

Glenview Firefighters' Pension Fund Board of Trustees Meeting

01/20/2009

Approved: 04-20-2009

Call to Order: The meeting was called to order at 7:35 a.m. in the conference room at Glenview Fire Station 6. On roll call the following were:

Present: Board President/Trustee Nick Rusher, Trustee Tom Dvorak, Trustee/Secretary Mike Sawicki, Trustee Mike McPeek, Trustee Paul Detlefs (7:45 a.m.), Doug Oest of Marquette Associates, Keith Karlson of Richard J. Reimer and Associates, LLC, Chief Financial Officer Rick Kisner (8:05 a.m.), Art Tepfer of Tepfer Consulting Group, Ltd. and Carol Bjankini, Recording Secretary

Absent: Village Manager Todd Hileman

Minutes: Trustee Rusher called for a review of the minutes of October 21, 2008. Trustee McPeek motioned to approve as amended the minutes of October 21, 2008; Trustee Dvorak seconded, a roll call was taken and the vote was all ayes, no nays and the minutes of October 21, 2008 were accepted.

Financial Reports/Contribution Review: Doug Oest from Marquette Associates distributed the December 31, 2008 Executive Summary and provided an overview. At the close of the quarter, the Pension fund had a market value of \$43,902,975. Over the quarter, the portfolio decreased by \$1,629,357, of which \$97,257 was due to contributions, while \$1,726,615 was due to capital depreciation. The total portfolio was 68.8% invested in fixed income, 21.9% invested in domestic equities, 6.1% invested in international equities, and 3.2% invested in cash. The Total Fund returned -3.8% for the quarter, outperforming its policy benchmark, which returned -7.1%. Over the trailing twelve months, the Pension Fund returned -8.9%, outperforming the policy benchmark, which returned -13.2%.

After a review of the December 31, 2008 Executive Summary Trustee McPeek motioned to accept the Executive Summary, Trustee Detlefs seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Mr. Oest suggested the Board approve another rebalancing of 1% from the NTGI Fixed Income Account to the Vanguard Institutional Index Fund and the Vanguard Small Cap Value Index Fund on a weekly basis over an eight to nine week period. Each transfer will be used to purchase additional shares of the Vanguard Institutional Index Fund and shares of the Vanguard Small cap Value Index Fund. Trustee Dvorak motioned to accept Mr. Oest's recommendation; Trustee McPeek seconded, and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Detlefs motioned to approve the Pension Benefit Increases for the calendar year 2009, with the amendments of: listing Charles Baran as "Service" type of pension and listing Bonnie Prims "Spouse (Service)" type of pension, and retroactively approve surviving spouse pension in the amount of \$4804.26 for Bonnie Prims; Trustee Sawicki seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

After reviewing the records a funding discrepancy due Charles Baran as a result of his 12/01/1995 conversion from a non-duty disability pension to a regular pension was discovered. Trustee Sawicki motioned to remit \$2,351.04 in a one-time payment as reimbursement for any underpayments in the past; a letter from Richard J. Reimer & Associates, LLC finalizing the process will also be sent; Trustee Detlefs seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

An inquiry was made from Charlene Melzer regarding a dependent benefit that was not included which her husband would have been eligible for. The Board determined that dependent child benefit of \$20.00 per month should have been paid for 107 months, from 09/01/1978 through 06/24/1987. Trustee Sawicki motioned to direct its pension administrator, Lauterbach & Amen to add \$2,140.00 to her pension deposit once proper documentation is received from Mrs. Melzer; Trustee Detlefs seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

A List of Bills has been prepared for the Board to review:

Invoice No. 8164	Lauterbach & Amen, LLP - Services	August, 2008	\$780.00
Invoice No. 11637	Reimer & Assoc., LLC - Legal services rendered; Hutchison Disability		\$85.50
Invoice No. 5312140	U.S. Bank - Services	July 1 through Sept. 30, 2008	\$3,248.42
Invoice No. 8444	Lauterbach & Amen, LLP - Services	September, 2008	\$780.00
Invoice No. 81116	Marquette Assoc. - Services	November 1 through January 31, 2009	\$12,500.00
Invoice No. 8805	Lauterbach & Amen, LLP - Services	October, 2008	\$780.00
Invoice No. 9070	Lauterbach & Amen, LLP - Services	Compliance Report HB5088	\$500.00
Invoice No. 11749	Reimer & Assoc., LLP - Quarterly retainer; Jan. through March, 2009		\$500.00
Invoice No. 00162913	Northern Trust Co. - Services rendered	Oct. through Dec., 2008	\$5,116.15

Trustee Dvorak motioned to approve payment of the invoices stated, Trustee Detlefs seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Applications: None

Other Business: Both Tim Sharpe and Art Tepfer were invited for a brief meet and greet, and to review their proposals for actuarial services for 2009. Tim Sharpe did not attend, but had previously sent his proposal for review. Art Tepfer attended the meeting and provided his investment philosophy, background information, and information regarding Tepfer Consulting Group, Ltd. Mr. Tepfer brings over 40 years of experience working as an actuary, the last 37 years have been spent as a consulting actuary. Mr. Tepfer has served as a consultant to the employee benefit plans of

many Fortune 500 corporations, public retirement and large collectively bargained multi-employer plans. Tepfer Consulting Group, Ltd. was formed in June 1995. It provides consulting, actuarial and administrative services in employee benefits. The firm employs three professionals which are all consulting actuaries, and support staff. After Mr. Tepfer's presentation and review of the fee structure the Board discussed retaining Tepfer Consulting Group, Ltd. Trustee Detlefs motioned to retain Tepfer Consulting Group, Ltd. for actuarial services in the amount of \$2,000.00; Trustee Dvorak seconded, and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Attorney Keith Karlson distributed the Administrative Rules to the Board for review and revisions. The Board will discuss at the upcoming meeting.

Attorney Keith Karlson distributed and provided an overview, as well as recommended the Board participate in the Coalition for Qualified Plan Status. The Internal Revenue Service has raised concerns about whether Illinois Article 3 and Article 4 funds are in compliance with federal tax law. As a result, a coalition of interested organizations has formed to work with Scott Brandt of the Illinois Department of Financial and Professional Regulations, Division of Insurance, Ice Miller LLP (a law firm that represents a number of governmental pension plans) and Lauterbach & Amen, LLP to address compliance issues for the plans as a group. Trustee Detlefs motioned the Board to contribute \$400 to the Coalition for Qualified Plan Status in order to cover the filing fees, legal and accounting expenses involved; Trustee Sawicki seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Detlefs motioned to adopt the Investment Policy Guidelines updated August 2007; Trustee Sawicki seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Rusher will contact Lauterbach & Amen, LLP regarding distribution of the verification letters to the Pensioners.

The Board reviewed the engagement letter for accounting fees from Lauterbach & Amen, LLP. The Board requested additional language by added regarding cancellation of the contract. Trustee Sawicki motioned to retain Lauterbach & Amen, LLP for a three year agreement for services once the additional cancellation language has been added to the contract; Trustee Dvorak seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Lauterbach & Amen, LLP sent information regarding new services offered; "Professional Services Administrator." The Board reviewed the information and decided not to retain any of these services at this time.

Trustee Rusher motioned to authorize payment to providers previously retained with the payment structure of: Marquette \$12,500 per quarter; Richard Reimer & Associates \$500.00 per quarter and anything additional can be reviewed; Northern Trust .07% of asset value; US Bank .03% of asset value; Trustee Dvorak seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Rusher inquired on the Annual Disability Examination and Evaluations, as three were required last year; Art Lutherus, John Hutchison, and Mark Gray. As of this year, Art Lutherus is the only one required to have an annual disability examination. Attorney Karlson advised that this time Mr. Lutherus will only be required to visit one doctor.

Trustee Dvorak motioned to direct Richard J. Reimer & Associates, LLC to proceed with the letter to Mr Lutherus regarding the annual disability examination and evaluation; Trustee Sawicki seconded and a roll call was taken and the vote was all ayes no nays and the motion passed.

Due to a conflict with the Lieutenant process both Trustee Dvorak and Trustee Rusher will reschedule their attendance at the upcoming Illinois Public Pension Fund Association seminar from February 2009 to September 2009.

As Trustee Rusher's term expires in April 2009 the Board will proceed with an election in accordance with 40 IL CS 5/4-121, Public Act 94-037.

Meeting Dates: The upcoming meetings for 2009 are:

Monday, April 20, 2009

Monday, July 20, 2009

Monday, October 26, 2009

The above meetings are scheduled at 7:30 a.m. in Glenview Fire Station No. 6 at 1815 Glenview Road, Glenview IL.

Doug Oest left the meeting at 8:00 A.M.

Art Tepfer left the meeting at 8:35 A.M.

Trustee McPeek left the meeting at 8:45 A.M.

Trustee Detlefs left the meeting at 9:45 A.M.

Chief Financial Officer Rick Kisner left the meeting at 9:45 A.M.

Attorney Keith Karlson left the meeting at 9:45 A.M.

Adjournment: Trustee Dvorak motioned to adjourn, Trustee Sawicki seconded and the vote was all ayes, no nays and the meeting adjourned at 10:05 A.M.

Respectfully Submitted:
Carol Bjankini
Recording Secretary
Glenview Firefighters' Pension Fund