

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK FIREFIGHTERS' PENSION FUND
October 25, 2016**

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, October 25, 2016 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: Trustee Thomson called the meeting to order at 9:37 a.m.

ROLL CALL

PRESENT: Trustees Tommy Thomson, Tony Tarasiuk, Jack Panzica, Dan Antioho and Ninfa Aguilar

ABSENT: None

ALSO PRESENT: Board Attorney Rick Reimer, Reimer Dobrovlny & Karlson, LLC (RDK); Christopher Caparelli, Marquette Associates; James Ritchie and Amanda Secor, Lauterbach & Amen, LLP (L&A); Treasurer Frank Greishemer, Village of Franklin Park (arrived at 10:29 a.m.)

PUBLIC COMMENT: None.

APPROVAL OF MINUTES: *July 26, 2016 Regular Meeting:* The Board reviewed the minutes from the July 26, 2016 regular meeting. A motion was made by Trustee Tarasiuk and seconded by Trustee Thomson to approve the minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT: James Ritchie presented the Monthly Financial Report prepared by Lauterbach & Amen, LLP to the Board for review. As of September 30, 2016, the plan net assets held in trust for pension benefits is \$26,529,203.81 with a change in position of \$779,866.04 for the five month period. The Board reviewed the cash analysis, revenue and expense reports, member contributions, and the payroll journal. All questions were answered by Mr. Ritchie. A motion was made by Trustee Panzica and seconded by Trustee Tarasiuk to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

2016 Annual Audit Approval: Mr. Ritchie presented the final copy of the 2016 Annual Audit prepared by L&A. A motion was made by Trustee Tarasiuk and seconded by Trustee Thomson to approve the final audit report as presented by Mr. Ritchie. Motion carried by roll call vote.

AYES: Trustees Thomson, Tarasiuk, Panzica, Antioho and Aguilar

NAYS: None

ABSENT: None

PRESENTATION AND APPROVAL OF BILLS: *Vendor Checks Report:* The Board reviewed the Vendor Checks Report for the period 07/01/2016 – 09/30/2016, for total disbursements in the amount of \$61,321.44. A motion was made by Trustee Thomson and seconded by Trustee Tarasiuk to approve the Vendor Checks Report as presented. Motion carried by roll call vote.

AYES: Trustees Thomson, Tarasiuk, Panzica, Antioho and Aguilar

NAYS: None

ABSENT: None

Additional Bills, if any: A motion was made by Trustee Thomson and seconded by Trustee Panzica to approve reimbursement to Trustee Panzica in the amount of \$260 for attendance to the 2016 IPFA Spring and Fall Pension Seminars. Motion carried by roll call vote.

AYES: Trustees Thomson, Tarasiuk, Antioho and Aguilar
NAYS: None
ABSENT: None

INVESTMENT REPORT: Marquette & Associates: Chris Caparelli from Marquette Associates presented the quarterly investment report, market update and performance summary for the period ending September 30, 2016. As of 09/30/2016, the total fund composite is \$26,431,908. The performance, net of fees, of the total fund composite for the quarter is 2.6%. The fiscal year to date investment return, net of fees, is 5.2%. The current asset allocation is as follows: Fixed Income at 40.6%, U.S. Equities at 35.1%, Non-U.S. Equities 14.1%, Real Estate 8.2%, and Cash 2%. All questions were answered by Mr. Caparelli. A motion was made by Trustee Tarasiuk and seconded by Trustee Aguilar to accept the investment report as presented. Motion carried by roll call vote.

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

Potential purchase and/or sale of securities, re-balancing of asset allocations and hiring/termination of investment managers: Mr. Caparelli presented an asset allocation model to the Board, in order to increase the Real Estate portion of the portfolio by reducing the Fixed Income portion. A motion was made by Trustee Thomson and seconded by Trustee Panzica directing Marquette & Associates to amend the investment policy to reflect the allocation described in portfolio A of the Marquette report. Motion carried by roll call vote.

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

Review Investment Policy: No action was taken.

COMMUNICATIONS AND REPORTS: Final Approval of Actuarial Report and Tax Levy Recommendation: The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the current actuarial valuation is \$54,700,537, and the recommended contribution amount is \$2,210,572, which is a \$210,678 increase from the prior year's recommended contribution. The statutory minimum contribution requirement is \$1,807,670. All questions were answered by Mr. Ritchie. A motion was made by Trustee Antioho and seconded by Trustee Panzica to adopt the proposed tax levy amount based on the recommended contribution amount of \$2,210,572. Motion carried by roll call vote.

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

Review/Approve Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Tarasiuk and seconded by Trustee Thomson to accept the Municipal Compliance Report and authorize signature by Board President Thomson and Secretary Tarasiuk. Motion carried unanimously by voice vote.

The Board directed Board Attorney Reimer to draft a Tax Levy Request letter, accompanied by the signed Municipal Compliance Report, to be presented to the Village.

IDOI Annual Statement – Status Update: Mr. Ritchie informed the Board that the Annual Statement has been filed with the Illinois Department of Insurance. Mr. Ritchie advised the Board that the DOI will notify the Board if any changes are necessary.

Affidavits of Continued Eligibility: L&A informed the Board that there was one outstanding affidavit, for Ms. Martha Holmes. L&A suspended the direct deposit of pension benefits effective with the September payroll cycle per Board President Tommy Thomson and Board Secretary Tony Tarasiuk. The pensioner was informed that the check would be available at the Franklin Park Village Hall, during regular business hours. There has been no response from Ms. Holmes. The Board will research the status of Ms. Holmes and direct L&A accordingly.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Wright, Robert L. – Regular Retirement:* The Board reviewed and approved the retirement calculation of Robert L. Wright. Mr. Wright retired 07/30/2016 with an effective date of pension of 07/31/2016 at age 54 with 24 years and 10 months of creditable service, a pensionable salary of \$87,355.77 for an original monthly benefit amount of \$4,519.45. A motion was made by Trustee Thomson and seconded by Trustee Panzica to accept the benefit calculation of Robert L. Wright as presented by L&A. Motion carried by roll call vote.

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

ADMISSIONS/WITHDRAWALS FROM FUND: *New Hire – Kamin, Christopher:* The Board reviewed the Application for Admission to the Pension Fund of Christopher Kamin. The applicant was hired August 1, 2016 as a Tier II participant with no prior creditable service. A motion was made by Trustee Tarasiuk and seconded by Trustee Thomson to accept the membership application of Christopher Kamin to the Franklin Park Firefighters' Pension Fund. Motion carried by roll call vote.

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

Surviving Spouse Benefits – Lovelock Jr., William R. (Spouse of Meads, Dale L.) The Board acknowledged the death of pensioner Dale L. Meads, who passed away on 07/28/2016, and reviewed the surviving spouse benefit calculation for William R. Lovelock Jr.. A motion was made by Trustee Thomson and seconded by Trustee Antioho to terminate the benefits of Dale L. Meads and to approve surviving spouse benefits for William R. Lovelock Jr., effective 07/29/2016, in the amount of \$4,446.87 monthly, as calculated by L&A. Motion carried by roll call vote.

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

OLD BUSINESS: *Trustee Training:* The Board reviewed the updated Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all Certificates of Completion to L&A for record keeping.

Reciprocity – Brannon, Craig: The Board discussed the status of Craig Brannon's reciprocity request. Mr. Brannon has received the calculation and must decide if he wishes to continue with the service transfer.

NEW BUSINESS: *Establish 2017 Board Meeting Dates:* The Board discussed scheduling the 2017 regular meetings as follows:

Tuesday, January 24, 2017
Tuesday, April 25, 2017
Tuesday, July 25, 2017
Tuesday, October 24, 2017

All meetings will be held at 9:30 a.m., in the Fire Station located at 10001 W. Addison Avenue, Franklin Park, IL

Storage/Destruction of Old Pension Fund Accounting Records: Mr. Ritchie informed the Board that L&A would be converting to paperless record retention, and that boxes containing the pension fund's prior accounting records were available for the Board's retention or destruction. Trustee Thomson maintained that he would take the boxes and contact the appropriate channels in order to determine the destruction schedule.

Strzala. Paul – QILDRO Vacated: Board attorney Reimer informed the Board that pursuant to a court order dated October 12, 2016, the QILDRO entered June 7, 2011 is vacated. No further action is required.

Village Treasurer Frank Greishemer joined the meeting at 10:29 a.m.

ATTORNEY'S REPORT: *Wright, Robert L. – QILDRO Discussion:* Mr. Reimer informed the Board that no record of a QILDRO exists. Mr. Reimer advised the Board to direct Mr. Wright's former spouse to speak with an attorney. No further action is required at this time.

Legal Update: Mr. Reimer reviewed the RDK *Legal and Legislative Update* newsletter and discussed current legislation with the Board.

Rules and Regulations – Review/Discussion and Possible Amendments/Approval: The Board tabled discussion of amendments to the Rules and Regulations of the Board. Board Attorney Reimer advised the Trustees to review the Rules and Regulations, in order to be prepared to revisit the amendments at the next regular Board meeting.

CLOSED SESSION: There were no items to be discussed in closed session.

ADJOURNMENT: A motion was made by Trustee Panzica and seconded by Trustee Antioho to adjourn the meeting at 10:55 a.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for Tuesday, January 24, 2017, at 9:30 a.m.

Respectfully submitted,

Tony Tarasiuk, Board Secretary

Date approved by Board: _____