

Minutes of the Regular Pension Board

Meeting 05/17/2013

At Fire Department Headquarters 909 Lake

Members Present: Mr. Deron Daugherty, Mr. Patrick Dillon, Mr. Sean Heneghan. Mr. Joseph Romano.

Present: Mr. Rom Chmara, Mr. Hitesh Desai, Mrs. Mary Tomanek, Division Chief Block. Mr. Martin Lyons.

Meeting to Called to Order at 9:40am

Roll Call and Declaration of Quorum

Minutes: Motion to accept the minutes of the meeting held February 13, 2013. Motion: Dillon. Second: Heneghan. Motion approved.

Cash Flow Report by Rom Chmara:

- Romano discusses fire pension fund operating cash flow
- Lyons thinks cash investment return column should be included (just new cash.)
- Will probably have cash to invest at the next meeting.

Investment Committee Report: Ms. Mary Tomanek, Portfolio Review and Investment Recommendations

- Great quarter for the equity market.
- More "defensive" areas went up the most.
- Didn't lose ground on the bond side.
- Japan and Ireland did very well.
- Still a lot of volatility.
- Dow still is not where it was at in 2000 when including inflation.
- Fund can now go up to 65% in equities according to state law.
- Discussion about looking into convertible securities.
- GASB impact discussion by Lyons.
- Romano discussion regarding Calamos Growth and Income.
- Mary recommends taking \$500,000 out of Golden Small Core and placing it into Allianz or an infrastructure fund. (Nuveen Global Infrastructure.)

Motion by Dillon to take \$500,000 out of Golden Small Core and place money into the Nuveen Global Infrastructure Fund. 2nd by Heneghan. Motion carries 4-0 roll call vote.

Motion by Romano to modify board's investment policy to allow for the state's maximum in equities. 2nd by Dillon. Motion carries 4-0 roll call vote.

Motion by Daugherty to liquidate Calamos and place the money into the Allianz Convertible Fund. 2nd by Heneghan. Motion carries 4-0 roll call vote.

Motion by Daugherty to move \$1,000,000 from Northern Trust Index and place \$500,000 into the Nuveen Global Infrastructure Fund, \$250,000 into Harbor International, and \$250,000 into Virtus Emerging Markets. 2nd by Heneghan. Motion carries 4-0 roll call vote.

New Business:

Application: For approval

-Luke Holthaus, hired April 8, 2013. Motion by Romano. 2nd by Dillon. Motion passes 4-0

Trustee Election Results

-Retired Member Trustee Patrick Dillon reelected for a new term (4/16/13-4/15/16).

Election of Pension Board Officers

-Motion by Dillon to nominate Deron Daugherty to the position of pension board president. 2nd by Romano. Motion passes 3-0 vote, Daugherty abstains.

-Motion by Dillon to nominate Sean Heneghan to the position of pension board secretary. 2nd by Romano. Motion passes 3-0 vote, Heneghan abstains.

Pension Expenditure report for approval

Rom Chmara

-Depositions included for Cederberg on report.

-Motion: Daugherty; Second: Dillon; Motion Carries 4-0 roll call vote

Creation of Pension Funding Policy of City

-Lyons discussion regarding GASB.

-Hope to have policy by year end.

Update on FF/PM Cederberg Hearing

-Looking into dates that work for everyone in June and July.

Motion by Dillon to reimburse Evanston FD if hirebacks are needed for board members for Cederberg hearing on July 9th. 2nd by Daugherty. Motion passes 4-0 roll call vote.

Motion to adjourn meeting made by Daugherty. 2nd by Dillon
Motion Carries.

Meeting adjourned at 11:00am