

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES  
FRANKLIN PARK FIREFIGHTERS' PENSION FUND  
October 28, 2014**

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, October 28, 2014 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 Tommy Thomson called the meeting to order at 9:30 a.m.

**ROLL CALL**

Upon roll call the following answered:

Present: President Tommy Thomson, Secretary Tony Tarasiuk, Trustee Jack Panzica, and Trustee Daniel Antioho

Absent: Trustee Rafael Nunez

Also Present: Paul Marchese of Marquette Associates; Board Attorney Richard Reimer of Reimer & Karlson, LLC (R&K); James Ritchie and Becky Davis of Lauterbach & Amen, LLP (L&A)

**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 Thomson to approve the July 22, 2014 regular minutes as written. Motion carried by unanimous voice vote.

**ACCOUNTANT'S REPORT**

The Wolf & Co. annual audit was distributed and Mr. Ritchie reviewed it with the Board.

*Mr. Antioho joined the meeting at 9:34 a.m.*

- A motion was made by Trustee Tarasiuk and seconded by Trustee Panzica to accept the annual audit as presented. Motion carried by unanimous voice vote.

The Board reviewed the completed IDOI Annual Statement and noted that the Certification Form was executed by the President, Secretary and Treasurer and mailed to the DOI on or around 10/22/2014.

The Board discussed the 04/30/2014 L&A Actuarial Valuation. A motion was made by Trustee Panzica and seconded by Trustee Antioho to accept the actuarial valuation as presented and adopt the tax levy amount of \$1,976,128; the Board Attorney will file the actuarial report and submit the supporting documents and tax levy recommendation to the Village.

AYES: Trustees Thomson, Tarasiuk, Antioho, and Panzica

NAYS: None

ABSENT: Trustee Nunez

The Board reviewed the 04/30/2014 Municipal Compliance Report (MCR). A motion was made by Trustee Thomson and seconded by Trustee Antioho to authorize the President and Secretary to sign the MCR as presented. Motion carried by unanimous voice vote.

The Board reviewed the monthly financial report presented in the Board meeting packet. For the five months ended 09/30/2014, the net position held in trust for pension benefits was \$24,296,108.44. A motion was made by Trustee Thomson and seconded by Trustee Antioho to accept the monthly financial report as presented. Motion carried by unanimous voice vote.

## **PRESENTATION AND APPROVAL OF BILLS**

The Board reviewed the Warrant List presented in the Board meeting packet. A motion was made by Trustee Thomson and seconded by Trustee Panzica to approve the July, August and September 2014 disbursements totaling \$61,138.01, as presented (see detail attached).

AYES: Trustees Thomson, Tarasiuk, Antioho, and Panzica

NAYS: None

ABSENT: Trustee Nunez

## **ATTORNEY'S REPORT**

Attorney Reimer discussed the following topics with the Board:

- Update on medical examination for Dion Bafundo – Mr. Bafundo failed to show up for his scheduled appointment and the doctor has charged the Fund a 'no show' fee. R&K is working with the doctor's office to attempt to reduce the fee and re-schedule Mr. Bafundo's appointment. A follow up report will be given at the next meeting.
- Updates on QILDROs – Kobyleski: on hold for completed paperwork; Iovinelli: on hold for completed paperwork. A follow up report will be given at the next meeting.
- Legal and Legislative Update – recent court cases and decisions were reviewed.

## **INVESTMENT REPORT**

Mr. Marchese distributed and reviewed the quarterly investment report with the Board. Mr. Marchese discussed the market environment: fixed income markets sought quality in corporate bonds throughout the quarter, U.S. equity markets experienced a pullback in September with the S&P 500 and Russell 2000 declining by 1.4% and 6.1%, respectively. Despite this retreat, the S&P 500 managed to set two new closing highs during the month and experienced its seventh quarterly gain in a row with a return of 1.1%. During the third quarter, non-U.S. equity markets were largely negative due to geo-political issues such as Ebola, ISIS and sanctions on Russia.

The Summary of Investment Changes was reviewed. As of 09/30/2014, the ending market value was \$25,125,446.37. Asset allocations were: fixed income 40.4%, U.S. equity 36.0%, non-U.S. equity 15.3%, real assets 6.8%, and other 1.5%. Investment earnings for the third quarter were -\$286,247.91. The annualized performance (net of fees) was -1.2% for the quarter, and 3.2% year to date, and outperformed the benchmarks. The portfolio reported a 10.8% return for three years, and 6.5% for ten years. Mr. Marchese indicated that the investment managers are in compliance, and no changes were recommended at this time. A motion was made by Trustee Antioho and seconded by Trustee Thomson to accept the investment report as presented. Motion carried by unanimous voice vote.

Mr. Marchese indicated that there was no need to rebalance the portfolio at this time.

## **INFORMATIONAL ITEMS AND UNFINISHED BUSINESS**

- Trustee training summary – the Board agreed to complete training and submit certificates upon receipt. Trustee Thomson agreed to complete the required online FOIA and OMA training as soon as possible.
- Annual Affidavits of continued eligibility – 100% compliance; all affidavits were received and recorded and submitted to the Fund for its recordkeeping.
- Review and update of membership records – annual active member letters were distributed and file updates were expected to follow as needed.
- Update on purchase of file cabinet and laptop for Pension Fund – no update at this time. Possible update to be discussed at the next meeting.
- Update on Rafael Nunez appointed position – the Board noted that his position is ongoing until the Mayor re-appointed another Trustee. Trustee Thomson will follow up with the Mayor and report any results at the next meeting.

## **NEW BUSINESS**

The Board reviewed and discussed the duty disability pension benefit calculation presented in the Board meeting packet, and the recent legislation regarding overpayments. A motion was made by Trustee Thomson and seconded by Trustee Tarasiuk to approve the duty disability pension calculation as follows: date of entry was 02/14/1983, disability date was 03/07/2011, effective date of pension was 03/08/2011, at the age of 62 and with 28 years and zero months of creditable service earned, at 70% of the applicable salary of \$93,255.26, the amount of his originally granted monthly pension is \$5,439.89, his first increase of \$163.20 was given in January of 2013 and again in January of 2014; his current benefit payment is now \$5,766.29. Because Mr. McMurray was previously receiving a retirement pension benefit and has now been granted a line of duty disability pension benefit payment, an overpayment in the amount \$5,266.18 has occurred. L&A was directed to send Mr. McMurray a letter explaining the overpayment and provide options for his repayment to the Fund.

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

The Board reviewed and discussed the Decision and Order on the disability application for William McMurray. A motion was made by Trustee Thomson and seconded by Trustee Tarasiuk to adopt and publish the written Decision and Order for William McMurray.

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

The Board discussed the recently hired Firefighters. A motion was made by Trustee Thomson and seconded by Trustee Antioho to accept Daniel Cooper, Dominic Rubino and Daniel Torres into the Fund; their date of hire was 03/10/2014 and both have Tier 2 status. Motion carried by unanimous voice vote.

The Board noted that the Fund currently does not have Board rules, other than those provided by the Illinois Pension Code and the Article 4 statutes.

The Board agreed that there is no need for any changes or updates to contractual agreements with custodians or advisors, at this time.

The Board discussed the establishment of the 2015 Board meeting dates. A motion was made by Trustee Tarasiuk and seconded by Trustee Panzica to approve the following 2015 Board meeting dates: January 27<sup>th</sup>, April 28<sup>th</sup>, July 28<sup>th</sup>, and October 27<sup>th</sup>; all meetings will be held at 9:30 a.m. at the same location. Motion carried by unanimous voice vote.

The next regular Board meeting is scheduled for January 27, 2015, at 9:30 a.m.

**CLOSED SESSION** – The Board indicated that there was no need for a closed session.

## **ADJOURNMENT**

A motion was made by Trustee Tarasiuk and seconded by Trustee Antioho to adjourn the meeting at 10:40 a.m. Motion carried by unanimous voice vote.

Respectfully submitted,

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Date approved by Board: 01/27/2015

Tony Tarasiuk, Board Secretary

*Minutes prepared by Pension Services Administrator, Becky Davis*

# Franklin Park Firefighters' Pension Fund

## Vendor Checks Report

07/01/14-09/30/14

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10/24/14 12:06 PM

Vendor Name	Chk. No.	Check Date	Amount	
REIMER & KARLSON LLC	30011	07/02/14	758.21	
LAUTERBACH & AMEN, LLP	70018	07/14/14	1,560.00	<b>Electronic</b>
REIMER & KARLSON LLC	30012	07/23/14	200.59	
MESIROW INSURANCE SERVICES INC	70020	07/25/14	3,497.00	<b>Electronic</b>
LAUTERBACH & AMEN, LLP	70019	07/30/14	1,560.00	<b>Electronic</b>
C.S. McKEE L.P.	50652	07/31/14	6,348.22	
FIDUCIARY MANAGEMENT INC.	50651	07/31/14	5,069.00	
FIREFIGHTER'S LOCAL 1526 - FP	17906	07/31/14	84.57	<b>Electronic</b>
U.S. BANKCORP INVESTMENTS INC	50650	07/31/14	65.34	
U.S. BANKCORP INVESTMENTS INC	50653	07/31/14	325.87	
U.S. BANKCORP INVESTMENTS INC	50654	07/31/14	360.39	
VILLAGE OF FRANKLIN PARK	17907	07/31/14	10,575.78	<b>Electronic</b>
		Subtotal	<u>22,829.17</u>	
AFFI	30013	08/01/14	175.00	
AFFI	30014	08/05/14	175.00	
MARQUETTE ASSOCIATES, INC	70021	08/07/14	5,250.00	<b>Electronic</b>
REIMER & KARLSON LLC	30015	08/11/14	227.00	
FIREFIGHTER'S LOCAL 1526 - FP	17956	08/29/14	84.57	<b>Electronic</b>
VILLAGE OF FRANKLIN PARK	17957	08/29/14	9,552.34	<b>Electronic</b>
		Subtotal	<u>9,636.91</u>	
U.S. BANKCORP INVESTMENTS INC	50655	08/31/14	64.17	
U.S. BANKCORP INVESTMENTS INC	50656	08/31/14	330.06	
U.S. BANKCORP INVESTMENTS INC	50657	08/31/14	362.09	
		Subtotal	<u>756.32</u>	
LAUTERBACH & AMEN, LLP	70022	09/15/14	2,395.00	<b>Electronic</b>
REIMER & KARLSON LLC	30016	09/23/14	1,734.96	
FIREFIGHTER'S LOCAL 1526 - FP	18006	09/30/14	84.57	<b>Electronic</b>
US BANK	50658	09/30/14	65.84	
US BANK	50659	09/30/14	320.80	
US BANK	50660	09/30/14	359.30	
VILLAGE OF FRANKLIN PARK	18007	09/30/14	9,552.34	<b>Electronic</b>
		Subtotal	<u>10,382.85</u>	
		TOTAL	<u>61,138.01</u>	