

**MINUTES OF THE FIRE PENSION
REGULAR MEETING
TUESDAY, MAY 10, 2011**

BOARD OF TRUSTEES

*CHIEF BRYZGALSKI, PRESIDENT - 2009/2012 - Elected
LT. BERGHAUS, SECRETARY - 2008/2014- Elected
DAN FREDERICK RETIRED - 2010/2013- Elected
LOU CIPPARRONE, VILLAGE TREASURER - 2008/2014 - Appointed
ALEX KRAMER, TRUSTEE – 2010/2012 - Appointed*

CALL TO ORDER

Lt. Bryzgalski called the meeting to order at 0804 hours.

Roll Call by Joan Sietz, Recording Secretary

Present: President William Bryzgalski, Village Treasurer Lou Cipparrone, Dan Frederick-Retired, Alex Kramer

Absent: Secretary Todd Berghaus

Richard D. Barrett, Jessie J. Barrett; Barrett Group of Wells Fargo Advisors, Joan Sietz, Recording Secretary were also present.

SECRETARY'S REPORT

A motion by Lou Cipparrone to accept the January 11, 2011 minutes as presented, seconded by Dan Frederick, and carried unanimously by voice vote.

TREASURER'S REPORT

Lou Cipparrone reviewed the monthly financial report dated April 30, 2011 with the Board. COPY ATTACHED. Variable Annuities are over 50%, we are going to have to draw back to below the 45% level.

Dick Barrett and Jessie Barrett reviewed the Wells Fargo Investments with the Board. COPY ATTACHED.

Jesse Barrett recommends getting below the 45% equity asset allocation to take 5% of the total value of your account which is \$449,000 to reduce your equity exposure. Essentially that means we are going to take \$450,000 from the equity exposure, we recommend you take it from the variable annuities.

Attorney Cary Collins noted that effective July 1, 2011, the Department of Insurance is allowing 50% + 10% for mutual funds. There is a 10 million limit.

Jesse Barrett – We recommend that you would completely liquidate the PAC-ONE Annuity and recommend that you take \$296,000 From the Transamerica contract to come up with the \$450,000 to get you under the 45%.

Dick Barrett suggested that some time in July the Board look at a singly managed account through an institution. We feel this would be an appropriate thing to do. We have also, approached the same subject with the Police Pension Board and they would like to put this on the table and see if this is appropriate to do. We are suggesting with the \$450,000 going into short term treasure or IPTIP until you make the long term decision in terms of ware you want to be with those dollars.

Dick Barrett - We suggest an informational meeting in July with both Firefighter and Police Pension Boards We will introduce three (3) bond managers to you at this meeting. The Board agreed to the meeting. Dick Barrett will make the arrangements. DISCUSSION FOLLOWED

Lou Cipparrone – At this time we have to move the bonds out of variable annuities and get them into a fixed product. DISCUSSION FOLLOWED

A motion by Alex Kramer to close and sell PAC ONE variables \$160,000, seconded by Lou Cipparrone, roll call vote: Chief Bryzgalski, yes; Lt. Berghaus, absent; Dan Frederick, yes; Lou Cipparrone, yes; Alex Kramer, yes; carried by roll call vote.

Attorney Cary Collins – Optical Structure of the Fund. DISCUSSION FOLLOWED

Alex Kramer – The bond manager we hire will have control over where they source their bonds and what prices they pay. Attorney Collins suggests we have written into the contract *best execution* and see how they react. “*Are you going to buy on the bases of best execution?*” DISCUSSION FOLLOWED

A motion by Dan Frederick to ratify the transactions of the funds and approve the Treasurer’s report as presented, seconded by Lou Cipparrone, and carried unanimously by voice vote.

OLD BUSINESS

“QILDRO” Qualified Illinois Domestic Relations Order

Attorney Cary Collins – Nobody has ever found the \$50 check from these people. They where suppose to send a \$50 check for the lawyer. We are going to accept the QILDRO today in anticipation that we will receive a check but I am requesting a copy of the check. At this time, Firefighter David Rapp will start holding out his wife’s 50% of his pension effective at the end of May 2011.

NEW BUSINESS

Attorney Cary Collins reviewed Tier 1 and Tier 2 with the Board. Any firefighter hired after January 1, 2011 is considered a Tier 2 employee. DISCUSSION FOLLOWED

ANNUAL PHYSICALS - Don Hoekendorf/Jarett Chorzempa
Attorney Collins will schedule the physicals. DISCUSSION FOLLOWED

Chief Bryzgalski – Certification of our 2011 election for active firefighter was held in April. We recorded it on April 4, 2011 Todd Berghaus and Chris Conrad were nominated. Todd Berghaus had the winning votes with 14 and Chris Conrad had 2 votes. COPY ATTACHED

A motion by Lou Cipparrone to certify the election results as presented, seconded by Alex Kramer, and carried unanimously by voice vote.

Chief Bryzgalski – Lou Cipparrone was re-appointed to the Firefighters Pension Board at the May 9, 2011 Village of La Grange Board meeting and his term will be till 2014. COPY ATTACHED

A motion by Alex Kramer to approve the expenditure of \$300, quarterly retainer (*April, May, June*), Law Offices of Cary Collins, seconded by Lou Cipparrone, and carried unanimously by voice vote.

COMMUNICATIONS

None

ADJOURNMENT

A motion by Alex Kramer to adjourn at 0949 hours seconded by Lou Cipparrone, and carried unanimously by voice vote.

Respectfully Submitted,

Joan Sietz, Recording Secretary

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BOARD APPROVED