

**MINUTES OF THE FIRE PENSION MEETING
TUESDAY, OCTOBER 9, 2012**

BOARD OF TRUSTEES

CHIEF BRYZGALSKI, PRESIDENT -2012/2015 - Elected

LT. BERGHAUS, SECRETARY -2011/2014- Elected

DAN FREDERICK RETIRED - 2010/2013- Elected

LOU CIPPARRONE, VILLAGE TREASURER - 2011/2014 - Appointed

COLIN ROBERTSON, TRUSTEE – 2012/2015 - Appointed

CALL TO ORDER

President Bryzgalski called the meeting to order at 0805 hours.

Roll Call by Joan Sietz, Recording Secretary

Present: President William Bryzgalski, Village Treasurer Lou Cipparrone, Colin Robertson, Dan Frederick-Retired, Secretary Todd Berghaus

Absent:

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

SECRETARY'S REPORT

A motion by Lou Cipparrone to approve the August 14, 2012, pension minutes as presented, seconded by Todd Berghaus, and carried unanimously by voice vote.

TREASURER'S REPORT

Lou Cipparrone reviewed the October 31, 2012, fire pension fund activity report with the Board. COPY ATACHED

We are relatively early in the fiscal year so there is not a lot of activity to report. We have received 96 % of our property taxes. We will still be getting some in over the next month. Investment income is down for the year it is actually negative right now this only had interest income through August. We did have a good month in September which almost brought us to an even status for the year. Everything else is on schedule on budget from what we would anticipate. Miscellaneous expenses include our annual filing fee for the Department of Insurance which is \$1,800. Jarrett Chorzempa and Don Hoekendorf medical examinations were \$1,900 each. Cash flow – we need about \$350,000 in January to cover our payroll. We would need to address this after the first of the year. Variable annuities are under the 45% level.

Dick Barrett reviewed the Wells Fargo Market Update and Account Review Report for the Village of La Grange Firefighters Pension Plan with the Board. COPY ATTACHED

Dick Barrett will invite McDonnell Investment Management to the January 8, 2013, pension meeting.

A motion by Secretary Berghaus to accept the Treasurer's report as presented, seconded by Colin Robertson and carried unanimously by voice vote.

OLD BUSINESS

None

NEW BUSINESS

ACTUARY REPORT

Lou Cipparrone reviewed the actuary with the Board. We have a full actuarial evaluation done in alternating years and an update in the off years as required by the Governmental Accounting Standards Board. This summer we had a village trustee file a complaint with the Actuarial Board of Counseling and Discipline and the basis of this complaint was he felt Tim Sharpe was providing information that misleads the Pension Board and the Village Board to determine the mortality table the Pension Fund should be using. Because of this complaint Tim Sharpe, Actuary, has respectively declined to do the evaluation for this year on behalf of the Pension Board. As a full valuation was completed last year, in lieu of the actuarial update scheduled for this year, the Pension Board could elect to submit the 2012 annual tax levy request to the Village Board as currently reflected in the FY 2012/13 operating budget, in the amount of \$808,473. This tax levy request reflects a 5% increase over the 2011 tax levy, as determined by the most recent independent actuarial valuation, based upon projected salary increases which include annual general wage adjustments and step increases for firefighters not at top pay/the top of the pay scale/maximum pay DISCUSSION FOLLOWED

A motion by Colin Robertson to request a tax levy of \$808,473 for 2012, which is reflected in the FY 2012/2013 operating budget, seconded by Dan Frederick, roll call vote: Chief Bryzgalski, yes; Lt. Berghaus, yes; Dan Frederick, yes; Lou Cipparrone, yes; Colin Robertson, yes

INVESTMENT POLICY

Lou Cipparrone – Because of the Pension Reform Legislation that was passed gave funds different capabilities do to their size we need to update our investment policy. We will update to be compliant with the State Statue. DISCUSSION FOLLOWED

A motion by Lou Cipparrone to go into executive session at 0919, seconded by Colin Robertson, roll call vote: Chief Bryzgalski, yes; Lt. Berghaus, absent; Dan Frederick, yes; Lou Cipparrone, yes; Colin Robertson, yes.

Executive Session - 0919

Executive Session Adjourned - 0939

We are now in regular meeting at 1040.

Roll call vote by Recording Secretary Joan Sietz: Chief Bryzgalski, here; Lt. Berghaus, here; Dan Frederick, here; Lou Cipparrone, here; Colin Robertson, here; Cary Collins is present.

Chief Bryzgalski – On August 16, 2012 we did receive a letter and Jarrett Chorzempa annual physical evaluation from Dr. Fletcher stating that he believes at this time that Jarrett Chorzempa is disabled from being a firefighter but can improve.

Dan Frederick made a motion to accept the following expenses as presented, \$300 for Cary Collins for legal consul for the months of October, November, December, seconded by Lt. Berghaus and carried unanimously by voice vote.

Dan and Colin have to do their training for the “Open Meetings Act” You can take it over the internet with IPAC.

The next meeting will be January 8, 2013.

COMMUNICATIONS

None

ADJOURNMENT

A motion by Colin Robertson to adjourn the meeting at 0943 seconded by Lou Cipparrone and carried unanimously by voice vote.

Respectfully Submitted,

Joan Sietz

Joan Sietz, Recording Secretary
2012 PENSIONMINUTES 10-09-12 UPDATE
BOARD APPROVED