

Board of Trustees
ELMHURST FIREFIGHTERS' PENSION FUND

REGULAR MEETING MINUTES
August 7, 2013

I. Meeting Called to Order

John Morse, President, called the meeting to order at 8:34 a.m. at Elmhurst City Hall, 209 N. York Street, Elmhurst, IL.

II. Roll Call

The following members were present at the meeting: President John Morse, Trustee Paul Nolte, Craig Burda, and David Dyer.

Also present at the meeting were investment representatives, Spencer Klein, and Bob Thompson from MB Financial.

III. Public Comments

There were no public comments.

IV. Approval of minutes for May 15, 2013 meeting.

The Board reviewed the minutes from the May 15, 2013 regular meeting and a motion was made by David Dyer to approve the minutes. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

V. Approval of Treasurer's Report

The Board reviewed the Treasurer's Report as of July 31, 2013 and a motion was made by Craig Burda to approve the report. The motion was seconded was Paul Note. A voice vote followed. Motion carried.

VI. Presentation of Bills

The Board reviewed the Public Pension Funds Compliance Fee in the amount \$5,980.37, the motion was made by Paul Nolte to approve the payment to the Illinois State Treasurer. The motion was seconded by David Dyer. A voice vote followed. Motion carried.

The Pension Board reviewed the expenditure for Craig Burda and John Morse for the 2013 AFFI Pension Seminar in Bloomington IL. John Morse stated that he will not be attending the seminar and requested a refund. A motion was made by Paul Note to approve the expenditure to the AFFI Pension Seminar. The motion was seconded by David Dyer. A voice vote followed. Motion carried.

John Morse left the meeting for a previously scheduled meeting at 9:27 a.m.

VII. Cash and Investments

Report of Investment Manager

Bob Thompson of MB Financial gave an overview of the 2nd quarter investment performance the Firefighter's Pension Fund. The fund had a return of 4.5% or 5 basis points since June 30. The market has rallied 3% in July. David Dyer stated the tax money from the City of Elmhurst has come in.

Spencer Klein of MB Financial explained the bond market purchase to the Board and described how MB stress tests the bond portfolio. Currently the Pension Fund has 50% bonds and 50% stocks. Mr. Klein said that the high yield bond market is less volatile than the stock market. Spencer Klein stated he would like to increase the contributions into the high yield bond fund by 1-2%. The Board discussed and agreed with Spencer Klein's recommendation to increase the exposure into the high yield bond fund. This would bring the amount of the investments to 5% of the fixed income or \$15,482,000. This increase would not have to be brought to a vote because the percentage is below the current requirement of the IDOI and the conditions of the Pension Board.

The Motion made by Paul Nolte to approve the Investment Manager's Report; seconded by David Dyer. A voice vote followed. Motion carried.

VIII. Old Business

No old business

IX. New Business

The Board discussed the letter received from the Coalition for Qualified Plan Status and the voluntary contribution of \$300 to cover the filing fee, legal and accounting expenses for the determination to the IRS on whether IL Article 3 and 4 Pension Funds are in compliance with federal tax laws. A motion was made by Craig Burda to approve the expenditure of \$300 to the Coalition for Qualified Plan Status; the vote was seconded by John Morse. A voice vote followed. Motion carried.

The Board reviewed the Line of Duty Beneficiary Forms and would like to have the firefighters use the forms to update their information during the health insurance renewal period. Paul Nolte made a motion to approve the use of the Line of Duty Beneficiary Form, seconded by David Dyer.

X. Executive Session Matters

There were no executive session matters.

XI. Adjournment

A motion was made by Paul Nolte to adjourn the meeting at 9:55 a.m. The motion was seconded by Craig Burda. A voice vote followed. Motion carried.

Respectfully submitted,

Mike Caccitolo
Secretary