

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK FIREFIGHTERS' PENSION FUND
APRIL 23, 2013**

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, April 23, 2013 at 9:30 a.m. in the Fire Station located at 10001 W. Addison Avenue, Franklin Park, IL, pursuant to notice, to conduct regular business.

CALL TO ORDER BY PRESIDING OFFICER

Secretary Tony Tarasiuk called the meeting to order at 9:37 a.m.

ROLL CALL

Upon roll call the following answered:

Present: Secretary Tony Tarasiuk, Trustee Jack Panzica, Trustee Daniel Antioho, and Trustee Rafael Nunez
Absent: President Anthony Bianchi

Also Present: Treasurer Frank Grieshamer; Board Attorney Richard Reimer of Reimer & Karlson, LLC; David Smith of Marquette Associates; James Ritchie and Becky Davis of Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT – There was no public present and no comment made.

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the prior meeting minutes presented in the board meeting packet. A motion was made by Trustee Antioho and seconded by Trustee Nunez to approve the January 22, 2013 regular minutes as written. Motion carried by unanimous voice vote.

The Board attorney reviewed the disability hearing closed session minutes to determine their confidentiality status. Mr. Reimer will report his findings later in the meeting.

ACCOUNTANT'S REPORT

L&A distributed the Trustee Binders to the Board members and Treasurer Grieshamer and briefly reviewed the contents with the Board.

L&A distributed the March 31, 2013 monthly financial report and reviewed it with the Board. For the eleven months ended 03/31/13, contributions received from the Village were \$1,194,915.46 and contributions from employees were \$267,414.20. The net investment income for the period was \$1,541,288.75. There was \$1,919,826.83 paid for pension benefits and \$29,764.83 paid for administration costs. The result was a net increase of \$1,054,026.75, and net assets held at the end of the period were \$22,633,810.21.

The Board reviewed the expenses for the first quarter. A motion was made by Trustee Antioho and seconded by Trustee Panzica to approve the January, February and March 2013 expenses totaling \$64,516.84 (see detail attached); and the March 31, 2013 financial report as presented.

AYES: Trustees Tarasiuk, Panzica, Antioho and Nunez
NAYS: None
ABSENT: Trustee Bianchi

INVESTMENT REPORT

Mr. Smith distributed and reviewed the March 31, 2013 quarterly investment report with the Board. The portfolio was up 4.4% for the quarter, and outperformed the composite benchmark which was up 4.2%. As of 03/31/13 the total market value was \$22,814,839. Asset allocations were: fixed income 44.0%, U.S. equity 32.5%, international equity 15.5%, real estate 6.3% and cash 1.7%. Mr. Smith discussed reallocating 1% of the real estate portfolio to bring up the equity allocation to 35%. A motion was made by

Trustee Antioho and seconded by Trustee Nunez to move \$230,000 from real estate and invest the proceeds in the PRIDEX Wilshire 5000 Index Fund.

AYES: Trustees Panzica, Antioho and Nunez
NAYS: Trustee Tarasuik
ABSENT: Trustee Bianchi

Mr. Smith reviewed the *Investment Manager Annualized Performance* report and indicated that there have been great results. A motion was made by Trustee Antioho and seconded by Trustee Nunez to accept the investment report as presented. Motion carried by unanimous voice vote.

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

The Board reviewed the revised L&A engagement letter, which was revised to include meeting attendance and transcription of the minutes by the Pension Services Administrator. A motion was made by Trustee Panzica and seconded by Trustee Tarasuik to authorize the President and Secretary to sign the revised L&A engagement letter as presented.

AYES: Trustees Tarasuik, Panzica, Antioho and Nunez
NAYS: None
ABSENT: Trustee Bianchi

The Board discussed the completion of the Cook County Statements of Economic Interest, and indicated that all trustees will have them completed before the May 1st deadline.

The Board noted that the IRS has increased the mileage rate from \$0.555 to \$0.565.

Affidavits of Continued Eligibility will be prepared by L&A and mailed to all pensioners in June. The Board discussed the possibility of sending the approved minutes to pensioners along with their direct deposit slips or by email. Further discussion will follow on this topic at the next meeting.

The Board discussed the active member file monitoring that L&A provides. Further discussion will follow on this topic at the next meeting.

NEW BUSINESS

The Board discussed the election results for retired member Jack Panzica. A motion was made by Trustee Tarasuik and seconded by Trustee Nunez to certify the election results for retired member Jack Panzica, who was re-elected by acclamation to serve another 3 year term, ending April 30, 2016. Motion carried by unanimous voice vote.

The trustee training summary was presented in the board meeting packet and reviewed by the Board. A training calendar was discussed. Mr. Reimer stated that, since the law was enacted on August 13, 2009, the Illinois Department of Insurance (IDOI) has determined that Funds should use an August 13th – August 12th training calendar. Trustee Tarasuik will provide copies of training certifications to L&A to update the trustee training summary. A motion was made by Trustee Tarasuik and seconded by Trustee Panzica to use the August 13th – August 12th trustee training calendar. Motion carried by unanimous voice vote.

The Board discussed the designation of Trustee Bianchi as the Freedom of Information Act (FOIA) officer and Open Meetings Act (OMA) designee. Training is required every year for the FOIA and OMA designee, and counts towards the 16 hour training requirements. Ms. Davis will provide that training link to all Board members who may want to take the online training.

Professional service contracts for the following services were discussed:

- IDOI report – to be completed by L&A through April 30, 2015

- Actuarial services – options to be discussed and approved at the next meeting.
- Annual Audit – the Board agreed to hire Wolf & Company, and directed L&A to communicate the Board's decision to them. Paperwork for the Board's approval will be prepared on or before the next meeting.

The Board discussed the IDOI compliance fee invoice payment. A motion was made by Trustee Nunez and seconded by Trustee Panzica to approve payment of the IDOI compliance fee invoice upon receipt.

AYES: Trustees Tarasuik, Panzica, Antioho and Nunez
NAYS: None
ABSENT: Trustee Bianchi

The Board reviewed the proposal from Mesirow Financial for fiduciary liability insurance coverage. Mr. Reimer reviewed the policy provisions and exclusions with the Board. The Board agreed to table this topic until the next meeting for further discussion when Trustee Bianchi could be present. The Board requested that Mr. Tim Bowen be invited to the next meeting to further discuss the proposal.

Mr. Ritchie was excused and left the meeting at 10:41 a.m.

ATTORNEY'S REPORT

Mr. Reimer briefly noted that Commander William McMurray's disability hearing is pending and that a hearing will be set at a later date.

Mr. Reimer summarized the closed session minutes status. A motion was made by Trustee Tarasuik and seconded by Trustee Panzica to no longer keep confidential the closed session minutes for the Berry disability dated 08/31/2011, the Bajerski disability dated 08/19/2005 and the Bafundo disability dated 01/12/2010, based on the finding they are subject to redaction for attorney/client privilege. Motion carried by unanimous voice vote. Mr. Reimer will follow up with the Board regarding the Sheridan disability at the next meeting.

Mr. Reimer distributed the *Legal and Legislative Update* from his firm and reviewed it with the Board.

CLOSED SESSION – The Board had no need for closed session.

ADJOURNMENT

A motion was made by Trustee Antioho and seconded by Trustee Tarasuik to adjourn the meeting at 10:53 a.m. Motion carried by unanimous voice vote.

The next regular Board meeting is scheduled for July 23, 2013, at 9:30 a.m.

Respectfully submitted,



Tony Tarasuik, Board Secretary

Date approved by Board: 7/23/13

Minutes prepared by Pension Services Administrator, Becky Davis

Franklin Park Firefighters' Pension Fund

Vendor Checks Report

Vendor Name	Chk. No.	Check Date	Amount	
LAUTERBACH & AMEN, LLP	20090	01/10/13	1,700.00	
WOLF & COMPANY, LLP	20091	01/10/13	5,400.00	
		Subtotal	<u>7,100.00</u>	
C.S. McKEE L.P.	50588	01/31/13	6,387.69	
FIDUCIARY MANAGEMENT INC.	50587	01/31/13	4,515.00	
FIREFIGHTER'S LOCAL 1526 - FP	17023	01/31/13	89.76	Electronic
US BANK	50586	01/31/13	58.35	
US BANK	50589	01/31/13	332.92	
US BANK	50590	01/31/13	268.09	
VILLAGE OF FRANKLIN PARK	17024	01/31/13	10,618.25	Electronic
		Subtotal	<u>22,270.06</u>	
LAUTERBACH & AMEN, LLP	20092	02/12/13	2,220.00	
FIREFIGHTER'S LOCAL 1526 - FP	17071	02/28/13	89.76	Electronic
U.S. BANKCORP INVESTMENTS INC	50591	02/28/13	56.42	
U.S. BANKCORP INVESTMENTS INC	50592	02/28/13	320.84	
U.S. BANKCORP INVESTMENTS INC	50593	02/28/13	274.77	
VILLAGE OF FRANKLIN PARK	17072	02/28/13	10,618.25	Electronic
		Subtotal	<u>11,360.04</u>	
INSPE ASSOCIATES LTD	20093	03/15/13	410.00	
LAUTERBACH & AMEN, LLP	20094	03/15/13	2,790.00	
MARQUETTE ASSOCIATES, INC	20095	03/15/13	5,250.00	
TONY BIANCHI*	20097	03/15/13	18.95	
		Subtotal	<u>8,468.95</u>	
REIMER & KARLSON LLC	20096	03/19/13	1,733.85	
FIREFIGHTER'S LOCAL 1526 - FP	17119	03/29/13	89.76	Electronic
VILLAGE OF FRANKLIN PARK	17120	03/29/13	10,618.25	Electronic
		Subtotal	<u>10,708.01</u>	
U.S. BANKCORP INVESTMENTS INC	50594	03/31/13	56.41	
U.S. BANKCORP INVESTMENTS INC	50595	03/31/13	312.98	
U.S. BANKCORP INVESTMENTS INC	50596	03/31/13	286.54	
		Subtotal	<u>655.93</u>	
		TOTAL	<u>64,516.84</u>	