trustees was held on Wednesday, January 28, 2015 at 7:00 PM at 1710 Plainfield Road, Darien, IL 60561, pursuant to notice.

**CALL TO ORDER:** President Leonard Catalano called the meeting to order at 7:01 pm.

**ROLL CALL:**

**PRESENT:** President Leonard Catalano, Vice President Anton Hruby, Secretary Jason Norton, Assistant Secretary Patrick Murphy and Trustee James Caldwell  
**ABSENT:** None  
**ALSO PRESENT:** Board Attorney Brian LaBardi, Reimer & Karlson, LLC; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management; Ted Kirpach and Michael Stuart, MB Financial; Stephanie Bay and Kari Heffron, Lauterbach & Amen (L&A), LLP

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:** The Board reviewed the minutes from the November 19, 2014 regular meeting. A motion was made by Trustee Caldwell and seconded by Trustee Norton to approve the November 19, 2014 regular meeting minutes. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT:**

*Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the eight month period ending December 31, 2014. As of December 31, 2014 the net position held in trust for pension benefits is \$24,397,354.35 for a change in position of \$1,361,445.70. They also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal.

*Presentation and Approval of Bills:* The Board reviewed the Vendor Checks Report from October 1, 2014 through December 31, 2014, for a total disbursement of \$99,015.98.

A motion was by Trustee Caldwell and seconded by Trustee Murphy to accept the Monthly Financial Report and approve the Vendor Checks Report in the amount of \$99,015.98.

**AYES:** Trustees Catalano, Hruby, Norton, Murphy and Caldwell  
**NAYS:** None  
**ABSENT:** None

*Additional Bills, if any:* Ms. Heffron presented four additional bills for Board approval:

- L&A invoice #8347 in the amount of \$1,830.00 for the 2014 IDOI Report

- L&A invoice #7943 in the amount of \$1,435.00 for professional services rendered for the month of October 2014
- L&A invoice #8519 in the amount of \$1,435.00 for professional services rendered for the month of November 2014
- L&A invoice #9042 in the amount of \$1,435.00 for professional services rendered for the month of December 2014

A motion was made by Trustee Caldwell and seconded by Trustee Norton to approve the additional as presented.

AYES: Trustees Catalano, Hruby, Norton, Murphy and Caldwell  
NAYS: None  
ABSENT: None

### **INVESTMENT REPORTS:**

*Portfolio Review – MB Financial:* Mr. Kirpach presented the Quarterly Investment Report for the period ending December 31, 2014. As of December 31, 2014, the quarter-to-date total return is 1.91% with a change due to investments of \$814,340 and an ending market value of \$13,886,154. The current asset allocations are as follows: fixed income at 44.91%, equities at 47.26% alternative strategies at 4.85% and cash & equivalents at 2.98%. The asset composition for the equity and fixed income portfolios, market value vs. invested capital, risk/return analysis and quarterly market insights were reviewed with the Board.

*Portfolio Review – Sawyer Falduto Asset Management:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending December 31, 2014. As of December 31, 2014, the quarter-to-date net return is 2.80% and year-to-date total net return is 6.14% for an investment return of \$296,605 and an ending market value of \$10,600,054. The current asset allocations are as follows: fixed income at 48.7% equities at 51.0% and cash equivalents at 0.3%. Mr. Sawyer reviewed the Market Commentary, Equity and Fixed Income Portfolios, and Transaction Ledger Report with the Board.

A motion was made by Trustee Caldwell and seconded by Trustee Murphy to accept the Investment Reports as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* There were no updates to the Investment Policy at this time.

### **OLD BUSINESS:**

*Surviving Dependent Children Benefits – Nickolas and Daniel Borsilli:* Ms. Bay informed the Board that Lauterbach & Amen discovered the final prorated amount was not split properly between the Nickolas and Daniel Borsilli. Nickolas Borsilli's original benefit calculation stated \$281.31 instead of the correct amount of \$407.90. MB Financial paid lump sum payments to Nickolas and Daniel Borsilli 01/02/2015. Nickolas received a payment of \$62,848.28 covering benefits from February 2012 through March 5, 2014 (18<sup>th</sup> birthday) and Daniel received a payment of \$112,613.03 covering benefits from February 2012 through December 2014.

A motion was made by Trustee Caldwell and seconded by Trustee Murphy to approve the corrected benefit amounts paid to Nickolas and Daniel Borsilli on 01/02/2015.

AYES: Trustees Catalano, Hruby, Norton, Murphy and Caldwell  
NAYS: None  
ABSENT: None

*Application for Membership – Eric Sarat:* A motion was made by Trustee Caldwell and seconded by Trustee Norton to accept Eric Sarat into the Darien Police Pension Fund effective 09/24/2014 as a Tier 2 participant. Motion carried unanimously by voice vote.

*Trustee Training Update:* The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities.

**NEW BUSINESS:**

*Approve Regular Retirement Benefits – William Foster:* The Board reviewed the regular retirement benefit calculation for William S. Foster. William S. Foster had an entry date of 04/30/1983, retirement date of 01/27/2015, effective date of pension of 01/28/2015, 56 years old at date of retirement, 31 years of creditable service, applicable salary of \$94,288.24, applicable pension percentage of 75.00%, amount of originally granted annual pension of \$70,716.24 and amount of originally granted monthly pension of \$5,893.02. A motion was made by Trustee Hruby and seconded by Trustee Catalano to approve the regular retirement benefits for William S. Foster as presented.

AYES: Trustees Catalano, Hruby, Norton, Murphy and Caldwell

NAYS: None

ABSENT: None

*Approve 2015 Cost of Living Adjustments for Pensioners:* The Board reviewed the 2015 Cost of Living Adjustments (see attached). A motion was made by Trustee Catalano and seconded by Trustee Norton to approve the 2015 Cost of Living Adjustments.

AYES: Trustees Catalano, Hruby, Norton, Murphy and Caldwell

NAYS: None

ABSENT: None

*Six Month Review of Closed Meeting Minutes:* The Board stated that there were no closed meeting minutes to review.

*Review of Trustee Term Expirations – Patrick Murphy (Appointee), Leonard Catalano (Retiree) and Jason Norton (Active):* The Board noted that Trustee Catalano and Trustee Norton's terms expire in April and L&A will conduct an election on behalf of the Pension Fund for the retired and active positions. Also, Trustee Murphy's appointment expires in April and the Mayor of the City of Darien will be requested to re-appoint Trustee Murphy.

**CORRESPONDENCE & REPORTS:**

*Statement of Economic Interest – List of Filers:* Ms. Heffron informed the Board that the List of Filers is due by February 1<sup>st</sup>, 2015 and the Statement of Economic Interest form will be sent to the Board for response by May 1<sup>st</sup>.

**ATTORNEY'S REPORT:**

*Legal Updates:* Mr. LaBardi reviewed the *Legal and Legislative Updates* quarterly newsletter highlighting recent court decisions and pension news.

*QILDRO – Robert Pavelchik:* Mr. LaBardi informed the Board that he attempted contact with Attorney Kris Tufek on 08/05/2014 stating that all information has been received for a calculation and advising that a check and Calculation Order are needed for further action, but has not received a response to date. Further discussion will be held at the next scheduled meeting.

**CLOSED SESSION, IF REQUIRED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee Murphy and seconded by Trustee Catalano to adjourn the meeting at 8:26 pm. Motion carried unanimously by voice vote.

\_\_\_\_\_  
Leonard Catalano, Board President

\_\_\_\_\_  
Jason Norton, Board Secretary

Minutes approved as presented by the Board of Trustees on \_\_\_\_\_.

*Minutes prepared by Kari Heffron, Pension Services Administrator*

*~ The next regular meeting is scheduled for Wednesday, April 29, 2015 at 7:00 pm. ~*

# Darien Police Pension Fund

## Monthly Financial Report

For the Month Ended  
March 31, 2015

Prepared by:

Lauterbach & Amen, LLP

# Darien Police Pension Fund

## Table of Contents

	Starting on Page
Accountant's Compilation Report.....	1-1
Financial Statements	
Statement of Net Position - Modified Cash Basis.....	2-1
Statement of Changes in Net Position - Modified Cash Basis.....	2-2
Other Supplementary Information	
Cash and Investments - Pie Chart.....	3-1
Cash Analysis Report.....	4-1
Cash Analysis Report - Graph.....	5-1
Revenue Report.....	6-1
Expenses - Bar Chart.....	7-1
Expense Report.....	8-1
Member Contribution Report.....	9-1
Payroll Journal.....	10-1
Quarterly Vendor Check Report.....	11-1

# Accountant's Compilation Report





April 14, 2015

Members of the Pension Board of Trustees  
Darien Police Pension Fund  
Darien, IL 60561

We have compiled the accompanying modified cash basis statement of net position of the Darien Police Pension Fund as of March 31, 2015 and the related modified cash basis statement of changes in net position for the eleven months then ended, and the accompanying other supplementary information as referred to in the table of contents. We have not audited or reviewed the accompanying financial statements and other supplementary information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and other supplementary information are in accordance with the modified cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements and other supplementary information in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and other supplementary information.

Our responsibility is to conduct the compilation in accordance with Statements for Standards and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management in presenting financial information in the form of financial statements and other supplementary information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and other supplementary information.

Management has elected to omit substantially all of the disclosures, Management Discussion and Analysis (MD&A), and Required Supplementary Information (RSI) required by the modified cash basis of accounting. If the omitted disclosures were included in the financial statements and other supplementary information, they might influence the user's conclusions about the Pension Fund's assets, liabilities, fund balance, revenues and expenses. Accordingly, these financial statements and other supplementary information are not designed for those who are not informed about such matters.

We are not independent with respect to the Darien Police Pension Fund.

Cordially,

Lauterbach & Amen, LLP

# Financial Statements

**Darien Police Pension Fund**  
**Statement of Net Position - Modified Cash Basis**  
**As of March 31, 2015**

**Assets**

Cash and Cash Equivalents	\$	0.00
Investments, at Fair Value		
Money Market Mutual Funds		314,530.92
Fixed Income		11,471,019.49
Insurance Company Contracts - General		56,299.58
Stock Equities		3,047,401.56
Mutual Funds		9,489,288.37
Total Cash and Investments		<u>24,378,539.92</u>
Accrued Interest		96,182.56
Prepays		<u>516.67</u>
Total Assets		<u>24,475,239.15</u>

**Liabilities**

Expenses Due/Unpaid		<u>8,676.22</u>
Total Liabilities		<u>8,676.22</u>

<b>Net Position Held in Trust for Pension Benefits</b>		<u><u>24,466,562.93</u></u>
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See Accountants' Compilation Report

**Darien Police Pension Fund**  
**Statement of Changes in Net Position - Modified Cash Basis**  
**For the Eleven Months Ended March 31, 2015**

**Additions**

Contributions - Employer	\$ 1,205,560.18
Contributions - Employee	<u>269,063.16</u>
Total Contributions	<u>1,474,623.34</u>
Investment Income	
Interest and Dividends Earned	985,465.92
Net Change in Fair Value	<u>561,489.23</u>
Total Investment Income	1,546,955.15
Less: Investment Expense	<u>(64,270.15)</u>
Net Investment Income	<u>1,482,685.00</u>
Total Additions	<u>2,957,308.34</u>

**Deductions**

Administration	36,077.13
Benefits and Refunds	
Benefits	1,490,576.93
Refunds	<u>0.00</u>
Total Deductions	<u>1,526,654.06</u>

**Change in Position**

1,430,654.28

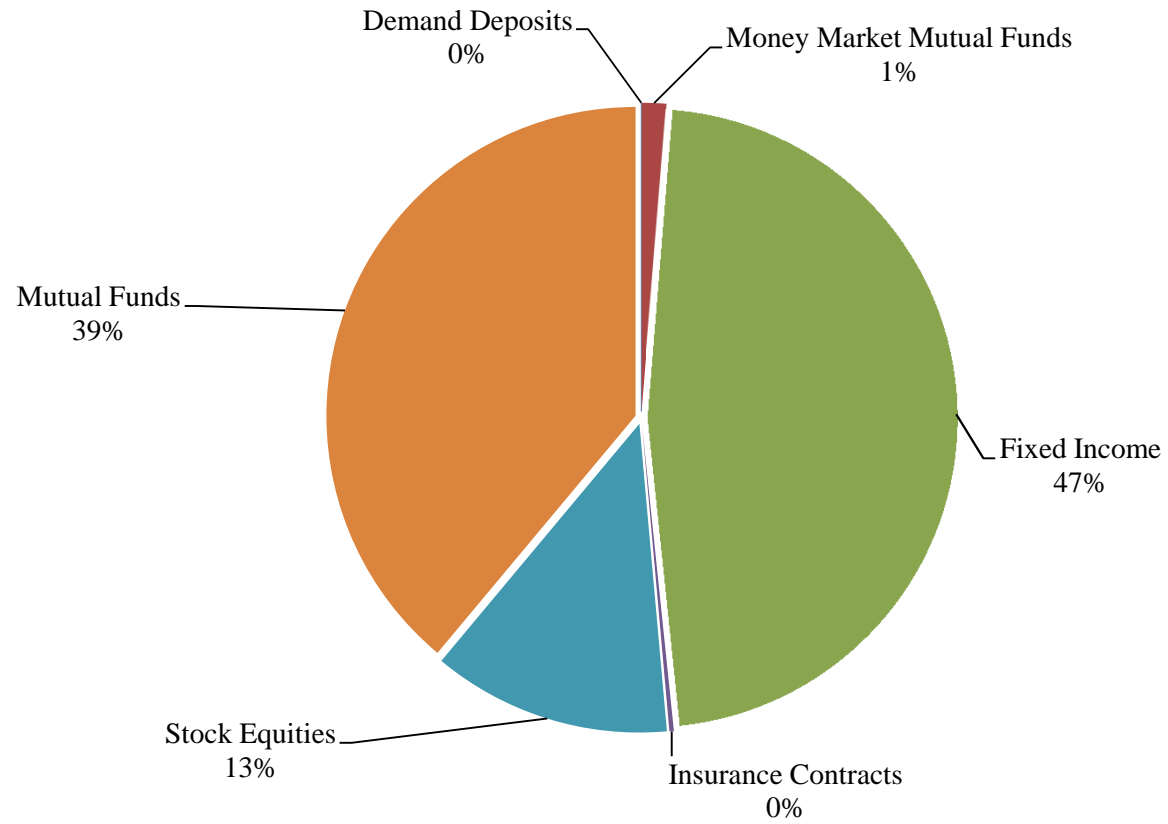
**Net Position Held in Trust for Pension Benefits**

Beginning of Year	<u>23,035,908.65</u>
End of Period	<u>24,466,562.93</u>

See Accountants' Compilation Report

## Other Supplementary Information

## Darien Police Pension Fund Cash and Investments

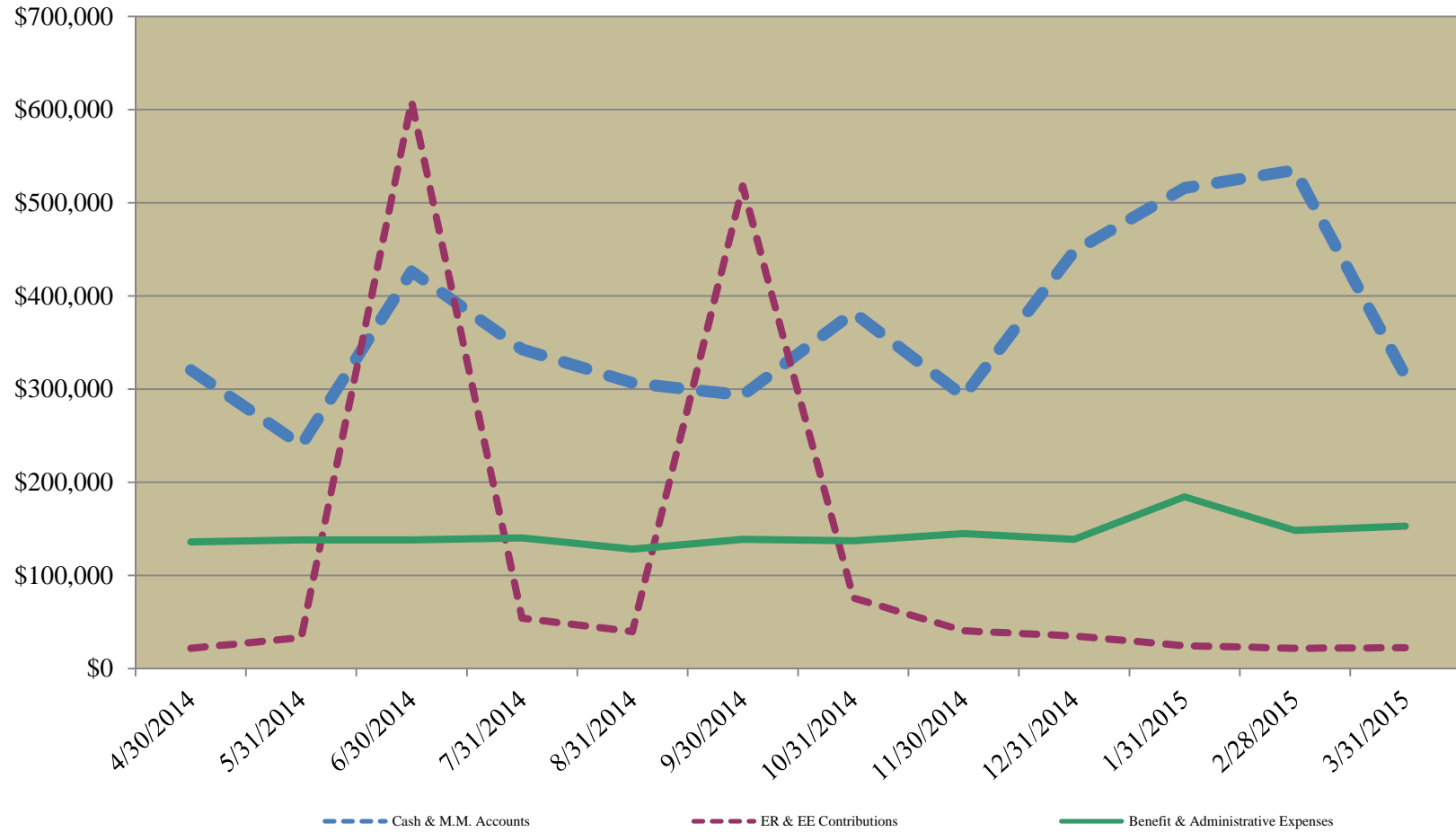


**Darien Police Pension Fund  
Cash Analysis Report  
For the Twelve Periods Ending March 31, 2015**

<u>Financial Institutions</u>	<u>4/30/14</u>	<u>5/31/14</u>	<u>6/30/14</u>	<u>7/31/14</u>	<u>8/31/14</u>	<u>9/30/14</u>	<u>10/31/14</u>	<u>11/30/14</u>	<u>12/31/14</u>	<u>1/31/15</u>	<u>2/28/15</u>	<u>3/31/15</u>
	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>	<u>Balance</u>
MB - Money Market #61404680	299,164	208,346	384,883	325,073	280,157	196,722	246,702	249,302	414,415	461,450	511,324	296,303
Schwab - Money Market #2002-7678	21,308	31,446	41,563	17,774	26,531	96,736	135,721	43,151	33,711	54,421	23,781	18,228
	<u>320,472</u>	<u>239,792</u>	<u>426,446</u>	<u>342,848</u>	<u>306,689</u>	<u>293,458</u>	<u>382,423</u>	<u>292,454</u>	<u>448,125</u>	<u>515,871</u>	<u>535,105</u>	<u>314,531</u>
Totals	<u>320,472</u>	<u>239,792</u>	<u>426,446</u>	<u>342,848</u>	<u>306,689</u>	<u>293,458</u>	<u>382,423</u>	<u>292,454</u>	<u>448,125</u>	<u>515,871</u>	<u>535,105</u>	<u>314,531</u>
<u>Contributions</u>												
Current Tax	-	40	586,579	31,951	18,397	496,147	42,943	18,439	11,064	-	-	-
Contributions - Current Year	<u>21,712</u>	<u>33,269</u>	<u>22,267</u>	<u>22,280</u>	<u>21,427</u>	<u>21,993</u>	<u>32,964</u>	<u>22,094</u>	<u>23,915</u>	<u>24,572</u>	<u>21,957</u>	<u>22,324</u>
	<u>21,712</u>	<u>33,309</u>	<u>608,846</u>	<u>54,231</u>	<u>39,824</u>	<u>518,139</u>	<u>75,907</u>	<u>40,533</u>	<u>34,979</u>	<u>24,572</u>	<u>21,957</u>	<u>22,324</u>
<u>Expenses</u>												
Benefits	128,438	128,438	128,438	128,438	128,438	128,438	128,438	128,438	128,438	171,956	148,466	142,648
Administration	7,581	9,753	9,762	12,070	-	10,241	8,953	16,442	10,408	12,432	-	10,287
	<u>136,019</u>	<u>138,191</u>	<u>138,200</u>	<u>140,508</u>	<u>128,438</u>	<u>138,679</u>	<u>137,391</u>	<u>144,881</u>	<u>138,846</u>	<u>184,388</u>	<u>148,466</u>	<u>152,934</u>
Total Contributions less Expenses	<u>(114,307)</u>	<u>(104,882)</u>	<u>470,646</u>	<u>(86,277)</u>	<u>(88,614)</u>	<u>379,460</u>	<u>(61,484)</u>	<u>(104,347)</u>	<u>(103,867)</u>	<u>(159,816)</u>	<u>(126,509)</u>	<u>(130,610)</u>

See Accountants' Compilation Report

## Darien Police Pension Fund Cash Analysis Summary





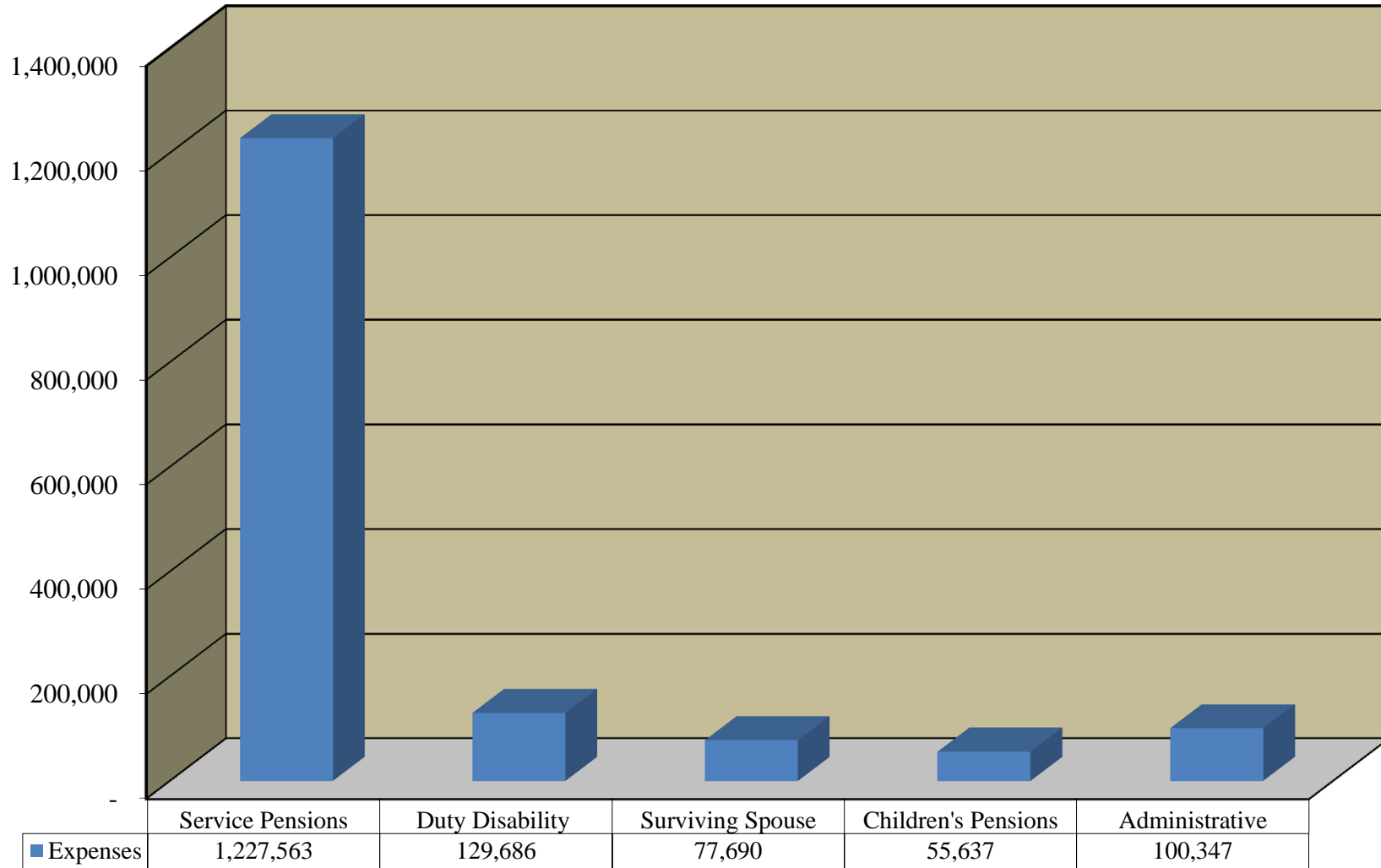
# Darren Police Pension Fund

## Revenue Report as of March 31, 2015

	<u>Received this Month</u>	<u>Received this Year</u>
<b><u>Revenues</u></b>		
<b><u>Municipal and Member Contributions</u></b>		
<b><u>Municipal Contributions</u></b>		
41-210-00 - Current Tax	0.00	1,205,560.18
	0.00	1,205,560.18
<b><u>Member Contributions</u></b>		
41-410-00 - Contributions - Current Year	22,324.27	269,063.16
	22,324.27	269,063.16
<b>Total Municipal and Member Contributions</b>	22,324.27	1,474,623.34
<b><u>Investment Income</u></b>		
<b><u>Interest and Dividends</u></b>		
43-252-02 - MB - Fixed Income #61404680	23,342.24	248,337.24
43-252-04 - Schwab - Fixed Income #2002-7678	15,319.43	111,915.19
43-450-02 - MB - Common Stock #61404680	6,981.88	31,493.74
43-550-02 - MB - Mutual Funds #61404680	2,700.45	307,660.88
43-550-04 - Schwab - Mutual Funds #2002-7678	9,108.83	281,389.35
	57,452.83	980,796.40
<b><u>Gains and Losses</u></b>		
44-252-02 - MB - Fixed Income #61404680	11,259.35	(39,645.59)
44-252-04 - Schwab - Fixed Income #2002-7678	(15,768.80)	47,555.99
44-350-01 - Regatta Gold #7600488136	480.59	1,628.45
44-450-02 - MB - Common Stock #61404680	(38,760.77)	262,354.02
44-550-02 - MB - Mutual Funds #61404680	(38,608.58)	9,144.03
44-550-04 - Schwab - Mutual Funds #2002-7678	(39,779.52)	280,452.33
	(121,177.73)	561,489.23
<b><u>Other Income</u></b>		
45-200-00 - Accrued Interest	(7,912.31)	4,669.52
49-000-01 - Other Income	0.00	0.00
	(7,912.31)	4,669.52
<b>Total Investment Income</b>	(71,637.21)	1,546,955.15
<b>Total Revenues</b>	(49,312.94)	3,021,578.49

See Accountants' Compilation Report

## Darien Police Pension Fund Expenses



# Darien Police Pension Fund

## Expense Report as of March 31, 2015

	<u>Expended this Month</u>	<u>Expended this Year</u>
<b><u>Expenses</u></b>		
<b><u>Pensions and Benefits</u></b>		
51-020-00 - Service Pensions	118,616.10	1,227,563.34
51-030-00 - Non-Duty Disability Pensions	0.00	0.00
51-040-00 - Duty Disability Pensions	11,910.95	129,686.13
51-050-00 - Occupational Disease Pensions	0.00	0.00
51-060-00 - Surviving Spouse Pensions	7,062.73	77,690.03
51-070-00 - Children's Pensions	5,058.03	55,637.43
51-080-00 - Parent's Pensions	0.00	0.00
51-090-00 - Handicapped Annuitant Pensions	0.00	0.00
51-100-00 - Refund of Contributions	0.00	0.00
51-110-00 - Transfers to Other Pensions	0.00	0.00
	<u>142,647.81</u>	<u>1,490,576.93</u>
 <b><u>Administrative</u></b>		
<b><u>Professional Services</u></b>		
52-170-01 - Actuarial Services	0.00	2,400.00
52-170-03 - Accounting & Bookkeeping Services	0.00	16,530.00
52-170-04 - Medical Services	0.00	540.00
52-170-05 - Legal Services	0.00	8,081.26
	<u>0.00</u>	<u>27,551.26</u>
 <b><u>Investment</u></b>		
52-190-01 - Investment Manager/Advisor Fees	10,286.50	64,270.15
	<u>10,286.50</u>	<u>64,270.15</u>
 <b><u>Other Expense</u></b>		
52-290-27 - Travel Expense	0.00	1,294.05
52-290-34 - IDOI Filing Fee Expense	0.00	4,362.96
52-290-35 - Other Expense	0.00	2,868.86
	<u>0.00</u>	<u>8,525.87</u>
 <b>Total Administrative</b>	 <u>10,286.50</u>	 <u>100,347.28</u>
 <b>Total Expenses</b>	 <u>152,934.31</u>	 <u>1,590,924.21</u>

See Accountants' Compilation Report

**Darien Police Pension Fund  
Member Contribution Report  
As of Month Ended - March 31, 2015**

Name	Thru Prior Fiscal Year	Current Fiscal Year	Service Purchase	Refunds	Total Contributions
Bischoff, Brian H.	\$ 71,646.82	7,998.40	0.00	0.00	79,645.22
Bozek, Mark A.	142,532.00	8,305.66	0.00	0.00	150,837.66
Camacho, Carol L.	4,552.89	5,810.97	0.00	0.00	10,363.86
Cheasure, Gregory J.	173,142.83	9,721.62	0.00	0.00	182,864.45
Cooper, John B.	175,119.90	11,506.90	0.00	0.00	186,626.80
Dollins, Jennifer A.	1,613.74	5,780.19	0.00	0.00	7,393.93
Foyle/Price, Kara L.	123,608.96	8,617.17	0.00	0.00	132,226.13
Glomb, Brette A.	83,808.83	8,025.47	0.00	0.00	91,834.30
Greenaberg, William W.	116,389.85	9,991.50	0.00	0.00	126,381.35
Hellmann, Rick J.	91,813.71	8,325.23	0.00	0.00	100,138.94
Hruby, Anton W.	66,946.27	8,414.62	0.00	0.00	75,360.89
Jump, John A.	32,936.25	7,409.03	0.00	0.00	40,345.28
Keough, Keith E.	32,798.19	7,290.47	0.00	0.00	40,088.66
Kosieniak, Geoff T.	96,920.62	8,325.23	0.00	0.00	105,245.85
Liska/Gentile, Marina A.	132,545.82	8,617.15	0.00	0.00	141,162.97
Liss, Steven M.	110,068.07	9,991.50	0.00	0.00	120,059.57
Lorek, Michael D.	85,828.95	8,658.21	0.00	0.00	94,487.16
Milazzo, David M.	21,147.36	6,767.50	0.00	0.00	27,914.86
Murphy, James K.	105,708.09	8,325.23	0.00	0.00	114,033.32
Norton, Jason F.	85,208.85	8,880.70	0.00	0.00	94,089.55
Pastick, Joseph G.	442.12	5,504.42	0.00	0.00	5,946.54
Piccoli, Gerald R.	173,442.12	10,126.71	0.00	0.00	183,568.83
Renner, Lauren E.	64,472.34	7,998.78	0.00	0.00	72,471.12
Rentka, Edward P.	141,141.40	10,126.70	0.00	0.00	151,268.10
Rumick, Douglas J. II	36,846.66	7,630.40	0.00	0.00	44,477.06
Sarat, Eric	0.00	2,719.04	0.00	0.00	2,719.04
Simek, Jeffrey A.	79,229.38	8,325.31	0.00	0.00	87,554.69
Skweres, Nicholas A.	78,230.37	8,325.31	0.00	0.00	86,555.68
Stutte, Richard W.	102,418.58	8,158.71	0.00	0.00	110,577.29
Topel, James A.	170,776.33	9,924.16	0.00	0.00	180,700.49
Yeo, Kevin G.	86,096.20	8,325.23	0.00	0.00	94,421.43
Zimny, Jennifer M.	49,296.40	7,868.19	0.00	0.00	57,164.59
	2,736,729.90	261,795.71	0.00	0.00	2,998,525.61

**Darien Police Pension Fund  
Member Contribution Report  
As of Month Ended - March 31, 2015**

Name	Thru Prior Fiscal Year	Current Fiscal Year	Service Purchase	Refunds	Total Contributions
Terminated/Removed Members					
DeYoung, Owen M.	58,711.55	0.00	0.00	0.00	58,711.55
Foster, William S.	216,417.63	7,267.45	0.00	0.00	223,685.08
<b>Total</b>	<b>3,011,859.08</b>	<b>269,063.16</b>	<b>0.00</b>	<b>0.00</b>	<b>3,280,922.24</b>

# Darien Police Pension Fund Payroll Journal

Pay Description	Amount	Withholdings	Amount	Deduction Desc.	Amount
<b>10000 - TERRY ABMA Check #11279 03/26/15</b>					
Retirement (Service)	8,251.62	Federal W/H	1,420.87	QILDRO DED	935.18
TOTALS	<u>8,251.62</u>		<u>1,420.87</u>		<u>935.18</u>
				<b>NET PAY:</b>	<b>5,895.57</b>
<b>10050 - KIMBERLY ANDERLE-ABMA Check #11280 03/26/15</b>					
QILDRO	935.18				
TOTALS	<u>935.18</u>		<u>0.00</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>935.18</b>
<b>10075 - DANIEL J. BORSILLI Check #11281 03/26/15</b>					
Dependent Child	5,058.03				
TOTALS	<u>5,058.03</u>		<u>0.00</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>5,058.03</b>
<b>10100 - CHRISTINE A. BOWEN Check #11282 03/26/15</b>					
Spouse	4,399.23	Federal W/H	659.88		
TOTALS	<u>4,399.23</u>		<u>659.88</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>3,739.35</b>
<b>10200 - CHARMAINE BURNETT Check #11283 03/26/15</b>					
Spouse	2,663.50	Federal W/H	305.00		
TOTALS	<u>2,663.50</u>		<u>305.00</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>2,358.50</b>
<b>10325 - MICHAEL C. CAMPO Check #11286 03/26/15</b>					
Retirement (Service)	6,578.69	Federal W/H	407.04	QILDRO DED	1,302.62
TOTALS	<u>6,578.69</u>		<u>407.04</u>		<u>1,302.62</u>
				<b>NET PAY:</b>	<b>4,869.03</b>
<b>10300 - RON CAMPO Check #11285 03/26/15</b>					
Retirement (Service)	6,686.95	Federal W/H	1,273.30		
TOTALS	<u>6,686.95</u>		<u>1,273.30</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>5,413.65</b>
<b>10250 - LEONARD J. CATALANO Check #11284 03/26/15</b>					
Retirement (Service)	7,510.65	Federal W/H	993.29	Medical Insurance	574.66
TOTALS	<u>7,510.65</u>		<u>993.29</u>		<u>574.66</u>
				<b>NET PAY:</b>	<b>5,942.70</b>
<b>10350 - CHRISTOPHER J. FALCO Check #11287 03/26/15</b>					
Retirement (Service)	7,366.97	Federal W/H	1,433.92	Medical Insurance	574.66
TOTALS	<u>7,366.97</u>		<u>1,433.92</u>		<u>574.66</u>
				<b>NET PAY:</b>	<b>5,358.39</b>
<b>10401 - WILLIAM S. FOSTER Check #11288 03/26/15</b>					
Retirement (Service)	5,893.02	Federal W/H	1,074.82	Medical Insurance	574.66
TOTALS	<u>5,893.02</u>		<u>1,074.82</u>		<u>574.66</u>
				<b>NET PAY:</b>	<b>4,243.54</b>
<b>10450 - JAMES GROSS Check #11289 03/26/15</b>					
Retirement (Service)	6,249.95	Federal W/H	1,066.59	Medical Insurance	574.66
TOTALS	<u>6,249.95</u>		<u>1,066.59</u>		<u>574.66</u>
				<b>NET PAY:</b>	<b>4,608.70</b>
<b>10500 - THOMAS HRUBY Check #11290 03/26/15</b>					
Retirement (Service)	6,147.56	Federal W/H	375.00		
TOTALS	<u>6,147.56</u>		<u>375.00</u>		<u>0.00</u>
				<b>NET PAY:</b>	<b>5,772.56</b>

# Darien Police Pension Fund

## Payroll Journal

March 2015

Page 2

Pay Description	Amount	Withholdings	Amount	Deduction Desc.	Amount
<b>10550 - DAVID KOHNKE Check #11291 03/26/15</b>					
Retirement (Service)	4,203.01	Federal W/H	396.08		
TOTALS	4,203.01		396.08		0.00
				<b>NET PAY:</b>	<b>3,806.93</b>
<b>10650 - CAROLANNE MELICKE Check #11292 03/26/15</b>					
Duty Disability-NT	2,874.77				
TOTALS	2,874.77		0.00		0.00
				<b>NET PAY:</b>	<b>2,874.77</b>
<b>10700 - RALPH MENZIONE Check #11293 03/26/15</b>					
Retirement (Service)	7,217.69	Federal W/H	1,382.16	Medical Insurance	574.66
TOTALS	7,217.69		1,382.16		574.66
				<b>NET PAY:</b>	<b>5,260.87</b>
<b>10750 - EDWARD MUSIAL Check #11294 03/26/15</b>					
Retirement (Service)	9,194.19	Federal W/H	1,032.55		
TOTALS	9,194.19		1,032.55		0.00
				<b>NET PAY:</b>	<b>8,161.64</b>
<b>10800 - ROBERT J. PAVELCHIK, JR. Check #11295 03/26/15</b>					
Retirement (Service)	9,045.86	Federal W/H	2,045.01		
TOTALS	9,045.86		2,045.01		0.00
				<b>NET PAY:</b>	<b>7,000.85</b>
<b>10900 - FLORIAN P. PYRZ Check #11296 03/26/15</b>					
Retirement (Service)	6,282.81	Federal W/H	735.00		
TOTALS	6,282.81		735.00		0.00
				<b>NET PAY:</b>	<b>5,547.81</b>
<b>10950 - STEVEN J. REED Check #11297 03/26/15</b>					
Retirement (Service)	4,848.49	Federal W/H	795.54	Medical Insurance	574.66
TOTALS	4,848.49		795.54		574.66
				<b>NET PAY:</b>	<b>3,478.29</b>
<b>10950 - STEVEN J. REED Check #11298 03/26/15</b>					
Retirement (Service)	2,060.00				
TOTALS	2,060.00		0.00		0.00
				<b>NET PAY:</b>	<b>2,060.00</b>
<b>10951 - JAMIE SCHOENEMAN Check #11299 03/26/15</b>					
QILDRO	1,302.62	Federal W/H	78.21		
TOTALS	1,302.62		78.21		0.00
				<b>NET PAY:</b>	<b>1,224.41</b>
<b>11000 - DAVID E. SKALA Check #11300 03/26/15</b>					
Retirement (Service)	7,851.66	Federal W/H	1,565.55	Medical Insurance	574.66
TOTALS	7,851.66		1,565.55		574.66
				<b>NET PAY:</b>	<b>5,711.45</b>
<b>11045 - DAVID B. STOCK Check #11301 03/26/15</b>					
Retirement (Service)	7,009.71	Federal W/H	1,353.99	Medical Insurance	574.66
TOTALS	7,009.71		1,353.99		574.66
				<b>NET PAY:</b>	<b>5,081.06</b>
<b>11050 - VINCENT SUDNIK Check #11302 03/26/15</b>					
Retirement (Service)	6,217.27	Federal W/H	472.00		
TOTALS	6,217.27		472.00		0.00
				<b>NET PAY:</b>	<b>5,745.27</b>

# Darien Police Pension Fund Payroll Journal

Pay Description	Amount	Withholdings	Amount	Deduction Desc.	Amount
<b>11100 - EDWARD VAUGHAN Check #11303 03/26/15</b>					
Duty Disability - T	5,382.03				
TOTALS	5,382.03		0.00		0.00
				<b>NET PAY:</b>	<b>5,382.03</b>
 <b>11150 - GEORGE F. VLACH Check #11304 03/26/15</b>					
Duty Disability-NT	3,654.15				
TOTALS	3,654.15		0.00		0.00
				<b>NET PAY:</b>	<b>3,654.15</b>



# Darien Police Pension Fund Payroll Journal

Pay Description	Amount	Withholdings	Amount	Deduction Desc.	Amount
<b>Company Totals    Number of Checks: 26</b>					
Retirement (Service)	118,616.10	Federal W/H	18,865.80	QILDRO DED	2,237.80
QILDRO	2,237.80			Medical Insurance	4,597.28
Dependent Child	5,058.03				
Spouse	7,062.73				
Duty Disability-NT	6,528.92				
Duty Disability - T	5,382.03				
<b>TOTALS</b>	<b>144,885.61</b>		<b>18,865.80</b>		<b>6,835.08</b>
				<b>NET PAY:</b>	<b>119,184.73</b>

# Darien Police Pension Fund

## Vendor Checks Report

01/01/15-03/31/15

Page 1

Vendor Name	Chk. No.	Check Date	Amount
SAWYER FALDUTO ASSET MGMT LLC	50107	01/05/15	7,950.00
LAUTERBACH & AMEN LLP	50108	01/23/15	4,305.00
LEONARD CATALANO *	50110	01/23/15	88.48
PATRICK MURPHY*	50109	01/23/15	88.48
		Subtotal	<u>4,481.96</u>
CITY OF DARIEN	30000	01/26/15	4,022.62
INTERNAL REVENUE SERV	30001	01/26/15	17,273.45
		Subtotal	<u>21,296.07</u>
CITY OF DARIEN	30002	02/26/15	4,597.28
INTERNAL REVENUE SERV	30003	02/26/15	19,055.90
		Subtotal	<u>23,653.18</u>
CITY OF DARIEN	30004	03/26/15	4,597.28
INTERNAL REVENUE SERV	30005	03/26/15	18,865.80
		Subtotal	<u>23,463.08</u>
MB FINANCIAL BANK	50111	03/31/15	10,286.50
		TOTAL	<u>91,130.79</u>

# *Lauterbach & Amen, LLP*

*27W457 Warrenville Road*

*Warrenville, IL 60555*

*(630) 393-1483*

Darien Police Pension Fund  
1702 Plainfield Rd  
Darien, IL 60561

Invoice No: 8347  
Date: 11/23/2014  
Client No: DARIENPP

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## SERVICE

## AMOUNT

For professional services rendered in connection with the preparation of Illinois Department of  
Insurance report for the fiscal year ended:

April 30, 2014

1,830.00

Current Amount Due \$ 1,830.00



# Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Darien Police Pension Fund  
1702 Plainfield Rd  
Darien, IL 60561

Invoice No: 9328  
Date: 02/20/2015  
Client No: DARIENPP

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SERVICE	AMOUNT
For professional services rendered for the month of January, 2015	
Accounting Services	665.00
Benefits Administration	120.00
Pension Services Administration (PSA)	650.00
Current Amount Due \$	<u>1,435.00</u>



# Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Darien Police Pension Fund  
1702 Plainfield Rd  
Darien, IL 60561

Invoice No: 9721  
Date: 02/21/2015  
Client No: DARIENPP

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SERVICE

AMOUNT

For professional services rendered in connection with the preparation of payroll tax returns for the calendar year ended:

December 31, 2014

55.00

Current Amount Due \$

55.00



# Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Darien Police Pension Fund  
1702 Plainfield Rd  
Darien, IL 60561

Invoice No: 9851  
Date: 03/20/2015  
Client No: DARIENPP

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SERVICE	AMOUNT
For professional services rendered for the month of February, 2015	
Accounting Services	665.00
Benefits Administration	120.00
Pension Services Administration (PSA)	650.00
Current Amount Due \$	<u>1,435.00</u>



# Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Darien Police Pension Fund  
1702 Plainfield Rd  
Darien, IL 60561

Invoice No: 10244  
Date: 04/20/2015  
Client No: DARIENPP

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SERVICE	AMOUNT
For professional services rendered for the month of March, 2015	
Accounting Services	665.00
Benefits Administration	120.00
Pension Services Administration (PSA)	650.00
Current Amount Due \$	<u>1,435.00</u>

# Certified Trustee Training

Organization: Darlen Police Pension Fund

Year: August 2014 - August 2015

## JAMES CALDWELL

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2013 Fall Tax School - Update & Ethics	8	12/2/2014	Yes
2		2013 Fall Tax School - Entity & Advanced 1040 Issues	8	12/3/2014	Yes
3					
4					
5					
6					
7					
8					

## LEONARD CATALANO

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2014 IPPFA Fall Conference	16	10/3/2014	Yes
2					
3					
4					
5					
6					
7					
8					

## ANTON HRUBY

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2014 IPPFA Fall Conference	20	10/3/2014	Yes
2					
3					
4					
5					
6					
7					
8					

## PATRICK MURPHY

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2014 IPPFA Fall Conference	16	10/3/2014	Yes
2					
3					
4					
5					
6					
7					
8					

## JASON NORTON

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2014 IPPFA Fall Conference	20	10/3/2014	Yes
2					
3					
4					
5					
6					
7					
8					





2015 IPPFA ILLINOIS PENSION CONFERENCE

May 5-8, 2015

PENSION TRUSTEE REGISTRATION FORM

(For pension trustee registration only)



Attorneys, investment professionals, etc. must use the corporate registration form

Registration form fields: Fund Name, Street Address, City/State/Zip, Contact Person, Daytime Telephone #, E-mail Address, IPPFA Member: Y N

IPPFA MEMBERS ONLY: Please list your TRUSTEE DELEGATE for voting purposes in the space provided below
Print your name as you would like it to appear on your badge & please include your e-mail address

DELEGATE NAME: \_\_\_\_\_ e-mail \_\_\_\_\_
Trustee: \_\_\_\_\_ e-mail \_\_\_\_\_
Trustee: \_\_\_\_\_ e-mail \_\_\_\_\_
Trustee: \_\_\_\_\_ e-mail \_\_\_\_\_
Trustee: \_\_\_\_\_ e-mail \_\_\_\_\_
Trustee: \_\_\_\_\_ e-mail \_\_\_\_\_

The IPPFA is going green! This year's Illinois Pension Conference material will be accessible on the IPPFA app available for your Apple or Android device.

TRUSTEE REGISTRATION (Check One) - Register Before March 6, 2015 and SAVE

IPPFA MEMBER TRUSTEES ONLY:

NON-MEMBER PENSION TRUSTEES ONLY:

- Options for registration fees: \$325.00 before March 6, 2015; \$400.00 after March 6, 2015; \$450.00 after April 10, 2015; \$35.00 - Spouse/Guest Luncheon Fee\*
\$630.00 before March 6, 2015; \$780.00 after March 6, 2015; \$880.00 after April 10, 2015; \$45.00 - Spouse/Guest Luncheon Fee\*

\*Spouse/Guest Luncheon Fee can be paid on site at conference registration

NOW AVAILABLE - ONE DAY REGISTRATIONS - SPECIFY WEDNESDAY MAY 6TH or THURSDAY MAY 7TH

IPPFA MEMBERS: \$175.00 - May 6 - May 7 NON-MEMBER TRUSTEE: \$340.00 - May 6 - May 7

PAYMENT INFORMATION (check one) Total Amount \$ \_\_\_\_\_
I am paying by check: # \_\_\_\_\_
I am paying by credit card: Visa MC Am Ex Discover Expiration Date \_\_\_\_\_
Card Number: \_\_\_\_\_
Name on Card: \_\_\_\_\_
Billing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
Signature: \_\_\_\_\_
All payments made payable to: NIU
Mailed to: Registration Office, Outreach Services, Northern IL University, DeKalb, IL 60115
Email: outreachregistration@niu.edu
Registration Questions: 815-753-7922 (8:00 am to 4:30 pm) NIU Fax: 815-753-6900

NON MEMBER INVESTMENT SERVICES: Please call the IPPFA office for registration information (630-784-0406)

CANCELLATION NOTICE: A charge of \$25.00 applies to any cancellation prior to 04/03/15. A charge of \$50.00 applies to any cancellation after 04/05/15 but prior to 04/21/15. A cancellation made after 04/21/15 will forfeit the conference registration fee.

NO REFUNDS AFTER 04/21/15

*Illinois Public Pension Fund Association - The Leader in Pension Trustee Training*

## Public Pension Trustee Training

**Once again the IPPFA is proud to present its regional seminars. By attending one of our regional seminars you are given the opportunity to hear speakers and professionals that work in the public pension arena on a daily basis. Receive up to date information in the areas of legislation, investments, ethics, the economy and fiduciary responsibilities. Check our web site [www.ippfa.org](http://www.ippfa.org) for agenda updates.**

**The 2015 IPPFA Regional Seminars will satisfy 8 hours of the required continuing pension trustee training**

**Locations:** *(Subject to change)*

- Wednesday February 11, 2015-NIU Outreach Campus-Hoffman Estates, IL
- **Wednesday March 25, 2015-Jumer's Hotel & Casino, 777 Jumper Drive, Rock Island IL**
- Wednesday June 10, 2015-Doubletree by Hilton Collinsville-St. Louis, 1000 Eastport Plaza Drive, Collinsville, IL
- **John A. Logan College, Carterville, IL.....Date TBA**

**Seminars are scheduled from 8:00 AM until 4:00 PM Registration begins at 7:00 AM**

**Use the Registration Form Below or Register online at [www.ippfa.org](http://www.ippfa.org) (1 per person)**

**-REGISTER NOW SPACE IS LIMITED-**



**Registration for (check one):**  2/11/15 Hoffman Estates  3/25/15 Rock Island  6/10/15 Collinsville

Name: \_\_\_\_\_ Preferred First Name on Badge: \_\_\_\_\_

Fund/Organization Name: \_\_\_\_\_

Preferred Address:  Home  Work Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Payment Information:

I am paying by check: # \_\_\_\_\_

I am paying by credit card:  Visa  MC  Am Ex  Discover

Card Number: \_\_\_\_\_ Expiration: \_\_\_\_\_

Name on Card and Signature: \_\_\_\_\_

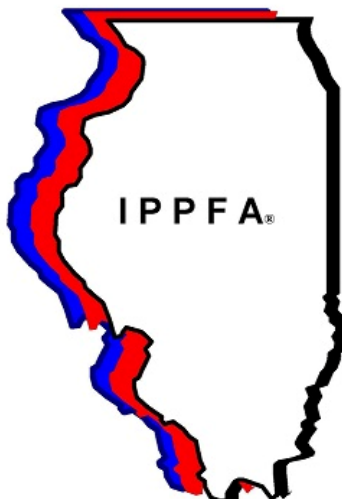
Billing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**Registration Fee:**  
 **IPPFA Members- \$150.00**  
 **Non-Member- \$300.00**

**Call 815-753-7922 with registration questions (hours 8:00 am to 4:30 pm). All payments made payable to: NIU**

**Mail to: Registration Office, Outreach Services, Northern IL University, DeKalb, IL 60115**

**E-mail: [outreachregistration@niu.edu](mailto:outreachregistration@niu.edu) NIU Fax: 815-753-6900 Register on line: [www.ippfa.org](http://www.ippfa.org)**



### Online 8 Hour Seminar (2010 Slideshows)

**Welcome!** Please read the following information before proceeding.

The fee for the Online 8 hour Seminar (2010 Slideshows) is \$200.00 for members and \$400.00 for non-members and can be paid with American Express, Discover, Mastercard or Visa.

Registration for the course is easy! Start by entering your email address and password. If you aren't sure if you have registered using our system before, or you don't remember your password, select the button to have your password sent to you. If no record can be found, select the option to create a new account.

To review and update your account information, check the box Edit Account when you login.

You will need a credit card to complete the transaction. American Express, Discover, MasterCard and Visa are accepted.

Be certain your email address is accurate. Instructions on accessing the course will only be sent via email.

Cancellation

**and Refund Policy:**

Requests to cancel must be received in writing via email or fax. Send to [OutreachRegistration@NIU.edu](mailto:OutreachRegistration@NIU.edu) or fax to 815-753-6900.

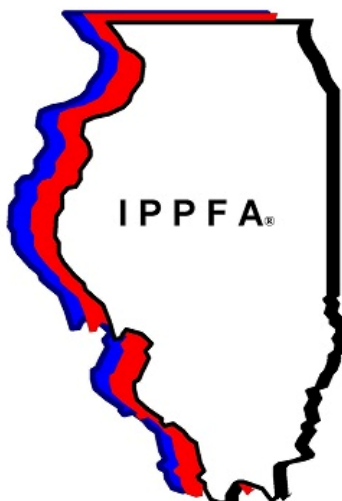
A refund, less an \$95.00 cancellation fee will be given to participants who have not begun the course. Once the online course has been accessed, NO REFUNDS will be issued.

Participants have 30 days to complete the course once accessing the online material.

**Please note--the charge to your credit card will appear on your statement as NIU Outreach, DeKalb IL.**

[Register Here!](#)

[IPPFA Home](#)



## Online 9 Hour Seminar (Recorded Fall 2012)

**Welcome!** Please read the following information before proceeding.

The fee for the Online 9 hour Seminar (Recorded Fall 2012) is \$200 for members and \$400.00 for non-members and can be paid with American Express, Discover, Mastercard or Visa.

Registration for the course is easy! Start by entering your email address and password. If you aren't sure if you have registered using our system before, or you don't remember your password, select the button to have your password sent to you. If no record can be found, select the option to create a new account.

To review and update your account information, check the box Edit Account when you login.

You will need a credit card to complete the transaction. American Express, Discover, MasterCard and Visa are accepted.

Be certain your email address is accurate. Instructions on accessing the course will only be sent via email.

**Cancellation/Refund Policy:**

Requests to cancel must be received in writing via email or fax. Send to [OutreachRegistration@NIU.edu](mailto:OutreachRegistration@NIU.edu) or fax to 815-753-6900.

A refund, less an \$95.00 cancellation fee will be given to participants who have not begun the course. Once the online course has been accessed, NO REFUNDS will be issued.

Participants have 30 days to complete the course once accessing the online material.

**Please note--the charge to your credit card will appear on your statement as NIU Outreach, DeKalb IL.**

[Register Here!](#)

[IPPFA Home](#)



# 2015 IPFA SPRING PENSION SEMINAR

## Friday 5/1/2015 Red Shift

Empress Banquets 200 East Lake Street Addison, IL 60101 630-279-5900



### SEMINAR REGISTRATION FORM

(please print or type)

Municipality, District, or Firm: \_\_\_\_\_ Address: \_\_\_\_\_

City: \_\_\_\_\_, IL Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

**SEMINAR FEES: IPFA Members: \$ 125.00 Non - Members: \$ 160.00 Walk-In Registration: \$ 175.00**

*Avoid the walk-in surcharge by registering on or before Monday, April 27th*

First Name:	Last Name:	e-mail Address:	Member	Non-Member
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
			<b>TOTAL CHECK ENCLOSED</b>	<b>\$ _____.</b>

Payment must accompany this Registration Form and be received in our office **on or before** Monday, April 27<sup>th</sup>, to qualify for lower rates. Reservations received after the above date will be charged walk-in registration fee. Requests for refunds must be received on or before April 27<sup>th</sup> for full fee refunds. **No refunds** of seminar fees after this date. Please return the completed form to IPFA, 188 Industrial Drive, Suite 438, Elmhurst, IL 60126-1612, fax it to 630-833-2412, or scan & e-mail to [ipfa@aol.com](mailto:ipfa@aol.com). Any questions, call 630-833-2405. For Tax Reporting Purposes our Federal I.D. Number is: 36-2650496.

**The Illinois Pension Statute requires continuing education for all pension board members. This seminar provides up to 8 hours of credits.**

For IPFA Office Use: Date: \_\_\_\_\_ Check #: \_\_\_\_\_ Amount: \_\_\_\_\_ Payer: \_\_\_\_\_

**THE DARIEN POLICE PENSION FUND  
BOARD OF TRUSTEES**

**NOTICE OF 2015  
ELECTION RESULTS**

Nominations being closed have resulted in

**JASON NORTON**

running unopposed for the position of

**Active Member Trustee: Two-Year Term  
Darien Police Pension Fund**

is hereby elected by acclamation.

Mr. Norton has consented to uphold the duties required as a member on the Board of Trustees and accepts the position.

*Congratulations to Mr. Norton from a grateful Board for his experience, participation and continued service on the Darien Police Pension Fund Board of Trustees.*

Elections conducted by Kari Heffron, Pension Services Administrator  
Lauterbach and Amen, LLP



# DARIEN POLICE PENSION BOARD

In the County of DuPage and the State of Illinois  
Incorporated 1969

## NOTICE OF ELECTION RESULTS 2015

All Ballots were opened and tallied at Lauterbach & Amen, LLP on Thursday, April 16, 2015 with a total of 19 envelopes opened and 19 Ballots counted.

The results are as follows:

### RETIRED MEMBER TRUSTEE POSITION TWO YEAR TERM ENDING APRIL 2017

Leonard Catalano – 15 votes

James Gross – 4 votes

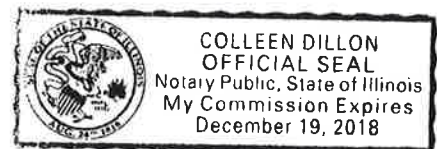
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Congratulations to Leonard Catalano who has been re-elected to serve on the Darien Police Pension Fund Board of Trustees.

Prepared by: Kari Heffron Date: 4-16-15  
Kari Heffron  
Pension Services Administrator

Witnessed by: Sara Williams  
Sara Williams

Notary: Colleen Dillon



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Volume 13, Issue 2

April 2015

## *Legal and Legislative Update*

### ***Judge Finds City of Harvey Owes Police Pension Fund More Than \$7.3 Million***

*Board of Trustees of the Harvey Police Pension Fund v. Village of Harvey*,  
Circuit Court of Cook County,  
Case No. 06 CH 15468 (Apr. 3, 2015)

Reimer Dobrovoly & Karlson LLC represents the Harvey Police Pension Board. On April 3, 2015, after years of litigation, Cook County Judge Kathleen Pantle found, the Pension Board is “entitled to a judgment in the amount of \$7,334,181.88” against the City of Harvey. In 2006, the Pension Board sued the City due to its chronic underfunding of the Police Pension Fund and the City not turning over money levied in the name of the Pension Fund. The parties entered into a settlement agreement in February of 2008.

In pertinent part, the parties’ agreement states, “Commencing with the fiscal year 2006/2007, and continuing thereafter, the City shall annually levy a tax upon all taxable property of the City, as required in §5/3-125 of the Illinois Pension Code.” Nonetheless, the City failed to levy an annual tax sufficient to properly fund the Pension Fund. The City and the Pension Fund then mutually agreed a jointly selected actuarial firm would calculate the amount owed by the City. Once the actuary determined the

amount owed, the City attempted to abandon the agreement.

This time, the City claimed it was not required to fund the Pension Fund until 2040. The Court found this claim unpersuasive. It explained, “Under the plain language of the Agreement, the City was to make payments for past amounts owed and agreed to make actuarial determined payments to the Pension Fund every year. It is undisputed that the City has not done so.” The Court then determined the City owes the Pension Fund \$7,334,181.88. RDK attorneys represent the Police Pension Fund and continue to seek proper funding for its client. The City says it will appeal. We will continue to provide updates regarding this important case. ❖

### **IN THIS ISSUE**

- 1 Judge Finds City of Harvey Owes Police Pension Fund More Than \$7.3 Million
- 2 Court Finds Agreement with Village Establishes Lawfully Pensionable Final Salary
- 3 New Hampshire Supreme Court Approves Pension Reform Law
- 3 Appellate Defines Requirements for Approving Pensions
- 4 Municipality Obligated to Pay for Officer’s PSEBA Benefits, Even After Officer Awarded Line-of-Duty Disability Pension
- 5 Seventh Circuit Avoids Possible Pension Protection Clause Violation Issue
- 5 Suggested Agenda Items for July (or 3rd Quarter)
- 6 REIMER DOBROVOLNY & KARLSON News



## ***Court Finds Agreement with Village Establishes Lawfully Pensionable Final Salary***

*Barba v. Village of Bensenville*,  
2015 IL App (2d) 140337 (Mar. 25, 2015)

In 1978, Jack Barba began his membership in the Bensenville Firefighters Pension Fund. After decades of work for the Village of Bensenville Fire Department, in 2005, Barba eventually became the “Chief of the Fire Prevention Bureau” (a non-union appointed position), basically the Village’s fire marshal. In the Spring of 2007, the Village transferred its fire protection obligations and assets to the Bensenville Fire Protection District No. 2. At the same time, the Fire District assumed responsibility for the Village’s firefighter pension fund.

At the time of the transition, Barba had only 29 years of service and wanted to retire with 30 years of creditable service time. Toward that end, a couple of months before the transition, Barba met with the Village Manager and the Village’s attorneys to discuss his situation. Following that meeting, the Village and Barba hammered out an agreement.

With respect to Barba’s pension, the parties agreed, “Barba’s salary during the year prior to his retirement was \$88,000.” In addition, “he was due for a cost-of-living increase for his final year, which would raise his salary to \$92,000.” At the same time, because Barba would not reach his 30th anniversary, “to ensure that Barba retired with his ‘full 30,’ his salary would be raised to \$96,000 on the date of his retirement to offset the difference from the purpose of calculating his pension.” This would result in an additional \$322 being on Barba’s final paycheck. The Agreement also dealt with several non-pension related issues. The intergovernmental agreement between the Village and District specifically referenced Barba’s agreement.

Despite entering into this Agreement, the Village never passed an appropriations ordinance and, as a result, never paid Barba the \$322 on his final check. In light of the Village’s failure to appropriate, the firefighters’ pension fund,

concluded Barba only had 29 years of service. The Pension Board also concluded Barba’s pensionable salary was \$88,000. Barba challenged the Pension Board’s decision. The trial court affirmed the Board’s findings.

After some attempts at negotiating, Barba sued the District and Village for breach of contract. Before the trial court, the Village and District argued, “Barba could not have reasonably relied on the representations of officials from the Village and the District; that the proposed increase constituted an ‘illegal pension spike’ in violation of the Pension Code, thereby rendering any contract or agreement void as contrary to public policy...” The trial court found the Village owed Barba \$322 but concluded the administrative proceeding before the Pension Board barred his claims for “lost pension benefits.” Barba appealed.

The Appellate Court reversed, in part, the trial court’s decision. It held, “when the Village failed to make any appropriation for Barba’s salary increase, the Village precluded the pension board from including the salary increase in its computation of Barba’s pension.”

Largely, the District and Village claimed such an increase to Barba’s pensionable salary would constitute an “illegal pension spike.” The Appellate Court rejected that argument. It explained, “We reiterate that Barba’s end-of-career salary increase, or any salary increase for that matter, would have been lawfully pensionable so long as the increase was established by municipal ordinance.”

The Appellate Court further concluded Barba’s suit against the Village and District are not duplicative to his suit against the Pension Fund. The Court wrote, “Barba could not have sued the pension board for lost benefits as damages any more than he could have sought his pension directly from the Village.” In light of the foregoing, Barba was found to be entitled to seek “the monetary equivalent of the full payment of benefits, retroactive benefits, an injunction, reinstatement, or rescission of the pension plan agreement...” The matter was remanded to the trial court for a determination of damages. ❖

## *New Hampshire Supreme Court Approves Pension Reform Law*

In December, the New Hampshire Supreme Court reversed a prior Superior Court decision which invalidated a state law increasing the amount public employees had to contribute to their pensions. The Superior Court in Merrimack County based its decision on the grounds that the 2011 state law would violate a contract between the state and those workers.

However, Chief Justice Linda Dalianis wrote in the Supreme Court's unanimous opinion, "The narrow question before us is whether, by enacting RSA 100A: 16, I(a), the Legislature unmistakably intended to establish NHRS member contribution rates as a contractual right that cannot be modified. We hold that it did not."

Attorneys for the state noted the court pointed to previous rulings in Michigan and Florida in its decision. Reportedly, the New Hampshire Retirement System has \$5 billion in unfunded liabilities. Senate Majority Leader Jeb Bradley (R), the main sponsor of the bill mandating the pension contribution increases, said in a statement, "I'm encouraged that the Supreme Court has upheld the right and duty of the Legislature to amend and improve the New Hampshire Retirement System. Unless we can address the \$5 billion unfunded liability in our state pension system, both taxpayers and workers would be left with a huge financial burden. This decision affirms the Legislature's ability to make the changes we'll need to preserve the New Hampshire Retirement System, protect taxpayers, and maintain employee jobs." The coalition of public employee unions that filed suit against the pension reform law also responded to the ruling in a statement, "The Court's decision today unfortunately allows public employers to renege on their promise of security in retirement." ❖

### *Appellate Court Defines Requirements for Approving Pensions*

*Balderman v. Board of Trustees of Police Pension Fund of the Vil. of Chicago Ridge*,  
2015 IL App (1st) 140482

In a recent opinion, the First District Appellate Court issued a decision, which makes clear the requirements for pension board to properly approve a retirement or disability pension. The Court affirmed the trial court's finding that the pension board had not rendered a final administrative decision regarding a pension application and, therefore, retained jurisdiction to convene a hearing to consider the salary of the applicant.

Both Balderman, the chief of police, and Kapelinski, the deputy chief of police, had a "buyout" provision in their contract that included a 20% raise in salary on their last day of employment. Kapelinski also served as a trustee on the pension board.

On April 28, 2010, Balderman submitted a line-of-duty disability pension application. The same day, without conducting any investigation, the pension board considered Balderman's disability pension application. Over the pension board president's reservations, the pension board voted 5-0 on Kapelinski's motion to approve Balderman's disability pension. The same day of the hearing, Kapelinski, acting as pension board secretary, signed a document acknowledging Balderman's salary to include the 20% raise, for purposes of determining the monthly disability pension amount. The Board did not consider or vote to approve Balderman's salary or pension. Following the hearing, a written "Finding and Decision" was distributed to and then signed by all of the pension board members. The Finding and Decision was never presented at an open meeting of the pension board and did not include any determination regarding Balderman's salary attached to rank for purposes of his pension.

On May 6, 2010, Kapelinski applied to the pension board for a regular retirement pension, effective May 29, 2010. Even though he had been

awarded a disability pension on April 28, 2010, Balderman signed Kapelinski's retirement application on May 6, certifying creditable service. The pension board never voted to approve Kapelinski's retirement pension application, pensionable salary, or the total amount of pension. Nevertheless, the necessary Village representatives approved the calculations for both Kapelinski's and Balderman's pensions. The Illinois Department of Insurance issued an advisory opinion that the 20% increases in salary should be included in the pension calculations.

On October 21, 2010, the pension board served notice to Balderman and Kapelinski of a hearing to investigate and/or determine final salary amounts for pension purposes. Both Balderman and Kapelinski filed a complaint for declaratory and injunctive relief seeking to prevent the pension board from taking any action to alter their pensions. The pension board maintained no final order for payment was ever approved by a majority vote.

In finding the pension board retained jurisdiction, because it had not issued a final administrative decision, the Appellate Court noted, "It is elementary that a final decision of an administrative agency must be in writing...the written decision must be prepared and provided to each board member at or before the time the board votes to take final action on the application." *Balderman*, 2015 IL App (1st) 140482 ¶31. The Appellate Court found the pension board had taken "no action whatsoever with respect to Kapelinski's application."

The Appellate Court further found the irregularities in the handling of Balderman's application indicated there had been no valid final administrative decision. Specifically, the Appellate Court noted it was a violation of the Open Meetings Act to consider Balderman's disability pension application on the same day it was first presented to the pension board. In addition, the pension board never voted to approve the amount of Balderman's pension. The Appellate Court rejected all of the plaintiffs' arguments, which attempted to find validity in

improper determinations regarding their pensions. The Appellate Court affirmed the circuit court's judgment dismissing Balderman and Kapelinski's complaint for declaratory relief.

This case provides both a cautionary tale and outlines the steps necessary for pension boards to properly and fully consider, vote, and issue decisions regarding both disability and retirement pension applications. ❖

***Eleventh Circuit Court Finds Municipality's Increase of Firefighters' Pension Contribution Rates Does Not Violate State Constitution***

*Taylor v. City of Gadsden*,  
767 F. 3d 1124 (11th Cir. 2014)

The Eleventh Circuit Court of Appeals (Alabama) affirmed the U.S. District Court for the Northern District of Alabama's decision, granting summary judgment to the municipal defendant in a case brought by firefighters in Gadsden, Alabama. Firefighters in Gadsden brought a class action complaint against the City of Gadsden and its mayor claiming constitutional violations arising from an increase in the rate of contributions required of the firefighters. The Gadsden pension program is administered by the State of Alabama under the Employee Retirement System of Alabama ("ERS"). The firefighters alleged the increase impaired their employment contracts in violation of both the state and U.S. constitutions. The district court dismissed the complaint, finding there was no negative effect on the firefighters' contractual rights, and the Eleventh Circuit affirmed.

Alabama's ERS requires mandatory pension contributions, at a rate of 10% of total pay (as amended in 1971). Prior to 2002, Gadsden operated a local pension program, the Policemen's and Firemen's Retirement Fund ("PFRF"). In 2002, Gadsden dissolved the PFRF by resolution, due to concerns about the long-term viability of the PFRF. Prior to 2002, the ERS for Gadsden had been 100% funded. Following the dissolution of the PFRF, the ERS was only 58.2% funded,

after absorbing the unfunded liabilities of the PFRF.

In 2011, facing an unfunded liability of more than \$50 million, Gadsden's raised its employees' pension contributions by 2.5% of their total compensation, in an effort to attempt to address the shortfall. The increase was made pursuant to a state statute permitting municipalities to make the increase in percentage of contributions. In passing the resolution to increase pension contributions, Gadsden concurrently reduced the city's contribution rate by 2%.

In the complaint, the plaintiff firefighters sought declaratory judgment enjoining the mayor and the city from increasing their employee pension contributions from 6%. In affirming the district court, the Eleventh Circuit held the increase did not violate the Contracts Clause of the U.S. Constitution, holding "Gadsden's decision to implement the local option did not involve an ordinance or a similar act bearing the imprimatur of the State's legislative authority." 767 F.3d 1124, 1132. Because municipalities are "bodies politic and corporate," the increase was considered "a particular item of business coming within its official cognizance." *Id.*

The Eleventh Circuit noted the Alabama Constitution protects an employees' right to benefits, once they have served and retired, to which they are entitled, and those benefits may not be reduced subsequent to their retirement. There was no contractual right, however, for the municipality not to increase the employees' contribution rates while they were still employed. The Eleventh Circuit stated, "The City did not

alter the plaintiffs' pension *benefits*; instead it altered their pension obligations." 767 F. 3d at 1135 (emphasis original). ❖

### ***Seventh Circuit Avoids Possible Pension Protection Clause Violation Issue***

*Michael W. Underwood, et al. v. City of Chicago*, No. 13-3790 (7th Cir. 2015)

The Seventh Circuit Court of Appeals has vacated judgment of the district court and remanded state law claims to the state court, in a recent case where, yet again, Art. XIII §5 of the Illinois Constitution (the Pension Protection Clause) has been cited.

City retirees filed suit in state court when they learned they would have to pay more for medical coverage. Since 1982, Chicago has provided free or subsidized health care to retirees who receive pension benefits through police and fire pension funds, among others. In June 2013, the ordinance establishing those benefits expired, and plaintiffs claimed any reduction in healthcare, or any increase in retirees' contribution towards it, violates Art. XIII §5 of the Illinois Constitution. The Pension Protection Clause reads, in part, "[m]embership in any pension or retirement system of ... any unit of local government ... shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

As a result of an additional federal claim asserting that the City's policy violated the Contracts Clause of the U.S. Constitution, the suit was allowed to be removed to federal court. The district court dismissed the suit on the pleadings,

### ***Suggested Agenda Items for July (or 3rd Quarter)***

- Semi-annual review of closed executive session minutes to determine what needs to remain confidential.
- Election of Board Officers. (e.g. President, Secretary, etc.)
- Potential selection of independent enrolled actuary for recommended tax levy.
- Review status of Trustees' annual training requirements.

ruling that the Pension Protection Clause did not apply to health care and the Contracts Clause claim failed on the merits.

However, the Seventh Circuit noted that the Illinois Supreme Court recently applied the Pension Protection Clause to health benefits (See *Kanerva v. Weems*, 2014 IL 115811 (July 3, 2014)), and as a result were “reluctant to resolve a novel issue of state constitutional law.” The Seventh Circuit highlighted the fact that *Kanerva* implies that the Pensions Protection Clause locks in the amount of the promised health care subsidy but does not guarantee a particular level of medical care. As such, *Kanerva* suggests the state’s contributions to health insurance premiums are the protected benefit, but the court did not tackle that issue directly. The Seventh

Circuit concluded, “[s]ilence makes it hard for a federal court to resolve this appeal.”

Therefore, the Seventh Circuit found, “[g]iven the uncertainty surrounding the state law claims, their importance to employees across Illinois, and the fact that the district court did not even begin to address them on the merits (having held that the Pensions Clause does not apply), we conclude that a remand is the best step...” Also, the Seventh Circuit noted the Illinois Supreme Court has granted review in *Matthews v. Chicago Transit Authority*, 2014 IL App. (1st) 123348 (Apr. 25, 2014), which may shed light on plaintiffs’ claims here. ❖

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**REIMER DOBROVOLNY & KARLSON News**

- RDK partner Richard J. Reimer has once again been included in the roster of Illinois Super Lawyers, recognized by his peers for excellence in employment and labor law. Rick has received this achievement since 2008. In February 2015, he was also listed among the “Top Attorneys in Illinois” by Chicago Magazine.
- RDK partners Richard J. Reimer, James Dobrovolny, and Keith Karlson will be presenters at the IPPFA Illinois Pension Conference, held May 5 – 8, 2015 in East Peoria, Illinois.
- RDK partners Richard J. Reimer and Keith Karlson will be speaking at the IPFA Spring Pension Conference on May 1, 2015.
- RDK partner Richard J. Reimer presented Certified Trustee Module 4 at the IPPFA seminar, hosted by Northern Illinois University on April 2, 2015.
- RDK partner Keith Karlson recently taught at the Northwest Indiana Law Enforcement Academy regarding current issues in the use of force.

***Legal and Legislative Update***

Volume 13, Issue 2, April 2015

This publication constitutes advertising material. Information contained herein should not be considered legal advice. *Legal and Legislative Update* is published periodically. Questions may be directed to:

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February 17, 2015

Officer Anton Hruby  
Assistant Secretary  
Darien Police Pension Board  
1710 Plainfield Road  
Darien, Illinois 60561

***By Regular Mail***

Re: Pavelchik QILDRO

Dear Officer Hruby,

Enclosed, please find a check for processing fees, a certified copy of the QILDRO, and the consent to issuance recently entered in the Pavelchik matter. I have notified the parties of receipt of the same. These were received by our office on February 11, 2015.

The Pension Board should cash the check and begin payment to the ex-spouse pursuant to the terms of the QILDRO. However, please note the order will not become effective until the first benefit payment date occurring at least 30 days after the Pension Fund received the order. In no event can the QILDRO apply to any benefit paid before or within 30 days after receipt of the order. (See 40 ILCS 5/1-119(c)(3)). The Pension Board may prorate the amount of the first payment as needed.

Of course, should you have any questions or concerns in this matter, please do not hesitate to contact the undersigned.

Very truly yours,

Brian J. LaBardi

cc: Mr. Leonard Catalano, President  
Darien Police Pension Board