

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES  
FRANKLIN PARK POLICE PENSION FUND  
JANUARY 18, 2011**

*As amended during the 04/19/2011 meeting.*

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, January 18, 2011 at 5:00pm at the Village of Franklin Park, 9500 W. Belmont Avenue, in the **small Court Room**, pursuant to notice, a copy of which is attached to their minutes.

**CALL TO ORDER BY PRESIDING OFFICER**

President Steve Witnik called the meeting to order at 5:08 PM.

**ROLL CALL**

Upon roll call the following answered:

Present: President Steve Witnik, Vice President Rich Viken, Secretary Justin Camp, Trustee Jim Winje

Absent: Trustee Aaron Jimenez

Also Present: Dan Antioho of LPL Financial, James Ritchie and Becky Davis of Lauterbach & Amen

**PUBLIC COMMENT**

Davis reviewed with the Board the L&A memo as presented in the board meeting packet. The following topics were discussed: 1099R and 1099 MISC, IRS standard mileage rate, weekly vendor check program and new pensioner packet.

**APPROVAL OF PRIOR MEETING MINUTES** – October 12, 2010

**A motion by Winje to approve the October 12, 2010 minutes as presented, second by Viken. Motion unanimously carried.**

**ACCOUNTANT'S REPORT**

Ritchie discussed with the Board that the 2009 Village audit is wrapping up and should be completed by the end of the month; will go straight into the 2010 audit. Ritchie distributed a draft of FYE 04/30/2010 audit and reviewed it with the Board; stating he does not expect any changes; 2009 funded ratio of 42.22%.

- a. **Monthly Financial Report** – Ritchie reviewed with the Board the November 30, 2010 monthly financial report as presented in the board meeting packet. As of November 30, 2010 net loss of \$397,562.48 with an end of period total asset amount of \$18,607,257.93. Ritchie further discussed whether or not the Board would be seeking an independent actuarial report (last one done was in 2004); the Board considered receiving a quote from L&A for actuarial valuation.

Ritchie was excused and left the meeting at approximately 5:30 PM

- b. **Active Pension File Maintenance**: Davis reported to the Board that the file maintenance update is currently in progress – **TABLED for further updates until next meeting.**
- c. **IDOI Certification Form**: The Board discussed that the IDOI Certification of the DOI annual statement has been completed and reviewed by the Board.

- d. 2011 COLA increases: The Board discussed and reviewed the 2011 COLA increases as presented in the board meeting packet. **A motion by Camp to approve the 2011 COLA increases to pensioners as presented by L&A and provided for by statute, second by Viken. Roll Call Vote: Witnik – aye, Viken – aye, Winje – aye, Camp – aye. Motion unanimously carried.**

### **PRESENTATION AND APPROVAL OF DISBURSEMENTS – 4<sup>th</sup> Quarter**

The Board reviewed the Disbursements Summary as presented in the board meeting packet. **A motion by Camp to approve the October, November and December 2010 Disbursements Summary for a 4<sup>th</sup> quarter total amount of \$104,599.80, as presented, second by Viken. Roll call vote: Winje – aye Viken – aye, Camp – aye, Witnik – aye. Motion unanimously carried.**

### **OLD BUSINESS**

- a. IDOI Audit follow up: The Board discussed and reviewed the DOI follow up for Margaret (Albert) Warfield salary of \$27,762.96 as per the 1996 Examination; Finding #9 on the IDOI Benefit Calculator Report; verification of retro benefit in the amount of \$463.72 effective with October 2010 payroll. The Board discussed and reviewed the DOI follow up for Ronald Koldon salary of \$52,461.20 benefit overpaid. **A motion by Viken to approve the L&A calculations for Warfield and Koldon, unfreezing Koldon and beginning regular payment benefits effective September 2011, second by Winje. Roll call vote: Winje – aye Viken – aye, Camp – aye, Witnik – aye. Motion unanimously carried.**
- b. Trustee Training Summary: The Board discussed and reviewed the Trustee Training summary as presented in the board meeting packet. The Board discussed that Camp completed the Certified Trustee Program (CTP) in 2010, January, February, March and April; and Jimenez will be attending the CTP #27 in 2011, January, February, March and April.
- c. 2011 training opportunities: The Board discussed and reviewed the training opportunities through the IPPFA as presented in the board meeting packet.

### **NEW BUSINESS**

- a. Review professional contracts: The Board discussed the professional contracts already in place for IDOI reporting – L&A, Audit – Zabinski, Actuary – considering a quote from L&A; Village considering splitting the cost of an independent actuary.
- b. Review Investment Consultant contract: The Board discussed and signed a one year contract with LPL Financial; no RFP required at this time.
- c. Election procedures: The Board discussed active board member, Justin Camp's, term expiring May 2011. Trustee Camp is interested in running again; elections will be run by the Board and L&A will assist when needed.
- d. Appointed member: The Board discussed and will also request Mayoral (re-) appointment – Trustee Jim Winje's term expiring May 2011.

### **INVESTMENT REPORT**

- Portfolio Update: Antioho distributed and reviewed the 2010 Year End Review, a copy of which is filed with the minutes. As of 12/31/2010 the total return of all Fixed Income, Equity and Variable Annuity Assets was up 4.30% net of fees for the 4<sup>th</sup> quarter; with an ending balance of \$18,935,417.27; YTD up 8.95%. Antioho made his recommendations and discussed new legislation regarding Corporate Bonds; more research for the next meeting regarding Fixed Income and GNMA's; Investment Committee meeting scheduled for March 8<sup>th</sup>.

**A motion by Winje to authorize Investment Advisor Antioho to purchase a 2 month CD in the amount of \$240,000 with 1<sup>st</sup> National Bank of Davis, OK or comparable; \$80,000 each to St. Bank of India CD's – 6, 9 and 12 month for a total of \$240,000; \$100,000 to First Federal Savings 2.5 Step up CD; \$50,000 to Harris 1.25 Step coupon; \$50,000 to Harris 2.5 Step coupon; \$50,000 to GNR 11-13 WD GNMA and \$50,000 to GNR11-5JD GNMA for a total distribution of \$780,000, second by Viken. Roll call vote: Winje – aye Viken – aye, Camp – aye, Witnik – aye. Motion unanimously carried.**

- Review Investment Policy: The Board was presented with the current Investment Policy Statement (IPS) in the board meeting packet, but agreed to review and discuss the IPS at the next meeting. – **TABLED until the next meeting.**

**ATTORNEY'S REPORT** – none present; the Board discussed the information available regarding the new pension legislation; military buy back – applications received by T. Klos (will not pursue) and B.Gillespie. Board discussion regarding follow up and parameters of buy back. **A motion by Viken to authorize and approve Brian Gillespie's military buy back application and calculations by L&A to purchase 2 years military service time, allowing up to 5 years for a payroll deduction payments to the pension fund, including interest, second by Camp. Roll call vote: Winje – aye Viken – aye, Camp – aye, Witnik – aye. Motion unanimously carried.**

**CONSIDERATION OF/ACTION UPON APPLICANTS FOR ADMISSIONS TO AND/OR APPLICATIONS FOR PENSION OR WITHDRAWAL FROM MEMBERS OF FUND**

- a. Dede Hearing: The Board agreed to hold the hearing separately beginning at 7:30 PM.; court reporter present will reconvene and conclude the meeting.

**EXECUTIVE SESSION** – none needed at this time

**ADJOURNMENT**

**A motion by Viken to adjourn the meeting at 7:08pm, second by Winje. Motion unanimously carried.**

Next Regular Board meeting: April 19, 2011 @ 5:00pm

Respectfully submitted; minutes prepared by PSA, Becky Davis.

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Attest:  
Steve Witnik, President