

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK FIREFIGHTERS' PENSION FUND
October 22, 2013**

A regular meeting of the Board of Trustees of the Franklin Park Firefighters' Pension Fund was held on Tuesday, October 22, 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 9:36 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: David Smith and Christopher Caparelli of Marquette Associates; Allison Barrett, Todd Schroeder, James Ritchie and Becky Davis of Lauterbach & Amen, LLP (L&A); Board Attorney Christopher Melnyczenko of Reimer & Karlson, LLC (arrived later)

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 Antioho and seconded by Trustee Panzica to approve the July 23, 2013 regular minutes as written. Motion carried by unanimous voice vote.

The Board agreed to table the Attorney's confidentiality status determination of the Sheridan disability closed session minutes until the next meeting.

ACCOUNTANT'S REPORT

Mr. Ritchie distributed and reviewed the final 04/30/2013 Wolf & Company audit report with the Board. A motion was made by Trustee Nunez and seconded by Trustee Antioho to accept the audit report as presented. Motion carried by unanimous voice vote.

Mr. Ritchie distributed the 04/30/2013 Department of Insurance (DOI) Annual Audit for the Board's records. A motion was made by Trustee Antioho and seconded by Trustee Panzica to accept the DOI Annual Statement as prepared by L&A. Motion carried by unanimous voice vote.

The Board and Treasurer executed the Certification Form. L&A will submit the original form to the DOI on behalf of the Board.

Mr. Schroeder distributed the 04/30/2013 L&A Actuarial Report and reviewed it with the Board. A motion was made by Trustee Tarasiuk and seconded by Trustee Antioho to accept the L&A Actuarial Report as presented, and make the tax levy recommendation to the Village in the amount of \$1,781,597. The Board Attorney was directed to prepare the tax levy recommendation letter to the Village on the Board's behalf.

AYES: Trustees Tarasiuk, Panzica, Antioho and Nunez

NAYS: None

ABSENT: Trustee Bianchi

The Board reviewed the Municipal Compliance Report (MCR). A motion was made by Trustee Antioho and seconded by Trustee Nunez to accept the MCR, based upon the 04/30/2013 L&A Actuarial Report.

AYES: Trustees Tarasiuk, Panzica, Antioho and Nunez

NAYS: None

ABSENT: Trustee Bianchi

The signed copy of the MCR will be given to the Board Attorney.

The monthly financial report was distributed and reviewed with the Board. Included in the discussion was the following data: for the five months ended September 30, 2013, the net position held in trust for pension benefits was \$23,608,711.39. A motion was made by Trustee Panzica and seconded by Trustee Nunez 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 Tarasiuk and seconded by Trustee Nunez to approve the July, August and September 2013 disbursements totaling \$54,729.26, as presented (see detail attached).

AYES: Trustees Tarasiuk, Panzica, Antioho and Nunez

NAYS: None

ABSENT: Trustee Bianchi

Attorney Melnyczenko joined the meeting at 9:45 a.m.

ATTORNEY'S REPORT

Attorney Melnyczenko discussed the following topics with the Board:

- *Commander William McMurray's disability* – is pending and a hearing will be set at a later date.
- *IME update* – Dion Bafundo has completed his annual medical exam and was found to still be disabled. A motion was made by Trustee Nunez and seconded by Trustee Panzica to continue disability pension benefits to Dion Bafundo. Motion carried by unanimous voice vote.
- *Jean Sheridan* – the annual medical exam report has not been received. Further update will follow at the next meeting.
- *Legal and Legislative Update* – was presented in the board meeting packet and reviewed.

INVESTMENT REPORT

The Marquette representatives distributed and reviewed the quarterly investment report with the Board. As of 09/30/2013, the portfolio was up 4.5% for the quarter, and outperformed the composite benchmark which was up 4.2%. The total market value was \$23,790,394. Asset allocations were: fixed income 41.7%, U.S. equity 33.4%, international equity 16.2%, real estate 6.5% and cash 2.2%. The portfolio is performing above the benchmarks and exceeding the actuarial assumptions, reporting a 9.0% return for the three year mark, and 7.2% for the five year mark. A motion was made by Trustee Antioho and seconded by Trustee Panzica to accept the investment report as presented. Motion carried by unanimous voice vote.

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

The Board discussed the Request for Proposal (RFP) for investment consultant services. Consultant proposals are in the process of being sent out and completed. A report of the RFP results will be provided at the next meeting.

L&A reported that all Annual Affidavits of Continued Eligibility have been received and recorded.

The Board discussed the active member file monitoring service that L&A provides. L&A will maintain electronic files for the Pension Fund, and send out letters annually to inform active members of the contents of their pension file, and to provide updates as needed.

The Board reviewed the trustee training summary and discussed the need to obtain 16 hours of continuing education each year.

As a follow up to the previous minutes, the Board reported that Steven Rutz declined to buy back his lost pension time.

NEW BUSINESS

Ms. Barrett discussed with the Board the invoicing for the L&A Actuarial Discussion and Analysis meetings with the Police Pension Board and the Village officials. There were two meetings held and Ms. Barrett requested the Board's input and fair decision regarding the final invoice amount. Further discussion and determination of the final invoice amount will be addressed at the next meeting.

The Board discussed Bart Borowiec. A motion was made by Trustee Antioho and seconded by Trustee Panzica to accept Bart Borowiec into the Fund, and that he was hired on 09/16/2013 with Tier 2 status. Motion carried by unanimous voice vote.

The Board discussed the request for reciprocity received from Thomas Thomson (Pleasantview FPD). FF Thomson has been in communication with L&A, and his buy back is in process. Further update about FF Thomson's reciprocity will be addressed at the next meeting.

The Board agreed that no review or update of Board rules and forms is needed. The Board does not currently have rules other than the Illinois Pension code and the Article 4 statutes. L&A will assist the Board with the provision and update of any forms as needed.

The Board agreed that no review or update of contractual agreements with custodians and advisors are needed at this time.

The Board reviewed the pension benefit calculation for Battalion Chief Mark White presented in the board meeting packet. A motion was made by Trustee Antioho and seconded by Trustee Tarasiuk to accept the benefit calculation prepared by L&A as follows: entry date was 09/15/1980, retirement date was 09/21/2013, the effective date of pension was 09/22/13, at the age of 54, with 33 years of creditable service earned, and at 75% of his applicable salary of \$101,890.77, the amount of his originally granted monthly pension is \$6,368.17 until his first increase in October of 2014.

AYES: Trustees Tarasiuk, Panzica, Antioho and Nunez

NAYS: None

ABSENT: Trustee Bianchi

The Board discussed the 2014 regular meeting dates. A motion was made by Trustee Antioho and seconded by Trustee Panzica to approve the following 2014 dates: January 28th, April 22nd, July 22nd, and October 28th. All meetings will be held at 9:30 a.m. and at the same location.

The next regular Board meeting is scheduled for January 28, 2014, at 9:30 a.m.

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 10:50 a.m. Motion carried by unanimous voice vote.

Respectfully submitted,



Tony Tarasiuk, Board Secretary

Date approved by Board: _____

1/28/14

Minutes prepared by Pension Services Administrator, Becky Davis

Franklin Park Firefighters' Pension Fund

Vendor Checks Report

Vendor Name	Chk. No.	Check Date	Amount	
IPPFA	20107	07/03/13	750.00	
COALITION FOR QUALIFIED PLAN STATU	20108	07/12/13	300.00	
LAUTERBACH & AMEN, LLP	20109	07/12/13	1,015.00	
REIMER & KARLSON LLC	20110	07/12/13	1,407.57	
		Subtotal	<u>2,722.57</u>	
MESIROW INSURANCE SERVICES INC	70000	07/29/13	3,409.00	Electronic
C.S. McKEE L.P.	50611	07/31/13	6,186.70	
FIDUCIARY MANAGEMENT INC.	50610	07/31/13	4,624.00	
FIREFIGHTER'S LOCAL 1526 - FP	17310	07/31/13	83.79	Electronic
U.S. BANKCORP INVESTMENTS INC	50609	07/31/13	57.15	
U.S. BANKCORP INVESTMENTS INC	50612	07/31/13	312.73	
U.S. BANKCORP INVESTMENTS INC	50612	07/31/13	300.72	
VILLAGE OF FRANKLIN PARK	17311	07/31/13	9,928.80	Electronic
		Subtotal	<u>21,493.89</u>	
LAUTERBACH & AMEN, LLP	70001	08/05/13	1,015.00	Electronic
JACK PANZICA *	30000	08/13/13	190.00	
LAUTERBACH & AMEN, LLP	70002	08/28/13	1,015.00	Electronic
FIREFIGHTER'S LOCAL 1526 - FP	17358	08/30/13	84.57	Electronic
VILLAGE OF FRANKLIN PARK	17359	08/30/13	9,928.80	Electronic
		Subtotal	<u>10,013.37</u>	
U.S. BANKCORP INVESTMENTS INC	50613	08/31/13	56.35	
U.S. BANKCORP INVESTMENTS INC	50614	08/31/13	301.01	
U.S. BANKCORP INVESTMENTS INC	50615	08/31/13	305.19	
		Subtotal	<u>662.55</u>	
FIREFIGHTER'S LOCAL 1526 - FP	17406	09/30/13	84.57	Electronic
LAUTERBACH & AMEN, LLP	70003	09/30/13	2,765.00	Electronic
U.S. BANKCORP INVESTMENTS INC	50616	09/30/13	54.28	
U.S. BANKCORP INVESTMENTS INC	50617	09/30/13	311.77	
U.S. BANKCORP INVESTMENTS INC	50618	09/30/13	313.46	
VILLAGE OF FRANKLIN PARK	17407	09/30/13	9,928.80	Electronic
		Subtotal	<u>13,457.88</u>	
		TOTAL	<u>54,729.26</u>	