

Glenview Firefighters' Pension Fund Board of Trustees Meeting

07/22/2009

Approved: 10-27-2009

Call to Order: The meeting was called to order at 7:40 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 Mike McPeek, Trustee Paul Detlefs, Trustee/Secretary Mike Sawicki, Doug Oest of Marquette Associates, Keith Karlson of Richard J. Reimer and Associates, LLC, Art Tepfer of Tepfer Consulting Group, Ltd, retired member David Janczak, and Carol Bjankini, Recording Secretary

Absent: Village Manager Todd Hileman

Minutes: Trustee Rusher called for a review of the minutes of April 20, 2009. Trustee Detlefs motioned to approve as amended the minutes of April 20, 2009; Trustee McPeek seconded; a roll call was taken and the vote was all ayes, no nays and the minutes of April 20, 2009 were accepted.

Financial Reports/Contribution Review: Doug Oest from Marquette Associates distributed the June 30, 2009 Executive Summary and provided an overview. At the close of the quarter, the Pension fund had a market value of \$43,489,499. Over the quarter, the portfolio increased by \$332,321, of which \$1,434,014 was due to withdrawals, while \$1,766,336 was due to capital appreciation. The total portfolio was 65.3% invested in fixed income, 27.0% invested in domestic equities, 7.0% invested in international equities, and 0.7% invested in cash. The Total Fund returned +4.2% for the quarter, under performing its policy benchmark, which returned +4.6%. Over the trailing twelve months, the Pension Fund returned -6.1%, outperforming the policy benchmark, which returned -9.8%.

After a review of the June 30, 2009 Executive Summary Trustee Rusher motioned to accept the Executive Summary, Trustee Sawicki 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 a rebalancing of 0.5% of the total fund on a weekly basis over the next five weeks from the US Money Market Account split pro-rata to the equity investments; SSGA International Stock Selection Fund, Vanguard Institutional Index Fund, and Vanguard Small Cap Value Index Fund. Trustee Detlefs motioned to accept Mr. Oest's recommendation; Trustee Sawicki seconded, and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Rusher contacted Marquette Associates instructing them to keep the Illinois Funds account active. To limit potential future issues regarding manual processing with U.S. Bank the Board has directed Lauterbach & Amen to re-route the ACH tax deposits from Cook County to the Illinois Funds account held by the Pension Fund. Trustee

Rusher motioned the Illinois Funds account remain active, and the ACH tax deposits from Cook County be re-routed to that fund; Trustee McPeek seconded, and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Art Tepfer of Tepfer Consulting Group, Ltd. presented the Actuarial Valuation report as of January 1, 2009 for the Fiscal year ending December 31, 2009.

Mr. Tepfer recommended the minimum contribution from the Village for the next tax year to be \$2,308,174 or 33.59% of current payroll. This contribution coupled with the anticipated \$623,016 or 9.455% of current payroll to be collected from participating firefighters will be sufficient to meet the State statutory requirements described in 40 ILCS 5/4.

Trustee McPeek motioned the Board to recommend to the Village of Glenview Board of Trustees to approve a net recommended minimum Village contribution of \$2,308,174 based on the revised methodology adopted by Tepfer Consulting Group, Ltd; Trustee Dvorak seconded and a roll call was taken and the vote was four ayes, no nays and Trustee Detlefs abstained; and the motion passed.

Trustee Rusher will prepare the letter for Village President Cummings regarding the annual tax levy requirements for the Pension Fund for the upcoming tax year.

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

Invoice No. 10784	Lauterbach & Amen, LLP - Prep. for year-end auditor's work papers	\$700.00
Invoice No. 10850	Lauterbach & Amen, LLP - Services March, 2009	\$805.00
Invoice No. 90518	Marquette Assoc. - Services May 1 through July 31, 2009 + retroactive fee increase for the period of February 1 through April 1, 2009	\$13,500.00
Invoice No. 5652356	U.S. Bank - Services January 1 through March 31, 2009	\$3,085.01
Invoice No. F10992	IL State Treasurer Dept. Fin. & Prof. Reg. - 2010 Compliance Fee	\$8,000.00
Invoice No. 11145	Lauterbach & Amen, LLP - Services April, 2009	\$805.00
Invoice No. 12184	Reimer & Assoc., LLC - Miscellaneous fees	\$55.75
Invoice No. 11426	Lauterbach & Amen, LLP - Services May, 2009	\$805.00
Invoice No. 12223	Reimer & Assoc., LLC - Quarterly retainer: July - September, 2009	\$750.00
Invoice No. 01184794	Northern Trust Co. - Services April through June 30, 2009	\$5,042.12

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

Applications: Michael Pauly applied for a retirement pension. Date of hire 08-01-1979; last duty date 06-03-2009; with benefits commencing 06-04-2009.

Kenneth Knoll applied for a retirement pension. Date of hire 11-06-1972; last duty date 07-04-2009; with benefits commencing 07-05-2009.

Attorney Karlson advised the Board to approve an interim pension based on an estimated salary until the Board receives a certified letter from the Village Treasurer outlining their final salary amount broken down by salary,

longevity, holiday pay, and then totaled. Trustee Dvorak motioned to approve an interim pension for both Michael Pauly and Kenneth Knoll; Trustee McPeck seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

Trustee Rusher will contact the Village Finance Department and request the certified letters. Michael Pauly and Kenneth Knoll's applications for retirement will be finalized at the next pension meeting.

The Board is in receipt of applications for membership from Kevin Lorenz and Andrew Hogan. Both Mr. Lorenz and Mr. Hogan were appointed July 8, 2009. Trustee McPeck motioned to approve the applications for membership on Kevin Lorenz and Andrew Hogan; Trustee Sawicki seconded and the vote was all ayes, no nays and the motion passed.

Other Business: The Board is in receipt of a letter from retired member David Janczak. Mr. Janczak is interested in obtaining information regarding the conversion of his disability pension to a regular pension. Mr. Janczak would like to know if he were to retire today, what his salary would be. Attorney Karlson explained the Board would have to subpoena the Fire Department and/or Village for Mr. Janczak's personnel records. As well as obtain the Battalion Chief position's salary scale for past years to present. The Board would also seek the Fire Chief's recommendation, and a Hearing would need to be set. In the end, the Board would have the final decision to determine the salary. Attorney Karlson also suggested Mr. Janczak obtain legal counsel to present evidence at the Hearing. As Mr. Janczak was in attendance at this meeting, it was determined that the Hearing would take place at the already scheduled October 27, 2009 Pension Fund meeting.

Attorney Karlson will prepare a letter to Art Lutherus outlining the process for his upcoming annual duty disability physical examination.

Attorney Karlson will write a response to the recent Illinois Department of Insurance (IDOI) audit.

Trustee Rusher presented a letter from retired member, Don Neal requesting assistance regarding a 1099 discrepancy. Trustee Sawicki mentioned that in past practice 1099R forms were sent from the Village when they should not have been issued. Trustee Rusher mentioned Don Neal has been in contact with Lauterbach & Amen. Trustee Rusher also relayed Lauterbach & Amen are waiting on requested information from Mr. Neal before they can proceed. Through further discussion it was decided that Mr. Neal working with Lauterbach & Amen as well as his tax preparer will resolve his issue.

Trustee Rusher presented a letter from Richard J. Reimer & Associates LLC regarding their services. As rates have not been increased for over five years they are forced to keep competitive by increasing their quarterly retainer rate to \$750.00 per quarter effective July 1, 2009. Trustee Detlefs motioned to approve payments at the increased quarterly retainer rate of \$750.00 per quarter effective July 1, 2009 to Richard J. Reimer & Associates LLC; Trustee Dvorak seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

The Board continues to follow two retired members for proper paperwork on the Annual Affidavit of Continued Eligibility. Attorney Karlson will now send a formal letter requesting the information.

Attorney Karlson discussed new legislation that is mandatory ethics training for Pension Board members. Section 1-113.18 of the Illinois Pension Code now requires all pension fund board members to attend at least eight hours of training on ethics, fiduciary duty and investment issues, as well as "any other curriculum that the board of the Pension Fund establishes as being important" for the administration of the pension fund. Attorney Karlson will look into the possibility of online and/or DVD training for this mandatory training.

Both Trustee Rusher and Trustee Dvorak attended the Illinois Public Pension Fund Association (IPPPFA) Midwest conference last year. Trustee Rusher expressed interest in attending this October. Trustee Detlefs motioned to approve Trustee Rusher's \$250.00 fee to attend the 2009 IPPFA Midwest Conference; Trustee McPeek seconded and a roll call was taken and the vote was all ayes, no nays and the motion passed.

There was a brief discussion regarding Board officers. Trustee McPeek nominated Nick Rusher as FF Pension Board President and Tom Dvorak as Board Secretary; Trustee Detlefs seconded and the vote was all ayes, no nays and the nomination for Nick Rusher as Board President and Tom Dvorak as Board Secretary passed.

Meeting Dates: The next meeting scheduled is:

Tuesday, October 27, 2009

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

David Janczak left the meeting at 7:55 AM.

Doug Oest left the meeting at 8:25 AM.

Art Tepfer left the meeting at 9:15 AM.

Adjournment: Trustee Dvorak motioned to adjourn, Trustee Rusher seconded and the vote was all ayes, no nays and the meeting adjourned at 9:55 AM.

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