

* * * * *

MINUTES
REGULAR MEETING NO. 950
FEBRUARY 17, 2010

* * * * *

February 17, 2010
Regular Meeting No. 950
Agenda

1. Roll Call
2. Administrative Items
 - A. Approval of Minutes of Regular Meeting 949
 - B. Minimum Formula Annuities
 - C. Widow's and Children's Annuities
 - D. Refunds
 - E. Death Benefits
 - F. Partial Payments
 - G. Benefit Recalculations (None)
 - H. Payments Pursuant to Court Order (None)
 - I. Requests for Permission
 - i. Guardianship
 - ii. Reside Out of State
 - J. Gift Fund: (Information Only)
 - K. Removals
 - L. Expenditures
 - M. Executive Director's Report
 - i. Monthly Report
 - ii. 2010 Expenditures to Date (Information Only)
3. Legal Status
4. Committee Meeting Reports – February 16, 2010
 - A. Investment Committee - Fabrizio/Shanahan
 - B. Legal Committee - Lux/Martin
 - C. Legislative Committee – Carlson/Frabrizo
5. Board Physician Reviews of Disability Recipients
6. Hearings
 - A. Occupational Disease Disability (None)
 - B. Duty Disability
 - i. PM John P. Madden, Ambulance 19, Atty. Thomas Duda.9:15 a.m.
 - ii. EMT/FE Steven R. Maxwell, Engine 629:45 a.m.
 - iii. FF Kevin G. McGinley, Truck 35 10:15 a.m.
 - iv. FF Reed Reilly, Truck 45.....8:15 a.m.
 - v. FF Gary K. Gilmore, Engine 508:30 a.m.
 - C. Ordinary Disability
 - i. EMT/FF Juan A. Gonzalez9:00 a.m.
 - D. Handicapped Child Annuity Benefit
 - i. James A McDonnell by Catherine McDonnell.....DEFERRED

1. ROLL CALL: Vice-President Michael Shanahan, Treasurer Stephanie Neely, Trustees Wally Carlson, Miguel del Valle, Dan Fabrizio and Steve Lux.

TRUSTEES PRESENT LATER: Secretary Anthony Martin

TRUSTEES ABSENT: President Derrick Jackson

OTHERS PRESENT: Fund physician, George Motto, M.D.; Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Chief Investment Officer Michael Moran, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, Assistant Administrative Coordinator Kristy Maufas and Fund Comptroller Jacklyn McAllister.

In the absence of Secretary Anthony Martin, Trustee Lux conducted the meeting.

2. ADMINISTRATIVE ITEMS:

A. APPROVAL OF MINUTES OF REGULAR MEETING 949, JANUARY 20, 2010:

On motion of Lux, seconded by Carlson, the minutes of the regular meeting number 949, held on January 20, 2010, were accepted and approved without reading, each member having been previously furnished with a copy. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

B. MINIMUM FORMULA ANNUITIES:

14055 THOMAS M. BAILEY, Firefighter, Engine 29

Born:	01/04/1947	\$3,312.20	a month beginning January 23, 2010
Ent, CFD:	01/01/1990		based on 52.5%
Retired:	01/23/2010	\$99.37	annuity increment, 3%, begins February 1, 2011

11221 BRUCE COLBY, Captain, 6th District Relief

Born:	05/08/1956	\$6,165.20	a month beginning January 20, 2010
Ent, CFD:	02/18/1980		based on 75%
Retired:	01/20/2010	\$92.48	annuity increment, 1.5%, begins June 1, 2016, last one on January 1, 2035

- COLLECT \$18.74 FOR 1980 AND 2010 ERRORS IN DEDUCTIONS
- REFUND \$27.98 FOR 2006 ERRORS IN DEDUCTIONS AND \$34,724.12 SPOUSE CONTRIBUTIONS

MINIMUM FORMULA ANNUITIES:

12814 KUBLAI KM TOURE, Firefighter, Engine 19, Duty Disability since March 20, 1993

Born: 02/18/1948	\$4,262.72	a month beginning February 19, 2010
Ent. CFD: 02/16/1985		based on 65%
Retired: 02/19/2010	\$127.88	annuity increment 3%, begins March 1, 2011

On motion of Martin, second by Neely, and by unanimous vote, the foregoing applications for minimum formula annuities accompanied by staff accountant's letters as to amounts and all necessary records were approved and granted to those applicants under provisions of the Code in the amounts and under the terms set forth. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

C. WIDOW'S AND CHILDREN'S ANNUITIES:

7771 PATRICIA J. EMERY, widow of John E. Emery, retired since November 29, 1993

Born: 12/09/1933	\$2,812.43	a month beginning January 28, 2010
Ent. CFD: 01/16/1959		
Deceased: 01/27/2010		

9317 JEANNETTE V. ESKILDSEN, widow of Kenneth R. Eskildsen, retired since September 18, 2000

Born: 08/04/1939	\$2,481.51	a month beginning January 9, 2010
Ent. CFD: 04/01/1967		
Retired: 01/08/2010		

8097 ELAINE KERECEK, widow of John F. Kerecheck, retired since July 12, 1989

Born: 07/12/1926	\$2,334.12	a month beginning December 25, 2009
Ent. CFD: 03/07/1961		
Deceased: 12/24/2009		

12492 RONALD KOOL, widower of Isabella Kool, retired since September 23, 2003

Born: 08/19/1952	\$1,969.28	a month beginning December 24, 2009
Ent. CFD: 07/01/1983		
Deceased: 12/23/2009		

9920 MARIANN MAHONEY, widow of Michael P. Mahoney, retired since September 17, 2003

Born: 06/15/1946	\$3,378.05	a month beginning January 14, 2010
Ent. CFD: 12/16/1970		
Deceased: 01/13/2010		

WIDOW'S AND CHILDREN'S ANNUITIES:

7054 JEAN MAJEWSKI, widow of Frank Majewski, retired since October 20, 1987
 Born: 03/02/1930 \$2,362.15 a month beginning January 10, 2010
 Ent. CFD: 09/19/1955
 Deceased: 01/09/2010

9492 JEANNETTE ROARK, widow of Richard Roark, retired since November 3, 2002
 Born: 12/09/1942 \$2,528.98 a month beginning December 4, 2009
 Ent. CFD: 04/22/1968
 Deceased: 12/03/2009

7601 MARGARET TRACY, widow of William C. Tracy, retired since July 21, 1987
 Born: 12/03/1934 \$1,509.64 a month beginning January 5, 2010
 Ent. CFD: 04/16/1957
 Deceased: 01/04/2010

On motion of Martin, second by Fabrizio, and by unanimous vote, the foregoing applications for widows' and childrens' annuities accompanied by staff accountant's letters as to amounts and all necessary records were approved and granted to those applicants under provisions of the Code in the amounts and under the terms set forth. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
 Nays: None*

Trustee Martin entered the meeting and was granted leave to be added in the affirmative on previous rolls taken.

D. REFUNDS:

13234 KEVIN R. DESPIAU, Lieutenant, Engine 16
 Born: 08/10/1960 \$98,054.59 Refund of Contributions
 Ent. CFD: 08/04/1997 \$200.25 Refund of 1997, 1998, 2006 & 2009
 Resigned: 08/23/2009 Errors in Deductions

17423 LIEUTENANT NORALS IV, Firefighter, Academy
 Born: 03/19/1974 \$1,419.95 Refund of Contributions
 Ent. CFD: 12/01/2008
 Discharged: 03/30/2009

REFUNDS:

16207 MILTON H. STEWART, Firefighter, Truck 40

Born: 02/20/1970 \$44,617.44 Refund of Contributions
 Ent. CFD: 10/16/2001 \$100.88 Refund 2006 & 2009 Errors in Deductions
 Resigned: 01/30/2010

On motion of Martin, second by Fabrizio and by unanimous vote, the foregoing refund of contributions were granted under provisions of the Code in the amounts and under the terms set forth. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
 Nays: None*

E. DEATH BENEFITS:

7771 JOHN E. EMERY, retired since November 29, 1993

Born: 12/09/1933 \$6,000.00 to Patricia J. Emery, widow
 Ent. CFD: 01/16/1959
 Deceased: 01/27/2010

9317 KENNETH R. ESKILDSEN, retired since September 18, 2000

Born: 08/04/1939 \$6,000.00 to Jeannette V. Eskildsen, widow
 Ent. CFD: 04/01/1967
 Retired: 01/08/2010

8097 JOHN F. KERECEK, retired since July 12, 1989

Born: 07/12/1926 \$6,000.00 to Elaine Kerecek, widow
 Ent. CFD: 03/07/1961
 Deceased: 12/24/2009

12492 ISABELLA KOOL, retired since September 23, 2003

Born: 08/19/1952 \$6,000.00 to Ronald Kool, widower
 Ent. CFD: 07/01/1983
 Deceased: 12/23/2009

9920 MICHAEL P. MAHONEY, retired since September 17, 2003

Born: 06/15/1946 \$6,000.00 to Mariann Mahoney, widow
 Ent. CFD: 12/16/1970
 Deceased: 01/13/2010

DEATH BENEFITS:

- 7054 FRANK MAJEWSKI, retired since October 20, 1987
 Born: 03/02/1930 \$6,000.00 to Jean Majewski, widow
 Ent. CFD: 09/19/1955
 Deceased: 01/09/2010
- 7065 JACK J. MISCHO, retired since November 30, 1996
 Born: 11/24/1934 \$6,000.00 to Herbert Mischo, brother
 Ent. CFD: 09/19/1955
 Deceased: 12/25/2009
- 4731 PETER PETROUSKI, retired since May 5, 1977
 Born: 11/20/1917 \$6,000.00 to Judith Petrouski, daughter
 Ent. CFD: 10/23/1944
 Deceased: 01/11/2010
- 9492 RICHARD ROARK, retired since November 3, 2002
 Born: 12/09/1942 \$6,000.00 to Jeannette Roark, widow
 Ent. CFD: 04/22/1968
 Deceased: 12/03/2009
- 7246 BEVERLY H. SUTHERLIN, retired since July 22, 1982
 Born: 05/18/1921 \$6,000.00 to Henry Sutherlin, son
 Ent. CFD: 01/15/1956
 Deceased: 12/31/2009
- 7601 WILLIAM C. TRACY, retired since July 21, 1987
 Born: 12/03/1934 \$6,000.00 to Margaret M. Tracy, widow
 Ent. CFD: 04/16/1957
 Deceased: 01/04/2010
- 6875 MAYNARD ZYLSTRA, retired since November 24, 1997
 Born: 10/29/1928 \$6,000.00 to Zylstra Family Trust,
 Ent. CFD: 05/02/1955 Michael R. Serpe, trustee
 Deceased: 10/14/2009

On motion of Martin, second by Carlson, and by unanimous vote, the foregoing ordinary death benefits were granted under provisions of the Code in the amounts and under the terms set forth. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
 Nays: None*

F. PARTIAL PAYMENTS:

- 6751 JAMES W. BANKS, SR., retired, deceased December 31, 2009; \$1,630.00 to Janice M. Banks, daughter
- 7153 EDWARD A. DAUPHINAIS, retired, deceased November 23, 2009; \$1,437.84 to Jay Phillip Dauphinais, son
- 8071 JOHANNE DEPEDER, widow, deceased December 8, 2009; \$258.06 to Lisa Stefanon, daughter
- 9317 KENNETH R. ESKILDSEN, retired, deceased January 8, 2010; \$1,280.78 to Jeannette V. Eskilden, widow
- 8097 JOHN F. KERECHek, retired, deceased December 24, 2009; \$3,614.12 to Elaine Kerechek, widow
- 12492 ISABELLA KOOL, retired, deceased December 23, 2009; \$2,922.16 to Ronald Kool, widower
- 9920 MICHAEL P. MAHONEY, retired, deceased January 13, 2010; \$2,833.20 to Mariann Mahoney, widow
- 7054 FRANK MAJEWSKI, retired, deceased January 9, 2010; \$1,371.57 to Jean Majewski, widow
- 7065 JACK J. MISCHO, retired, deceased December 25, 2009; \$3,893.64 to Herbert Mischo, brother
- 4731 PETER PETROUSKI, retired, deceased January 11, 2010; \$775.94 to Mary Lanigan, daughter
- 9492 RICHARD ROARK, retired, deceased December 3, 2009; \$358.47 to Jeannette Roark, widow
- 4693 ANNA M. SIEBERT, widow, deceased December 23, 2009; \$741.94 to Anna M. Siebert Trust No. 1, Raymond Siebert, trustee
- 7571 BETTY J. SLACK, widow, deceased September 3, 2009; \$100.00 to Raymond E. Stachnik, executor
- 7601 WILLIAM C. TRACY, retired, deceased January 4, 2010; \$389.58 to Margaret M. Tracy, widow
- 4448 ANNE YOURG, widow, deceased January 3, 2010; \$96.77 to Anne Kristufek-Berglund, executor

The foregoing pro rata payments on account of the death of annuitants, pensioners and beneficiaries on motion of Martin, second by Carlson, were granted under the provisions of the Code in the amounts and under the terms set forth. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
Nays: None*

G. BENEFIT RECALCULATIONS: (NONE)

H. PAYMENTS PURSUANT TO COURT ORDER: (NONE)

i. REQUESTS FOR PERMISSION:

i. GUARDIANSHIP:

7960 MARGUERITE F. BEDNAREK BY KAREN BEDNAREK-KIT, daughter. Widow's Annuity since October 7, 2009. Power of Attorney and Doctor's Letter on file.

The Secretary presented request for permission to receive, receipt for, endorse and cash monthly annuity payments on behalf of the foregoing annuitants, as they are no longer able to do so personally. Physician's statements confirming disability, Letters of Guardianship or Powers of Attorney accompanied the requests. On motion of Martin to grant guardianship, second by Fabrizio, and by unanimous vote, guardianship and conservatorship proceedings were waived under provisions of Illinois Compiled Statutes, 40 ILCS 5/6-213. The Secretary was directed to forward the monthly annuity checks to the guardian-in-fact until further action of the Board. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

ii. RESIDE OUT OF STATE:

10955 DONATO BINETTI, Occupational Disease Disability since October 1, 2008

On motion of Martin, second by Neely to approve the foregoing request to reside out of state. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

J. GIFT FUND: (INFORMATION ONLY)

(See Gift Fund Addendum)

K. REMOVALS: *The following changes in the rolls of annuitants and beneficiaries since the last regular meeting were directed to be recorded:*

Ralph F. Angileri	Annuity	Died January 24, 2010
Richard A. Cooper	Annuity	Died February 02, 2010
John E. Emery	Annuity	Died January 27, 2010
Gerald L. Fraley	Annuity	Died January 27, 2010
Joseph A. Geraci	Annuity	Died January 23, 2010
Robert S. Lewandowski	Annuity	Died February 03, 2010
Michael P. Mahoney	Annuity	Died January 13, 2010
Andrew E. Scott	Annuity	Died January 05, 2010
Joan T. Borchek	Widow's Annuity	Died January 23, 2010
Patricia M. Darling	Widow's Annuity	Died January 28, 2010
Doris V. Faust	Widow's Annuity	Died December 25, 2009
Loretta Lamberger	Widow's Annuity	Died January 28, 2010
Eleanor Lyons	Widow's Annuity	Died December 29, 2009
Margaret Maciaszkiewicz	Widow's Annuity	Died December 27, 2009
Laura Maholy	Widow's Annuity	Died January 28, 2010
Sean Milton	Child's Disability Benefit	Age 18 on February 03, 2010
Alex J. Gray	Child's Annuity	Age 18 on February 28, 2010

On motion of Martin, seconded by del Valle, the foregoing removals were accepted. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

I. EXPENDITURES:

- i. INVOICES PAID - BUDGETED OPERATING EXPENSES REQUIRING IMMEDIATE PAYMENT: (INFORMATION ONLY)
- ii. INVOICES PRESENTED FOR PAYMENT - BUDGETED OPERATING EXPENSES: (INFORMATION ONLY)
- iii. SECRETARY'S MOTION FOR PREPAYMENT OF MONTHLY OPERATING EXPENSES:

It is hereby moved that the following monthly expenditures for the next succeeding month for which invoices have not been received as of this date and the exact amounts not yet determined, that are due and payable prior to the next month's Board meeting be and the same are hereby authorized and approved to be paid upon receipt of the respective invoices which such expenses by creditor are hereinafter set forth as follows:

Rent
Electric
Telephone
Postage for Benefit Checks
Petty Cash - \$700
Brinks

On motion of Martin, seconded by Carlson, to pay the bills. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

EXPENDITURES:

iv. REQUEST FOR EXPENDITURES: (NONE)

v. PHONE POLL:

On motion of Martin, second by Carlson to pay the \$6,000.00 death benefit to Jeanette Roark, widow of Richard Roark, deceased December 3, 2009. The vote was:

Yeas: Martin, Carlson, Fabrizio, Lux, Shanahan, del Valle, Neely, Jackson

Nays: None

On motion of Martin, second by Lux to spread the foregoing phone poll upon the record. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

M. EXECUTIVE DIRECTOR'S REPORT:

i. MONTHLY REPORT:

ii. 2010 EXPENDITURES TO DATE:
(INFORMATION ONLY)

6. HEARINGS:

A. OCCUPATIONAL DISEASE DISABILITY: (NONE)

B. DUTY DISABILITY APPLICATIONS:

The Secretary presented the application for duty disability benefits made to and sworn by:

13463 REED T. REILLY, Firefighter, Truck 45

Born; 08/15/1961

Ent. CFD: 08/03/1987

Witnesses: Lt. Steve Knott, Truck 45
FF William Schoenecker, Engine 92
FF Steven Ruebe, Truck 24
FF Michael Duddleston, Truck 27

HEARINGS:DUTY DISABILITY APPLICATIONS:

13463 REED T. REILLY, Firefighter, Truck 45

The application was witnessed in the office of the Fund, and is accompanied by staff accountant's letter as to amounts and all necessary records. Applicant had been examined in the office of the Fund by the Board's physician. After reviewing the relevant records, a hearing having been held and after due deliberation, on motion of Fabrizio, seconded by Martin to grant duty disability benefits.

*By roll call vote, **duty disability benefits were granted**, pursuant to Illinois Compiled Statutes, 40 ILCS 5/640 ILCS 5/6-151 and the express findings of the Board, in the amount of **\$4,936.00 a month and \$30.00 a month for minor child, Jason, beginning January 15, 2010**, the day of removal from the Fire Department payroll and no longer receiving salary. The vote was:*

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

On motion of Martin, second by Lux to schedule a reexamination of Mr. Reilly's disability status consistent with Fund Policy. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

The Secretary presented the application for duty disability benefits made to and sworn by:

12772 GARY K. GILMORE, Firefighter, Engine 50

Born: 12/15/1952
Ent. CFD: 02/16/1985

Witnesses: DFC Robert Hoff. 1st Deputy HQ Office

The application was witnessed in the office of the Fund, and is accompanied by staff accountant's letter as to amounts and all necessary records. Applicant had been examined in the office of the Fund by the Board's physician. After reviewing the relevant records, a hearing having been held and after due deliberation, on motion of Fabrizio, seconded by Neely to grant duty disability benefits.

*By roll call vote, **duty disability benefits were granted**, pursuant to Illinois Compiled Statutes, 40 ILCS 5/640 ILCS 5/6-151 and the express findings of the Board, in the amount of **\$4,936.00 a month beginning January 14, 2010**, the day of removal from the Fire Department payroll and no longer receiving salary. The vote was:*

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

HEARINGS:

DUTY DISABILITY APPLICATIONS:

On motion of Lux, second by Carlson to schedule a reexamination of Mr. Gilmore's disability status consistent with Fund Policy. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
Nays: None
Absent: Jackson*

On motion of Lux, second by Neely to go into executive session as allowed under 5 ILCS 120/2 (c) 11 to discuss potential or imminent litigation. The vote was:

*Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
Nays: None*

C. ORDINARY DISABILITY APPLICATIONS:

The Secretary presented the application for ordinary disability benefits made to and sworn by:

16159 JUAN A. GONZALEZ, EMT Firefighter, Engine 125

Born: 06/24/1967 \$2,525.33 a month beginning January 19, 2010
Ent. CFD: 10/16/2001

and witnessed in the office of the Fund, accompanied by staff accountant's letter as to amounts and all necessary records. Applicant had been examined in the office of the Fund by the Board's physician. After reviewing the relevant records, a hearing having been held and after due deliberation, on motion of Fabrizio, seconded by Neely, to grant ordinary disability benefits.

*By roll call vote, **ordinary disability benefits were not granted** pursuant to Illinois Compiled Statutes, 40 ILCS 5/6-152 and the express findings of the Board. The vote was:*

*Yeas: None
Nays: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan
Absent: Jackson*

DUTY DISABILITY APPLICATIONS:

The Secretary presented the application for duty disability benefits made to and sworn by:

15538 JOHN P. MADDEN, Paramedic, Ambulance 19

Born: 01/10/1956
Ent. CFD: 09/16/1998

Witnesses: PIC Leroy Phillips, Ambulance 4

Attorney: Thomas Duda

HEARINGS:DUTY DISABILITY APPLICATIONS:

15538 JOHN P. MADDEN, Paramedic, Ambulance 19

The application was witnessed in the office of the Fund, and is accompanied by staff accountant's letter as to amounts and all necessary records. Applicant had been examined in the office of the Fund by the Board's physician. After reviewing the relevant records, a hearing having been held and after due deliberation, on motion of Martin, seconded by Neely to grant duty disability benefits.

*By roll call vote, **duty disability benefits were granted**, pursuant to Illinois Compiled Statutes, 40 ILCS 5/640 ILCS 5/6-151 and the express findings of the Board, in the amount of **\$4,588.00 a month and \$30.00 a month for minor child, Kaitlyn beginning December 21, 2009**, the day of removal from the Fire Department payroll and no longer receiving salary. The vote was:*

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

On motion of Martin, second by Neely to schedule a reexamination of Mr. Madden's disability status consistent with Fund Policy. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

The Secretary presented the application for duty disability benefits made to and sworn by:

11614 STEVEN R. MAXWELL, EMT Fire Engineer, Engine 62

Born: 09/24/1956

Ent. CFD: 02/19/1980

Witnesses: Capt. Daniel P. Ferguson, Engine 62
FF/PM John A. Pickert, Engine 62
FF John J. McArdle, Engine 62

The application was witnessed in the office of the Fund, and is accompanied by staff accountant's letter as to amounts and all necessary records. Applicant had been examined in the office of the Fund by the Board's physician. After reviewing the relevant records, a hearing having been held and after due deliberation, on motion of Martin, seconded by Fabrizio to grant duty disability benefits.

*By roll call vote, **duty disability benefits were granted**, pursuant to Illinois Compiled Statutes, 40 ILCS 5/640 ILCS 5/6-151 and the express findings of the Board, in the amount of **\$5,668.75 a month and \$30.00 a month each for minor children Kevin and Mallory beginning December 12, 2009**, the day of removal from the Fire Department payroll and no longer receiving salary. The vote was:*

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

HEARINGS:

DUTY DISABILITY APPLICATIONS:

On motion of Martin, second by Neely to schedule a reexamination of Mr. Maxwell's disability status consistent with Fund Policy. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

The Secretary presented the application for duty disability benefits made to and sworn by:

12794 KEVIN M. MCGINLEY, Firefighter, Truck 35

Born: 04/20/1959 \$4,936.00 a month beginning December 14, 2009
Ent. CFD: 02/16/1985 \$30.00 a month each for minor children Bridgette and Daniel

Witnesses: Lt. Robert F. Dubberke, Truck 35
FF/EMT Eileen M. Kammier, Engine

No testimony was heard in the foregoing matter.

On motion of Lux, second by Neely to go into executive session as allowed under 5 ILCS 120/2 (c) 11 to discuss potential or imminent litigation. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Out of executive session the following motion was made.

On motion of Martin, second by Carlson to defer the duty disability hearing of Kevin McGinley to the March 17, 2010 meeting and to schedule an Independent Medical Evaluation for Mr. McGinley. The vote was:

Yeas: Carlson, del Valle, Fabrizio, Lux, Martin, Neely, Shanahan

Nays: None

Absent: Jackson

Trustee Fabrizio left the meeting.

3. LEGAL STATUS:

On motion of Martin, second by Lux to spread the Legal Status report upon the record. The vote was:

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

4. COMMITTEE REPORT/S:B. LEGAL COMMITTEE – LUX/MARTIN:*LEGAL COMMITTEE MINUTES
FEBRUARY 16, 2010*

The Legal Committee of the Firemen's Annuity and Benefit Fund of Chicago held its monthly meeting in the office of the Fund on Tuesday, February 16, 2010. Present at the meeting were Committee Chair Steve Lux, Co-Chair Anthony Martin and Trustees Walter Carlson, Stephanie Neely, Dan Fabrizio, and Michael Shanahan. Also present were Fund Attorney Mary Pat Burns, Assistant City Comptroller Joe Conte, Deputy Treasurer Mark Mitrovich, Assistant to the City Clerk Patrick O'Malley and Fund Staff Ken Kaczmarz, Janet Pelech, Michael Moran, Jaclyn McAllister, Kristy Maufas and Lori Lund.

Fund Attorney Mary Pat Burns reviewed the Legal Status Report.

A revised copy of the Fund's Ethic's Policy was distributed to the Committee.

On motion of Martin, second by Carlson to recommend adopting the revised Ethics Policy to the full Board at their meeting to be held Wednesday, February 17, 2010. The vote was:

Yeas: Martin, Carlson, Lux, Neely, Fabrizio, Shanahan

Nays: None

The Committee discussed the treatment of Military reserve time under the new law (SB 1705) and the possible pensionability of military reserve time prior to entry into the Chicago Fire Department.

On motion of Martin, second by Carlson to draft a policy consistent with the applicable law regarding the treatment of military reserve time. The vote was:

Yeas: Martin, Carlson, Lux, Neely, Fabrizio, Shanahan

Nays: None

Executive Director Kaczmarz reported to the Committee that of the eight outstanding Jurat letter responses the Fund has now been in contact with five of the eight annuitants. The remaining three annuitants continue to have their benefits suspended pending their contacting the Fund.

Ms. Burns reviewed a felony conviction issue brought to the Fund's attention by the Corporation Counsel. Because the member involved has requested a refund of contributions the felony conviction has no effect on his application.

The Committee reviewed a pending annuity application issue involving 6-217 and a member with conflicting birth dates. Pursuant to counsel's advice the Committee requested that the application for retirement annuity be pulled from the February docket to allow for further research of the matter.

The Committee reviewed additional matters not on the agenda, as set forth below:

The Committee reviewed a benefit inquiry from a member who has a prior felony conviction. Any application for benefits would be reviewed in accordance with the Fund's Felony Conviction policy.

COMMITTEE REPORT/S:LEGAL COMMITTEE:

The Committee reviewed a pending application for Handicapped Child's Annuity Benefits, specifically the issue of income received from prior employment by the handicapped individual. The Committee requested that this application be deferred from the February docket to allow for additional research into the income issue.

The Committee reviewed a selection of minutes of prior closed sessions held during Committee and regular meetings of the Board. The Committee will consider a motion to approve the closed session minutes and make a determination which sessions will be opened and available on the Fund's Website.

There being no further business to discuss, the meeting of the Legal Committee was adjourned.

[End February 16, 2010 Legal Committee Meeting]

On motion of Martin, second by Carlson to spread the Legal Committee report upon the record. The vote was:

*Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan
Nays: None*

On motion of Martin, second by Carlson that given the nightmares relayed by injured participants of the Fund to the Board and given its' tremendous adverse economic impact to the Fund, that we direct our attorneys to investigate whether a viable cause of action can be brought against Coventry on behalf of the Fund and it's participants, based on Coventry's practices and procedures in connection with the handling of medical procedures for and on behalf of such participants.

On the question, the decision was made to defer the ruling on the foregoing motion until the March Board meeting.

On motion of Martin, second by Carlson that based on the recommendation of Fund counsel, that the closed session minutes of the Board on January 20, 2010, December 16, 2009, other than the minutes dealing with the interpretation of Section 6-210, November 18, 2009, and September 16, 2009 and the Investment Committee Minutes of November 16, 2009 and September 14, 2009 be approved as presented and that said minutes be made open to the public. The vote was:

*Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan
Nays: None*

MINUTES OF CLOSED SESSIONS:*MINUTES OF CLOSED SESSION
September 14, 2009
Investment Committee 9:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Carlson, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act, to discuss matters pertaining to Investment Contracts and potential or imminent litigation, pursuant to 5 ILCS 120/2 (c) (7) & (11) of the Act, to discuss Investment and or contractual matters.

Present at the meeting were the following: President Derrick Jackson, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Steven Lux, Dan Fabrizio, Wally Carlson, and Mike Shanahan. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Investment Consultants Doug Kryscio, Jason Palmer and Andrew Schafer, Executive Director Kenneth Kaczmarz, Chief Investment Officer Michael Moran and Fund Comptroller Jackie McAllister

At issue for the Investment Committee was the issuance of a report containing information on Minority rather than Emerging Investment managers utilized by the Fund. Chief Investment Officer Moran advised the Committee of the definition to be followed by the Fund, the correct percentages reflecting that definition and that a communication correcting the information had been sent.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



*Anthony R. Martin
Fund Secretary*

*MINUTES OF CLOSED SESSION
September 16, 2009
Regular Board Meeting #945 8:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act to discuss potential or imminent litigation pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a member's Duty Disability application.

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Stephanie Neely, Miguel del Valle, Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

MINUTES OF CLOSED SESSIONS:

Trustees discussed the circumstances surrounding the member's application for disability, the legal notice provided to him and the continuation of the proceedings in the matter.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

*MINUTES OF CLOSED SESSION
November 16, 2009
Investment Committee 9:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Carlson, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act, to discuss matters pertaining to Investment Contracts and potential or imminent litigation, pursuant to 5 ILCS 120/2 (c) (7) & (11) of the Act, in regards to Investment and or contractual matters.

Present at the meeting were the following: President Derrick Jackson, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, and Mike Shanahan. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Investment Consultants Doug Kryscio, Jason Palmer and Andrew Schafer, Executive Director Kenneth Kaczmarz, Chief Investment Officer Michael Moran and Fund Comptroller Jackie McAllister

At issue for the Investment Committee was the adoption of Targeted Asset Allocation Goals as required by the language of PA-96-006. Mr. Moran advised the committee of the Existing allocations and the ramifications to the Investment structure as targets are changed.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

MINUTES OF CLOSED SESSIONS:

MINUTES OF CLOSED SESSION
November 18, 2009
Regular Board Meeting #947 8:00 a.m.

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act to discuss potential or imminent litigation, pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a member's Duty Disability application.

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

Trustees discussed the circumstances surrounding a member's application for disability, her behavior after her interview with Fund physician Dr. Motto and if this information has any relevance to these proceedings.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

MINUTES OF CLOSED SESSION
December 16, 2009
Regular Board Meeting #948 8:00 a.m.

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act to discuss potential or imminent litigation pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a member's Duty Disability application.

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

Trustees discussed the circumstances surrounding the member's application for disability, her behavior after her interview with Fund physician Dr. Motto and if this information has any relevance to these proceedings.

MINUTES OF CLOSED SESSIONS:

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

*MINUTES OF CLOSED SESSION
December 16, 2009
Regular Board Meeting #948 8:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act to discuss potential or imminent litigation pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to the a member's Duty Disability application.

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

Fund attorney Vince Pinelli advised the Board of potential difficulties with the member's Duty Disability application after all evidence had been heard.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

*MINUTES OF CLOSED SESSION
December 16, 2009
Regular Board Meeting #948 8:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act, to discuss potential or imminent litigation pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a member's Duty Disability application.

MINUTES OF CLOSED SESSIONS:

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

Trustees discussed the circumstances surrounding a member's application for Duty Disability, the length of time since the incident and a closer relation to and Occupational Disability situation.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

MINUTES OF CLOSED SESSION
December 16, 2009
Regular Board Meeting #948 8:00 a.m.

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act, to discuss potential or imminent litigation, pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a discussion of proposed revision to the Fund's Ethics Policy.

Present at the meeting were the following: President Derrick Jackson, Vice-President Dan Fabrizio, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, Mike Shanahan and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas.

Fund attorney Mary Pat Burns advised the Board of her thoughts in relation to pending revisions of the Board's Ethics Policy Statement. The statement must be adopted and posted on the Fund's Website. Ms. Burns noted that she is reviewing the propriety of including language pertaining to Election matters within the Fund's Ethics Policy. She will prepare a revised Ethic Policy for Board review and adoption, in the near future.

MINUTES OF CLOSED SESSIONS:

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

*MINUTES OF CLOSED SESSION
January 20, 2010
Regular Board Meeting # 949 8:00 a.m.*

Upon a motion by Trustee Martin and seconded by Trustee Neely, and a unanimous roll call vote of all Board members present, the Retirement Board went into closed session under the Open Meetings Act to discuss potential or imminent litigation pursuant to 5 ILCS 120/2 (c) (11) of the Act, in regards to a member's application for Duty Disability Benefits.

Present at the meeting were the following: President Derrick Jackson, Vice-President Michael Shanahan, Secretary Anthony Martin, Treasurer Stephanie Neely, Trustees Wally Carlson, Dan Fabrizio and Steve Lux. Also present were Fund Attorneys, Mary Patricia Burns and Vincent Pinelli; Assistant City Comptroller, Joe Conte; Deputy Treasurer, Mark Mitrovich, Assistant to the City Clerk, Patrick O'Malley, Executive Director Kenneth Kaczmarz, Deputy Director of Benefits Janet Pelech, Administrative Coordinator Lori Lund, and Assistant Administrative Coordinator Kristy Maufas. Chief Investment Officer Michael Moran and Comptroller Jaclyn McAllister.

At issue was the member's status post surgery, Dr. Motto's recommendation of the applicant and difficulties encountered in the reading of the member's IME report.

No formal action of the Retirement Board was taken during the session. On motion by Martin, duly seconded, the Trustees moved to end the closed session and the meeting was returned to open session.



Anthony R. Martin
Fund Secretary

[End Closed Session Minutes]

On motion of Martin, second by Lux that based on the recommendation of Fund counsel, that the closed session minutes of the Legal Committee held on January 19, 2010, of the Board on December 16, 2009 dealing with the interpretation of Section 6-210, and the Investment and Office Organization Committees of December 14, 2009, be approved as presented and that said minutes remain closed as they involve discussion of potential litigation and possible investment related contracts. The vote was:

*Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan
Nays: None*

On motion of Carlson, second by Neely that we select Fund Secretary Anthony Martin, to represent the Fund in the State Treasurer's working group for investment standards and that the Fund's CIO, Michael Moran act as a backup for Secretary Martin. The vote was:

*Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan
Nays: None*

C. LEGISLATIVE COMMITTEE – CARLSON/FABRIZIO:

LEGISLATIVE COMMITTEE MINUTES FEBRUARY 16, 2010

The Legislative Committee of the Firemen's Annuity and Benefit Fund of Chicago met in the office of the Fund on Tuesday, February 16, 2010. Present at the meeting were Committee Chair, Walter Carlson and Trustees Stephanie Neely, Anthony Martin, Steve Lux, Dan Fabrizio, and Michael Shanahan. Also present were the Fund's Attorney, Mary Pat Burns and City Comptroller Joe Conte, Deputy Treasurer Mark Mitrovich, Assistant to the City Clerk Patrick O'Malley and Fund Staff Ken Kaczmarz, Lori Lund, Janet Pelech, Kristy Maufas, Michael Moran and Jaclyn McAllister.

The Fund's Legislative liaison, Mr. John McCabe reported via e-mail that the proposed amendments to HB 2525 were not well received and that he would continue his efforts. According to MR. McCabe, a lot of effort went into passing the PA 96-006 and anyone trying to adjust the language of that legislation would be opening themselves up to criticism.

The Fund's language for Reversionary Annuity has not yet been entered. Mr. McCabe reports that Senator Raoul was considering sponsoring the matter.

Trustee Fabrizio reported that no action has been taken on any of the Local 2 proposed amendments.

- *A proposed increase of \$50 annually for the next 4 years for the minimum widows at the current minimum of \$1,000*
- *A proposed increase of \$50 annually for the next 4 years for retirees with at least 20 years at the current minimum annuity of \$1050*
- *To grant the automatic Annual increase of 3% simple to those firefighters born before 1960.*
- *To grant the automatic Annual increase of 3% simple to all firefighters without any birthdates restriction.*

COMMITTEE REPORT/S:LEGISLATIVE COMMITTEE:

Mr. Fabrizio noted that it was election year for many Statewide offices. Movement on a lot of bills would be curtailed perhaps to the Veto session.

Being no further business, the committee adjourned.

[End February 16, 2010 Legislative Committee Meeting]

On motion of Martin, second by Carlson to direct the Fund's Executive Director to request that John McCabe appear before the Board at the next meeting. The vote was:

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

On Motion of Martin, second by Carlson to spread the Legislative Committee report upon the record. The vote was:

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

A. INVESTMENT COMMITTEE – FABRIZIO/SHANAHAN:

*INVESTMENT COMMITTEE MINUTES
February 16, 2010*

The Investment Committee of the Firemen's Annuity and Benefit Fund of Chicago held its monthly meeting on February 16, 2010. Present at the meeting were Investment Co-Chairmen Dan Fabrizio and Mike Shanahan and Trustees Anthony Martin, Walter Carlson, Steve Lux and Stephanie Neely. Also present were Assistant to the City Clerk Patrick O'Malley, Assistant City Comptroller Joe Conte, Deputy City Treasurer Mark Mitrovich, Investment Consultants Jason Palmer and Andrew Shafer, Fund Attorney Mary Pat Burns and Fund staff Mike Moran, Ken Kaczmarz and Jaclyn McAllister.

Mercer 4th Quarter 2009 Review

Investment consultant Mercer provided a recap of Fund and market performance during the fourth quarter of 2009. The Fund's returns rank in the top decile for the fourth quarter and top quartile for the year. The Fund's relative performance versus its reference index nearly met or exceeded the index for all time periods measured. Although longer period returns continue to lag most of the Fund's peer group, it was noted that the Fund finished in the top quartile for four of the last five years.

Additional items of note included discussions of specific fund manager over and under performance, fund manager correlations, fund manager downside volatility and fund manager compliance with investment guidelines.

COMMITTEE REPORT/S:INVESTMENT COMMITTEE:*Investment Manager Review*

An analysis of Fund managers Marvin & Palmer and Globeflex International SMID by Mercer was provided to the Committee. After a review and discussion of the materials provided, the Committee decided to ask both managers to appear before the Committee at its March meeting.

Equity Portfolio Analysis

As discussed at the January 2010 Committee meeting, Mercer provided the Committee with an updated detailed portfolio analysis of fund managers Logan, Evergreen, Keeley and Neuberger Berman. Findings from the analysis confirm that the Fund is slightly overweight midcap stocks and underweight large cap stocks and that the Fund's domestic equity portfolio has a growth bias.

Mercer will continue to monitor the holdings of these managers and provide the Committee with an updated analysis as needed.

Northern Trust Performance Flash at January 31, 2010

The Committee examined the monthly performance report as of January 31, 2010. For the month, the Fund fell 2.4% while the S&P 500 declined 3.6%. Total Fund performance for the three and five year time periods continued to significantly exceed all equity benchmarks.

Statement of Asset Allocation at February 10, 2010

The Committee reviewed the Statement of Fund Asset Allocation, currently valued at approximately \$909 million. The Fund continues to be overweight in its large cap domestic equities and fixed income allocations. The Committee was informed that overweight portfolio positions will be used to fund upcoming portfolio rebalancings, pay benefit and expense payments and increase the Fund's liquidity capabilities.

Statement of Cash Needs

The Committee considered its cash requirements for February 28, 2010. In order to meet February benefit payments and expenditures, a motion was made by Trustee Neely, seconded by Trustee Lux, to draw \$6.7 million from the Fund Office account. The vote was:

Ayes: Martin, Carlson, Lux, Neely, Fabrizio, Shanahan

Nays: None

Target Brokers Report

The Target Brokerage report was reviewed by the Committee. For the month of January, the Fund paid a total of \$19 thousand (30.3%) in commissions to ten MFDBE broker-dealers during the year. Special note was made of the recently announced closing of MFDBE brokerage firm Magna Capital.

A continuation of the discussion regarding the payment of soft dollar commissions ensued. The Fund's investment consultant is still conducting a survey of Illinois state pension funds regarding their current soft dollar brokerage policy and will report its findings back to the Committee.

Capital Calls

The Committee was informed that approximately \$1.1 million of net capital calls were paid since the January Committee meeting.

COMMITTEE REPORT/S:INVESTMENT COMMITTEE:*Illiquid Investments Review*

A report prepared by Fund staff and Mercer, outlining the significant features of the Fund's illiquid investments was provided to the Committee. Discussions regarding the terms of the illiquid investment agreements, management fees, capital calls, distributions, investment strategies and portfolio holding overlaps ensued. The analysis also provided a framework to be used when evaluating new illiquid investments later in 2010.

Manager Updates

The Committee was informed that:

Mercer Investment Consulting raised its rating to A on the Boston Company Dynamic Large Cap Value strategy;

Apollo Global Management and Macquarie Group have been identified as finalist in the bidding to acquire Citi Property Investors, the Fund's global real estate fund of funds manager;

Muller and Monroe, one of the Fund's private equity fund of funds managers is losing a principal in its Investment Section;

Chicago Public School Teachers' Pension Fund filed a class action suit against the Northern Trust regarding their Core USA and STEP securities lending program. The Firemen's Pension Fund was not an investor in Northern's Core USA or STEP programs;

William Blair sent formal notice that the Fund's fees for its international growth mandate will be reduced 12% effective January 1, 2010. Savings to the Fund are estimated to be at least \$36 thousand for 2010.

Investment Legislation

The Committee was given a copy of HB 5059, legislation proposing restrictions on Fund derivative investments and an analysis provided by the Fund's CIO, highlighting the detrimental impact that such legislation would have on the financial well being of the Fund.

A brief discussion regarding the Fund's reporting requirement to Alderman Burke about the Fund's terror free investment policy ensued.

Statement of Investment Policy

A motion was made by Trustee Martin, seconded by Trustee Carlson to adopt the revised Investment Policy dated February 2010. The vote was:

Ayes: Martin, Carlson, Lux, Neely, Fabrizio, Shanahan

Nays: None

COMMITTEE REPORT/S:INVESTMENT COMMITTEE:*Investment Consultant RFP*

The Committee was informed that the Fund received three responses to its Investment Consultant RFP. The Committee requested that the three respondents, Becker, Burke Associates, Mercer Investment Consultants and NEPC be scheduled to appear before the Committee at its next meeting in March.

<i>Fund Assets</i>		
<i>As of FEBRUARY 10, 2010</i>		
<u>Asset Class</u>	<u>Dollars</u>	<u>Percent</u>
<i>Large Cap Equity</i>	<i>\$319,658,889</i>	<i>35.1%</i>
<i>Small to Mid Cap Equity</i>	<i>\$150,735,979</i>	<i>16.6%</i>
<i>Intl & Emerging Equity</i>	<i>\$165,822,227</i>	<i>18.2%</i>
<i>Core Bonds</i>	<i>\$51,932,694</i>	<i>5.7%</i>
<i>Core Plus Bonds</i>	<i>\$74,661,398</i>	<i>8.2%</i>
<i>Opportunistic Bonds</i>	<i>\$84,909,090</i>	<i>9.3%</i>
<i>Commodities</i>	<i>\$20,662,686</i>	<i>2.3%</i>
<i>Hedge Funds</i>	<i>\$0</i>	<i>0.0%</i>
<i>Private Equity</i>	<i>\$17,053,017</i>	<i>2.0%</i>
<i>Real Estate</i>	<i>\$11,531,082</i>	<i>1.3%</i>
<i>Cash Equivalents</i>	<i>\$12,259,914</i>	<i>1.3%</i>
<i>TOTAL FUND</i>	<i>\$909,226,976</i>	<i>100.0%</i>

There being no further business, the Investment Committee adjourned.

[End February 16, 2010 Investment Committee Meeting]

On motion of Martin, second by Neely to spread the Investment Committee report upon the record and adopt the recommendations therein. The vote was:

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

5. BOARD PHYSICIAN REVIEWS OF DISABILITY RECIPIENTS:

(See Re-Examination Addendum)

On motion of Martin, second by Neely to accept the Fund Physician's recommendations for reexamination scheduling. The vote was:

Yeas: Carlson, del Valle, Lux, Martin, Neely, Shanahan

Nays: None

There being no other business to discuss, the meeting was adjourned.

