

**Board of Trustees
ELMHURST FIREFIGHTERS' PENSION FUND**

**REGULAR MEETING MINUTES
February 11, 2015**

I. Meeting Called to Order

Craig Burda, President, called the meeting to order at 8:33 a.m. at Elmhurst City Hall, 209 N. York Street, Elmhurst, IL.

II. Roll Call

The following members were present at the meeting: President Craig Burda, Trustee Dick Dufort, Paul Nolte, Mike Caccitolo and David Dyer. Also present at the meeting were MB Financial Representatives Bob Thompson and Spencer Klein and Attorney Rick Reimer.

III. Public Comments

There were no public comments.

IV. Approval of minutes for November 12, 2014 meeting.

The Board reviewed the minutes from the November 12, 2014 regular meeting and a motion was made by Mike Caccitolo 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 January 31, 2015 and a motion was made by Paul Nolte to approve the report. The motion was seconded was David Dyer. A voice vote followed. Motion carried.

VI. Presentation of Bills

None.

VII. Cash and Investments

Bob Thompson from MB Financial gave an overview of the portfolio for the fourth quarter of 2014. He stated the portfolio ended the year at \$36,629,783, which was very close to target.

Spencer Klein indicated that in the last quarter, \$226,650 more money went out than came in, even still the interest from the bond market made up for that. Spencer Klein stated he would give the "Reader's Digest" version of the portfolio review given the enormity of the agenda items. Mr. Klein identified that the pension fund performed 42% above the S&P. Paul Nolte inquired on whether MB would be looking to make any changes to the portfolio? Spencer Klein stated the Beta value of the portfolio fund is at 1.15 and it should be closer to 1. MB let the winners run for a while and it is now time

to corral the portfolio in. The portfolio should be reflective of where the economy is now. Mr. Klein stated they would be making a shift from utility to telecommunications.

VIII. Old Business

President Burda inquired about the progress of the application for fiduciary insurance. Dick Dufort stated he has not had any success with Tom Trosien but would approach Mike Kopp for assistance.

IX. New Business

A motion was made by Mike Caccitolo to authorize the Pension Board Secretary to send out the Affidavit of Eligibility forms to the pensioners and the authorization to send them out annually on January 1st without prior board approval. The motion was seconded by David Dyer. A voice vote followed. Motion carried.

The Board discussed the receipt of the three Investment Management Proposals MB Financial, Sawyer Falduto and Premier Asset Management. The Board decided not to accept the proposal from Premier Asset Management due to their late filing.

The Board conferred regarding the procedures for vetting the Investment Manager presentations. It was decided that each firm would have 15 minutes to present and the Board would have 15 minutes for questions, if needed. The first firm will be at 8:30 and the second firm at 9:15. Lauren Wulf will pick the selection order of the firms since she has no vote. The agenda for that meeting will include discuss and potential action for an Investment Management Firm.

President Burda asked who was interested in attending the IPFA seminar in May? Mike Caccitolo and Craig Burda will be attending.

Attorney Rick Reimer gave details to the Pension Board members regarding the application filed by Firefighter Eric Hedman. Attorney Reimer stated Eric Hedman is applying for a Line of Duty and Occupational Disease Disability Pension. Mr. Hedman is being represented by Attorney Thomas Duda.

Rick Reimer stated there are different burdens of proof with various types of disability pensions. The applicant must be able to claim the effects happened while on duty on in the acts of duty. The effects are non-culmative effects. Attorney Reimer explained terms and procedures that will transpire before and during the disability hearing to the Pension Board members, he also informed the Board that he must subpoena the city for records.

Mr. Reimer will update the Pension Board's Administrative Rules and Regulations Disability section to reflect changes in the law.

Mr. Reimer explained the medical doctor selection process. He recommends an independent firm that is owned by doctors that chooses doctors to perform independent medical examinations. One firm is Inspee, another is a civilian firm Woodlake Medical Group. All of the doctors are top level teaching board level certified doctors. These firms typically charge a 10% fee on top of the doctor's fee.

Trustee Dufort asked about reaching the hearing verdict. Attorney Reimer stated your vote is beyond a preponderance of doubt, 51%. Attorney Reimer stated the Board has a fiduciary duty to fully vet these claims.

Mike Caccitolo made a motion to acknowledge the receipt of Eric Hedman's Line of Duty Disability and Occupational Disease Disability application in letters to the Fire Pension dated January 23, 2015 and January 30, 2015 to Attorney Richard Reimer. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

Craig Burda made a motion to elect Inspee as the doctor selection firm to perform the independent medical examination for Firefighter Eric Hedman's LODD and Occupational Disease Disability application. The motion was seconded by David Dyer. A voice vote followed. Motion carried.

Mike Caccitolo made a motion to elect Richard Reimer and his associated law firm to represent the Pension Board in the LODD and Occupational Disease Disability application as filed by Eric Hedman. The motion was seconded by Paul Nolte. A voice vote followed. Motion carried.

X. Executive Session Matters

There were no executive session matters.

XI. Adjournment

A motion was made by Paul Nolte to adjourn the meeting at 10:45 a.m. The motion was seconded by David Dyer. A voice vote followed. Motion carried.

Respectfully submitted,

Mike Caccitolo
Secretary

Fireadmin/pension/minutes/2/11/15