

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

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, July 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

President Tony Bianchi called the meeting to order at 9:32 a.m.

ROLL CALL

Upon roll call the following answered:

Present: President Anthony Bianchi, Secretary Tony Tarasiuk, Trustee Jack Panzica and Trustee Daniel Antioho
Absent: Trustee Rafael Nunez
Also Present: Treasurer Frank Grieshamer; Board Attorney Richard Reimer of Reimer & Karlson, LLC; David Smith and Christopher Caparelli of Marquette Associates; James Ritchie and Becky Davis of Lauterbach & Amen, LLP (L&A); Timothy Bowen of Mesirow Financial Insurance Services; and Retired Commander William McMurray

PUBLIC COMMENT – There was no public 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 Panzica and seconded by Trustee Antioho to approve the April 23, 2013 regular minutes as written. Motion carried by unanimous voice vote.

Mr. Reimer indicated that he will review the Sheridan closed session minutes to determine their confidentiality status. Mr. Reimer will report his findings at the next meeting.

ACCOUNTANT'S REPORT

Mr. Ritchie distributed and reviewed the Wolf & Company draft audit report with the Board. Included in the discussion was the following data: for the year ended 04/30/2013, the net position held in trust for pension benefits was \$22,973,900; 90.21% or \$1,349,152, of the annual required contribution amount of \$1,495,589 has been contributed from the Village. No changes are expected and the final report should be completed and distributed at the next meeting.

Mr. Ritchie indicated that the IDOI 04/30/2013 Annual Statement is currently in process and the draft will be completed and submitted for the Board to review. The Board reviewed procedures to properly execute the Certification Form in a timely manner.

Mr. Ritchie distributed the 04/30/2013 Actuarial Valuation Summary and reviewed it with the Board. The Board approved the draft report and will formally approve the final report, making the tax levy recommendation to the Village, at the next meeting.

The Board discussed document disposal of duplicate records held at L&A. The Board agreed to authorize L&A to shred the fiscal year 2006 documents.

Mr. Ritchie reviewed the details of member workshops being offered by L&A. Information about the workshops was provided in the board meeting packet. No further action was taken.

The monthly financial report was distributed and reviewed with the Board. Included in the discussion was the following data: for the two months ended June 30, 2013, the net position held in trust for pension benefits was \$22,638,950.74. A motion was made by Trustee Bianchi and seconded by Trustee Panzica to accept the monthly financial report as presented. Motion carried by unanimous voice vote.

The Board reviewed the Warrant List of paid expenses presented in the board meeting packet. A motion was made by Trustee Bianchi and seconded by Trustee Antioho to approve the April, May and June 2013 paid expenses totaling \$64,479.10, as presented (see detail attached).

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

The Board discussed registration fees and training expenses for upcoming trustee training opportunities. Trustee Tarasiuk has registered for the IPPFA Certified Trustee Program 13-6 and will attend the program on November 11th, 12th, 13th and 14th, 201. The cost for registration is \$750.00. A motion was made by Trustee Bianchi and seconded by Trustee Panzica to authorize payment of registration fees for trustee training and reimbursement of reasonable hotel, travel and meal expenses associated with trustee training attendance by Board members.

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

Trustees Bianchi and Tarasiuk previously discussed and authorized payment of a \$300 contribution to the Coalition for Qualified Plan Status and this item will be presented for Board approval with the July 2013 Warrant List of paid expenses.

ATTORNEY'S REPORT

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

Mr. Reimer discussed the disabled members that still qualify for annual medical examinations. The Board agreed that Dion Bafundo and Jean Sheridan are under 50 years of age and qualify for annual examinations. A motion was made by Trustee Bianchi and seconded by Trustee Tarasiuk to authorize the Board Attorney to schedule the annual medical examinations for Dion Bafundo and Jean Sheridan.

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

Mr. Reimer reviewed the *Legal and Legislative Update* presented in the board meeting packet with the Board. Mr. Reimer also reminded the Board of the requirement to seek a Request for Proposal (RFP) for Investment Consultants. It has been five years since the law was enacted and Marquette Associates have been engaged as investment consultants since that time. The Board will follow up and report the results of the RFP at the next meeting.

FIDUCIARY LIABILITY INSURANCE

Mr. Bowen distributed the fiduciary liability insurance proposal and reviewed it with the Board. A motion was made by Trustee Antioho and seconded by Trustee Tarasiuk to approve the purchase of a \$1 million limit of liability coverage, Fiduciary Liability Insurance policy with Ullico/Alterro American Insurance Company, for an annual premium of \$3,409, and a policy period of 08/01/2013 through 08/01/2014.

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

Mr. Ritchie and Mr. Bowen were excused and left the meeting at 10:48 a.m.

INVESTMENT REPORT

The Marquette representative distributed and reviewed the quarterly investment report with the Board. As of 06/30/2013, the portfolio was up 0.2% for the quarter, and outperformed the composite benchmark which was down 0.1% for the same period. The total market value was \$22,556,216. Asset allocations were: fixed income 43.9%, U.S. equity 33.5%, international equity 15.3%, real estate 6.7% and cash 0.6%. A market value, as of July 22, 2013, was reported to be \$23,197,185. A motion was made by Trustee Panzica and seconded by Trustee Antioho to accept the investment report as presented. Motion carried by unanimous voice vote.

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

L&A reported that Affidavits of Continued Eligibility are currently being returned by pensioners and that L&A will report the results at the next meeting.

The Board discussed the active member file monitoring service that L&A provides. L&A will scan the active files and maintain electronic files for the Pension Fund. L&A will send out letters to active members to assist with keeping pension files up-to-date. A progress report will be discussed at the next meeting.

The Board indicated that trustee training certificates will be monitored by L&A. A summary will be provided for the Board to review at each Board meeting.

NEW BUSINESS

The Board discussed the annual Board Officer election. A motion was made by Trustee Panzica and seconded by Trustee Antioho to retain the same Board officers: President – Anthony Bianchi, Secretary – Tony Tarasiuk. Motion carried by unanimous voice vote.

The Board acknowledged the death of retired Firefighter, Paul Rubino on 06/07/2013. Since Mr. Rubino had no surviving spouse or dependents, his pension benefits have ceased.

The Board reviewed the pension benefit calculation for Lt. William G. Horn presented in the board meeting packet. A motion was made by Trustee Bianchi and seconded by Trustee Panzica to approve the benefit calculation prepared by L&A as follows: entry date was 09/26/1983, retirement date was 05/31/2013, the effective date of pension was 06/01/13, at the age of 51, with 29 years and 8 months of creditable service earned, and at 74.17% of his applicable salary of \$97,438.56, the amount of his originally granted monthly pension is \$6,022.25 until his first increase in October of 2016.

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

The Board discussed the recent settlement of the labor contract and reviewed the retro pay calculation for Robert Beuse, Jr. who retired on 05/14/2012. A motion was made by Trustee Antioho and seconded by Trustee Tarasiuk to approve the benefit calculation prepared by L&A stating the retro payment due to Robert Beuse, Jr. is in the amount of \$2,054.67 and his adjusted monthly benefit amount is \$5,764.68, until his first increase in April of 2015.

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

The Board discussed the letter to Steven Rutz to buy back his unpaid break of service time (from 03/01/2013 – 05/14/2013) calculated by L&A. Mr. Rutz verbally indicated to the Board that he was not interested in buying back his unpaid break of service time. Trustee Tarasiuk will follow up with Mr. Rutz to provide his decision in writing to the Pension Fund.

The Board reviewed the Harris Bank paperwork requiring new signature cards and offering new services for the Board's consideration. A motion was made by Trustee Antioho and seconded by Trustee Tarasiuk to authorize the Board President, Secretary and Treasurer to execute the signature cards and enroll in the new services offered.

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

CLOSED SESSION – The Board saw no need for a closed session.

ADJOURNMENT

A motion was made by Trustee Antioho and seconded by Trustee Panzica to adjourn the meeting at 11:05 a.m. Motion carried by unanimous voice vote.

The next regular Board meeting is scheduled for October 22, 2013, at 9:30 a.m.

Respectfully submitted,



Tony Tarasiuk, Board Secretary

Date approved by Board: 10/22/2013

Minutes prepared by Pension Services Administrator, Becky Davis

Franklin Park Firefighters' Pension Fund Vendor Checks Report

Vendor Name	Chk. No.	Check Date	Amount	
ANTHONY K. TARASIUK*	20098	04/12/13	775.00	
LAUTERBACH & AMEN, LLP	20099	04/12/13	5,075.00	
MICHELLE MARVIN CSR	20100	04/12/13	887.50	
		Subtotal	<u>6,737.50</u>	
C.S. McKEE L.P.	50599	04/30/13	6,268.28	
FIDUCIARY MANAGEMENT INC.	50598	04/30/13	4,599.00	
FIREFIGHTER'S LOCAL 1526 - FP	17167	04/30/13	89.76	Electronic
U.S. BANKCORP INVESTMENTS INC	50597	04/30/13	58.60	
U.S. BANKCORP INVESTMENTS INC	50600	04/30/13	313.92	
U.S. BANKCORP INVESTMENTS INC	50601	04/30/13	290.04	
VILLAGE OF FRANKLIN PARK	17168	04/30/13	10,618.25	Electronic
		Subtotal	<u>22,237.85</u>	
MARQUETTE ASSOCIATES, INC	20102	05/14/13	5,250.00	
REIMER & KARLSON LLC	20103	05/14/13	150.00	
		Subtotal	<u>5,400.00</u>	
LAUTERBACH & AMEN, LLP	20101	05/15/13	1,990.00	
FIREFIGHTER'S LOCAL 1526 - FP	17215	05/31/13	89.76	Electronic
U.S. BANKCORP INVESTMENTS INC	50602	05/31/13	59.87	
U.S. BANKCORP INVESTMENTS INC	50603	05/31/13	322.82	
U.S. BANKCORP INVESTMENTS INC	50604	05/31/13	300.26	
VILLAGE OF FRANKLIN PARK	17216	05/31/13	9,899.77	Electronic
		Subtotal	<u>10,672.48</u>	
ILLINOIS STATE TREASURER	20104	06/03/13	4,317.31	
INSPE ASSOCIATES LTD	20105	06/14/13	1,620.00	
REIMER & KARLSON LLC	20106	06/14/13	753.57	
		Subtotal	<u>2,373.57</u>	
FIREFIGHTER'S LOCAL 1526 - FP	17256	06/28/13	89.76	Electronic
VILLAGE OF FRANKLIN PARK	17257	06/28/13	9,899.77	Electronic
		Subtotal	<u>9,989.53</u>	
FIDUCIARY MANAGEMENT INC.	50606	06/30/13	71.63	
U.S. BANKCORP INVESTMENTS INC	50605	06/30/13	60.07	
U.S. BANKCORP INVESTMENTS INC	50607	06/30/13	327.22	
U.S. BANKCORP INVESTMENTS INC	50608	06/30/13	301.94	
		Subtotal	<u>760.86</u>	
		TOTAL	<u>64,479.10</u>	