

BOARD OF TRUSTEES OF THE FIREFIGHTERS' PENSION FUND

901 W DEVON AVENUE • PARK RIDGE, ILLINOIS 60068 • 847.318.5283

12 February 2019

Park Ridge Fire Station 36
1000 N. Greenwood Ave.
Park Ridge, IL 60068
09:00 HRS

CALL TO ORDER

President Skinner called the quarterly meeting of the Board of Trustees of the Park Ridge Firefighters' Pension Fund to order at the above place and time.

ROLL CALL

Secretary Bruchsaler took the roll. Board members present were President Skinner, Secretary Bruchsaler, Trustee Buggy, Trustee Arends and Trustee Egan.

The Fund's Treasurer, Finance Director Andrea Lamberg, was present.

Also present were:

Carolyn Clifford, Fund Attorney, Ottosen Britz
Steve Earnhardt, Fund Accountant, Lauterbach and Amen
Mike Piotrowski, Board Investment Consultant, Marquette Associates
Olivia Parks, Performance Analyst, Marquette Associates
Fund Members present – Blane

PUBLIC COMMENT

President Skinner asked if anyone wished to address the Board at this time. There was no response.

APPROVAL OF THE MINUTES

President Skinner asked the Board members if they had read the minutes from the quarterly meeting of November 13, 2018 and found them satisfactory.

TRUSTEE BUGGY MOVED AND TRUSTEE EGAN SECONDED TO ACCEPT THE MINUTES FROM THE QUARTERLY MEETING ON NOVEMBER 13, 2018. UPON A VOICE VOTE, THE VOTE WAS UNANIMOUS. THE MOTION CARRIED.

TREASURER'S REPORT

Steve Earnhardt – Board Accountant

Steve Earnhardt from Lauterbach & Amen presented the monthly financial statements for the Fund.

PRESIDENT SKINNER MOVED AND TRUSTEE BUGGY SECONDED TO ACCEPT THE LAUTERBACH & AMEN, LLP NOVEMBER 2018 MONTHLY REPORT AND PAY PAYROLL AND VENDOR BILLS IN THE AMOUNT OF \$272,946.28 PER THE ACCOUNTING JOURNAL.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

PRESIDENT SKINNER MOVED AND TRUSTEE BUGGY SECONDED TO ACCEPT THE LAUTERBACH & AMEN, LLP DECEMBER 2018 MONTHLY REPORT AND PAY PAYROLL AND VENDOR BILLS IN THE AMOUNT OF \$268,231.42 PER THE ACCOUNTING JOURNAL.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

PRESIDENT SKINNER MOVED AND TRUSTEE BUGGY SECONDED TO ACCEPT THE LAUTERBACH & AMEN, LLP JANUARY 2018 MONTHLY REPORT AND PAY PAYROLL AND VENDOR BILLS IN THE AMOUNT OF \$299,842.08 PER THE ACCOUNTING JOURNAL.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

PRESIDENT SKINNER MOVED AND SECRETARY BRUCHSALER SECONDED TO APPROVE THE QUARTERLY REPORT FROM LAUTERBACH & AMEN, LLP BOARD ACCOUNTANT.

UPON A VOICE VOTE, THE VOTE WAS UNANIMOUS. THE MOTION CARRIED.

Mike Piotrowski – Board Investment Consultant

Mike Piotrowski from Marquette Associates presented the investment report as of December 31, 2018. The Fund's market value at the end of 2018 was \$44,348,696. For the calendar year, the Fund's return was -3.7% net of fees (compared to benchmark at -3.3%). The return during the last three months of 2018 was -6.8% net of fees (compared to benchmark at -6.7%), with the worst December in the markets since the 1930s.

As of January 31, 2019, the Fund's market value is \$46,188,001, with a one-month return of 4.7% net of fees (compared to benchmark at 4.5%). Mike noted that Brandes International Small Cap Fund is on alert status, due to performance. He also provided the required annual consultant disclosure required under Section 1-113.22, which provides information on searches for investment services from minority owned businesses, female owned businesses, and businesses owned by persons with a disability.

The Pension Fund conducted a share-cap exchange of the Vanguard FTSE All-World ex US Small-Cap Index Fund from investor shares to admiral shares which has a lower expense ratio.

SECRETARY BRUCHSALER MOVED AND TRUSTEE EGAN SECONDED TO APPROVE THE REBALANCING OF FUNDS PER THE RECOMMENDED REALLOCATION BY MARQUETTE ASSOCIATES AND TO ACCEPT THE INVESTMENT REPORT.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

COMMUNICATIONS OR REPORTS

Carolyn Clifford - Board Attorney

The Board received the annual IME reports for Karen Carrillo and Howard Franzen. Per the IME physician, both are still disabled.

PRESIDENT SKINNER MOVED AND TRUSTEE EGAN SECONDED TO ACCEPT THE INDEPENDENT MEDICAL EVALUATION FROM DR. RANDAL F. WOJCIEHOSKI FOR HOWARD FRANZEN III.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

Carolyn updated the Board on the Annual Timeline of Board responsibilities.

OLD BUSINESS

The Board was presented a quote from Arthur J. Gallagher Risk Management Services, Inc. They recommended Hudson Insurance Co. for fiduciary liability insurance. The 2019 premium cost is \$3,730.00, no increase from the 2018 premium. Hudson remains the least expensive quote received.

PRESIDENT SKINNER MOVED AND TRUSTEE BUGGY SECONDED TO APPROVE PAYMENT OF \$3,730.00 TO ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC. FOR THE 2019 FIDUCIARY LIABILITY INSURANCE.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

Lauterbach & Amen presented the schedule of annual pension benefit increases to the Board.

SECRETARY BRUCHSALER MOVED AND PRESIDENT SKINNER SECONDED TO APPROVE THE 2019 PENSION INCREASES PER STATE STATUTE.

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

NEW BUSINESS

No new members' applications were received in the past quarter.

No new retirement applications were received in the past quarter.

No disability applications were received in the past quarter.

No pension contribution refunds applications were received.

The Park Ridge Firefighters' Pension Fund has no Fund assets held in Illinois finance entities that require an annual certification to be filed with the Illinois Department of Insurance.

There was a reminder to Board Trustees to file their Statement of Economic Interest with Cook County before May 1st.

Death Audit Service (new service from IPPFA and L&A) was tabled to next meeting, as the Fund's attorney wished to evaluate the protections being provided to the members' personal information that would be shared with LifeStatus360, the vendor that will be used for this service.

The Board was presented a new retainer proposal by Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd. The new monthly retainer fee is \$350.00

PRESIDENT SKINNER MOVED AND TRUSTEE EGAN SECONDED TO ACCEPT OTTOSEN BRITZ KELLY COOPER GILBERT & DINOLFO, LTD. 2019 MONTHLY RETAINER FEE OF \$350.00

PRESIDENT SKINNER- YES, SECRETARY BRUCHSALER- YES, TRUSTEE BUGGY- YES, TRUSTEE ARENDS - YES AND TRUSTEE EGAN- YES. THE MOTION CARRIED.

CLOSED SESSION

None.

BENEFIT OF THE BOARD

Secretary Bruchsaler instructed the other Board Members on the election procedures for the active member election. Secretary Bruchsaler Term expires April 30, 2019, Secretary Bruchsaler will run an election in the month of March to be finalized in the month of April.

PENSION TRUSTEE TRAINING

The Spring IPPFA Spring Conference – East Peoria April 30-May 3, 2019
Reminder to complete Open Meeting act/FOIA training for OMA/FOIA Officers- Illinois Attorney General Website.

PUBLIC COMMENT

President Skinner asked if anyone wished to address the Board at this time. There was no response.

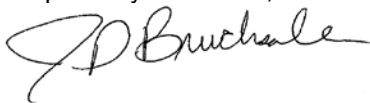
ADJOURNMENT

President Skinner asked if there was any other business.

PRESIDENT SKINNER MOTIONED AND SECRETARY BRUCHSALER SECONDED TO ADJOURN THE MEETING. UPON A VOICE VOTE, THE VOTE WAS UNANIMOUS. THE MOTION CARRIED.

President Skinner declared the meeting adjourned at 10:15 HRS.

Respectfully submitted,



JD Bruchsaler
Board Secretary

*Approved by the Board of Trustees at its meeting on **May 07, 2019.***