

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK FIREFIGHTERS' PENSION FUND
January 27, 2015**

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, January 27, 2015 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 9:35 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: Christopher Caparelli of Marquette Associates; Board Attorney Richard Reimer of Reimer Dobrovolny & Karlson, LLC (RDK); Treasurer Frank Grieshamer; Becky Davis of Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT – There was no public comment.

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the prior meeting minutes presented in the Board meeting packet. A motion was made by Trustee Tarasiuk and seconded by Trustee Panzica to approve the October 28, 2014 regular minutes as written. Motion carried by unanimous voice vote.

The Board conducted a semi-annual review of the closed session minutes. A motion was made by Trustee Thomson and seconded by Trustee Tarasiuk to make public the McMurray closed session transcript of 08/19/2014, based on a finding that it no longer needs to remain confidential. Motion carried by unanimous voice vote. Attorney Reimer indicated that the audio recording of the closed session would be sent to the Board for its records.

ACCOUNTANT'S REPORT

The Board reviewed the monthly financial report presented in the Board meeting packet. For the seven months ended 11/30/2014, the net position held in trust for pension benefits was \$25,278,627.63. 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 vendor checks report presented in the Board meeting packet. A motion was made by Trustee Tarasiuk and seconded by Trustee Antioho to approve the October, November and December 2014 disbursements totaling \$83,701.04, as presented (see detail attached).

AYES: Trustees Thomson, Tarasiuk, Antioho, and Panzica

NAYS: None

ABSENT: Trustee Nunez

Treasurer Grieshamer approved the vendor checks report.

ATTORNEY'S REPORT

Attorney Reimer discussed the following topics with the Board:

- Update on medical examination for Dion Bafundo – Mr. Bafundo has had two 'no show' appointments and is now ready to reschedule his appointment. A follow up report will be given at the next meeting.
- Updates on OILDROs – Kobyleski: in process; Iovinelli: in process. No further action needed at this time.

- Review response to the DOI Director's Order –the purpose for the DOI Director's Order was discussed. A motion was made by Trustee Tarasiuk and seconded by Trustee Thomson to authorize the Board attorney's office to respond to the DOI Director's Order. A copy of the response letter will be sent to the Board.
AYES: Trustees Thomson, Tarasiuk, Antioho, and Panzica
NAYS: None
ABSENT: Trustee Nunez
- Legal and Legislative Update –recent court cases, decisions and potential pension reform were discussed.

INVESTMENT REPORT

Mr. Caparelli distributed and reviewed the quarterly investment report with the Board. Mr. Caparelli noted that the fixed income market is expected to be flat in 2015. As of 12/31/2014, the ending market value was \$25,180,686.66. Asset allocations were: fixed income 40.5%, U.S. equity 37.4%, non-U.S. equity 14.8%, real assets 7.1%, and other 0.2%. Investment earnings for the fourth quarter were \$530,142.57. The annualized performance (net of fees) was 2.0% for the quarter, and 5.3% year to date. The portfolio reported a 9.7% return for three years, and a 6.3% return for ten years. Mr. Caparelli indicated that the investment managers are in compliance and discussed his recommendation to rebalance the portfolio. A motion was made by Trustee Antioho and seconded by Trustee Thomson to follow Marquette's recommendation to take \$600,000 from the PRIDEX Wilshire 5000 Index Fund (with no penalty incurred) and to invest those proceeds as follows:

- \$350,000 into the Fiduciary Management Fund, and;
- \$250,000 into the Cash account to cover benefit payments and expenses for the quarter.

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

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.

The Board agreed that there were no changes needed to the investment policy statement at this time.

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

- Trustee training summary – the Board reviewed the summary and noted that Trustee Nunez has not provided any training certificate(s) for 2014.
- Update on purchase of file cabinet and laptop for Pension Fund – the Board reported that the file cabinet has been purchased and received; the laptop purchase is still pending. A follow up report will be discussed at the next meeting.
- Statements of Economic Interest – Trustee Thomson indicated that he will identify the Board to the County today. Statements can be expected from the County in March, and must be completed and filed by May 1st. A follow up report will be discussed at the next meeting.
- Follow up on William McMurray overpayment – the Board discussed the overpayment of benefits that resulted when Mr. McMurray converted from a retirement pension to a duty disability pension. Mr. McMurray elected to pay the \$5,266.18 overpayment in a lump sum, which was received on 11/21/2014.
- New IRS mileage rate for 2015 – the Board noted that the new mileage rate for 2015 is \$0.575 per mile.

NEW BUSINESS

The Board reviewed the annual pension increases for 2015. A motion was made by Trustee Thomson and seconded by Trustee Tarasiuk to approve the statutory cost of living increases, as presented by L&A (see detail attached).

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

The Board discussed the election procedures for Trustees whose term will end on 04/30/2015: Active member: Tony Tarasiuk, and Appointed members: Daniel Antioho and Rafael Nunez. Trustees Tarasiuk and Antioho indicated that they would desire to continue on the Board. L&A prepared the active member nomination letter and form for the Fund to distribute. Trustee Thomson will speak with the Mayor to request the re-appointment of Trustee Antioho, and request a letter of resignation from Trustee Nunez to seek another appointment for his position.

The Board agreed that there would be no changes for the following services: Audit – to be completed by Wolf & Co.; Actuarial Valuation and IDOI Annual Statement - to be completed by L&A.

The Board noted the following two resignations: Daniel Cooper resigned on 01/21/2015 and indicated that he is seeking employment at South Elgin Fire; Robert Diamond resigned on 01/25/2015 and indicated that he is seeking employment at Palatine Fire. L&A was directed to send Mr. Cooper and Mr. Diamond the contribution refund election paperwork and form. A follow up on these contribution refunds will be discussed at the next meeting.

The next regular Board meeting is scheduled for April 28, 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 Panzica and seconded by Trustee Thomson to adjourn the meeting at 10:33 a.m. Motion carried by unanimous voice vote.

Respectfully submitted,

_____ Date approved by Board: _____
Tony Tarasiuk, Board Secretary

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	70022	09/15/14	2,395.00	Electronic
REIMER & KARLSON LLC	30016	09/23/14	1,734.96	
FIREFIGHTER'S LOCAL 1526 - FP	18006	09/30/14	84.57	Electronic
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	Electronic
		Subtotal	<u>10,382.85</u>	
LAUTERBACH & AMEN, LLP	70023	10/06/14	1,560.00	Electronic
WOLF & COMPANY, LLP	30017	10/06/14	3,300.00	
		Subtotal	<u>4,860.00</u>	
IPPPA	70024	10/08/14	775.00	Electronic
REIMER & KARLSON LLC	30018	10/23/14	1,430.20	
LAUTERBACH & AMEN, LLP	70025	10/30/14	1,560.00	Electronic
C.S. McKEE L.P.	50663	10/31/14	6,339.66	
FIDUCIARY MANAGEMENT INC.	50662	10/31/14	4,834.00	
FIREFIGHTER'S LOCAL 1526 - FP	VOID 18056	10/31/14	0.00	Electronic
FIREFIGHTER'S LOCAL 1526 - FP	18058	10/31/14	84.57	Electronic
US BANK	50661	10/31/14	63.83	
US BANK	50664	10/31/14	326.98	
US BANK	50665	10/31/14	362.56	
VILLAGE OF FRANKLIN PARK	VOID 18057	10/31/14	0.00	Electronic
VILLAGE OF FRANKLIN PARK	18059	10/31/14	9,552.34	Electronic
		Subtotal	<u>21,563.94</u>	
JACK PANZICA *	30019	11/12/14	115.00	
INSPE ASSOCIATES LTD	30020	11/19/14	200.00	
VILLAGE OF FRANKLIN PARK	18060	11/28/14	9,552.34	Electronic
US BANK	50666	11/30/14	68.35	
US BANK	50667	11/30/14	335.50	
US BANK	50668	11/30/14	356.92	
		Subtotal	<u>760.77</u>	
REIMER & KARLSON LLC	30021	12/09/14	1,230.09	
MARQUETTE ASSOCIATES, INC	70027	12/11/14	8,250.00	Electronic
INSPE ASSOCIATES LTD	30022	12/15/14	400.00	
LAUTERBACH & AMEN, LLP	70026	12/15/14	5,110.00	Electronic
REIMER & KARLSON LLC	30023	12/15/14	917.86	
		Subtotal	<u>6,427.86</u>	
LAUTERBACH & AMEN, LLP	70028	12/22/14	2,150.00	Electronic
US BANK	50671	12/31/14	64.06	
US BANK	50669	12/31/14	332.51	
US BANK	50670	12/31/14	364.12	
VILLAGE OF FRANKLIN PARK	18061	12/31/14	9,552.34	Electronic
		Subtotal	<u>10,313.03</u>	

Franklin Park Firefighters' Pension Fund

Vendor Checks Report

09/01/14-12/31/14

01/21/15 02:22 PM

<u>Vendor Name</u>	<u>Chk. No.</u>	<u>Check Date</u>	<u>Amount</u>
		TOTAL	<u>83,701.04</u>

FRANKLIN PARK FIREFIGHTERS' PENSION FUND

Annual Benefit Increases

January 1, 2015

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Bafundo, Dion N.	Duty Disability	\$	3,819.73	0.00	3,819.73	45,836.76
Bafundo, Dion N. - Dep. # 2	Duty Disability		23.90	0.72	24.62	295.44
Bafundo, Dion N. - Dep. # 3	Duty Disability		23.90	0.72	24.62	295.44
Bajerski, James D.	Occupational Disability - T		5,326.64	120.15	5,446.79	65,361.48
Barnes, Lance	Service		5,598.29	167.95	5,766.24	69,194.88
Below, Roy J. Jr.	Service		1,694.53	50.83	1,745.36	20,944.32
Below, Roy J. Jr. - QILDRO	QILDRO		1,678.30	50.35	1,728.65	20,743.80
Berg, Donald A.	Service		3,548.14	106.44	3,654.58	43,854.96
Berry, Jack	Non-Duty Disability		3,394.09	0.00	3,394.09	40,729.08
Beuse, Marilyn	Spouse - NT		2,999.44	0.00	2,999.44	35,993.28
Beuse, Robert F. Jr.	Service		5,764.68	0.00	5,764.68	69,176.16
Brennan, John T.	Service		4,457.93	133.74	4,591.67	55,100.04
Brubaker, James	Service		3,940.40	118.21	4,058.61	48,703.32
Ciancio, Joseph	Duty Disability		3,339.12	60.35	3,399.47	40,793.64
Collins/Yager, Barbara	Spouse - NT		1,952.91	0.00	1,952.91	23,434.92
Cooper, Carl D.	Service		3,526.42	105.79	3,632.21	43,586.52
Davis, Henry	Service		4,829.91	144.90	4,974.81	59,697.72
Gronwick, John	Service		3,050.27	91.51	3,141.78	37,701.36
Hamilton, Ronald L.	Service		6,559.22	196.78	6,756.00	81,072.00
Hjellum, Robert J.	Service		5,695.19	170.86	5,866.05	70,392.60
Holmes, Martha R.	Spouse		1,865.16	0.00	1,865.16	22,381.92
Horn, William G.	Service		6,022.25	0.00	6,022.25	72,267.00
Hoyle, Raynel	Service		4,264.14	127.92	4,392.06	52,704.72
Jaeger, John	Service		4,827.19	144.82	4,972.01	59,664.12
Johnston, Donald L.	Service		6,289.57	188.69	6,478.26	77,739.12
Lattanzio, Wayne	Service		3,731.79	111.95	3,843.74	46,124.88
Legittino, Michael A.	Duty Disability		3,241.87	58.59	3,300.46	39,605.52
Lovecchio, Santo S.	Service		3,654.31	109.63	3,763.94	45,167.28
McMillion, William	Service		3,918.40	117.55	4,035.95	48,431.40
McMullen, James	Service		3,022.14	90.66	3,112.80	37,353.60
McMurray, William R.	Duty Disability - T		5,766.29	163.20	5,929.49	71,153.88
Meads, Dale L.	Service		4,191.60	125.75	4,317.35	51,808.20
Miceli, Frank	Duty Disability - T		4,497.90	103.80	4,601.70	55,220.40
Monroe, Marlos R.	Service		3,681.18	110.44	3,791.62	45,499.44
Olson, Fred	Service		6,919.58	207.59	7,127.17	85,526.04
Panzica, Jack	Service		6,273.78	188.21	6,461.99	77,543.88
Penar, Joseph	Service		3,513.75	105.41	3,619.16	43,429.92
Pietrandoni, Daniel	Service		4,568.53	137.06	4,705.59	56,467.08
Rexses, Donna	Spouse - NT		1,607.73	0.00	1,607.73	19,292.76
Schaak, Donald	Duty Disability		3,132.76	55.61	3,188.37	38,260.44
Schiferl, Nancy	Spouse		3,480.31	0.00	3,480.31	41,763.72
Schultz, Cydney L.	Spouse		1,159.27	0.00	1,159.27	13,911.24
Sheppard, Lorraine	Spouse		2,753.17	0.00	2,753.17	33,038.04

FRANKLIN PARK FIREFIGHTERS' PENSION FUND

Annual Benefit Increases

January 1, 2015

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Sheridan/Larson, Jean D.	Duty Disability		3,576.99	0.00	3,576.99	42,923.88
Thomson, Paul A.	Service		5,760.81	172.82	5,933.63	71,203.56
Traiforos, David J.	Service		6,631.29	198.94	6,830.23	81,962.76
Vandergriff, Chester	Service		7,328.22	219.85	7,548.07	90,576.84
Vandergriff, Joeine	Spouse		2,914.02	0.00	2,914.02	34,968.24
White, Florence	Spouse		2,568.13	0.00	2,568.13	30,817.56
White, Mark K.	Service		6,559.22	196.78	6,756.00	81,072.00
Totals			198,944.36	4,454.57	203,398.93	2,440,787.16

FRANKLIN PARK FIREFIGHTERS' PENSION FUND

Summary of Benefit Changes and Notes

January 1, 2015

Summary of Benefit Changes				
Pensioner	Reason	Date	Amount of Change	New Monthly Benefit
Bafundo, Dion N. - Dep. # 2	Benefits Cease	3/1/2015	(24.62)	0.00
Beuse, Robert F. Jr.	Initial Increase	4/1/2015	490.00	6,254.68
Horn, William G.	Initial Increase	10/1/2016	602.23	6,624.48
Bafundo, Dion N. - Dep. # 3	Benefits Cease	5/1/2018	(26.90)	0.00
Berry, Jack	Initial Increase	1/1/2023	1,323.70	4,717.79
Sheridan/Larson, Jean D.	Initial Increase	1/1/2025	1,824.26	5,401.25
Bafundo, Dion N.	Initial Increase	1/1/2028	2,177.25	5,996.98

Notes

1. None
- 2.
- 3.
- 4.
- 5.