

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK POLICE PENSION FUND
July 26, 2016**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, July 26, 2016 at 5:00 pm, at the Franklin Park Police Station in the Community Room located at 9451 W. Belmont Avenue, Franklin Park, IL, pursuant to notice, to conduct regular business.

CALL TO ORDER: Trustee Witnik called the meeting to order at 5:00 pm.

ROLL CALL

PRESENT: Trustees Steve Witnik, Richard Viken, Robert Jensen, Jim Winje and Jason Waychoff

ABSENT: None

ALSO PRESENT: Daniel Antioho, Antioho Investment Planning Group, LLC; Treasurer Frank Grieshamer, Village of Franklin Park; James Ritchie and Amanda Secor, Lauterbach & Amen, LLP (L&A); Matt Forman and Frank Haggerty, Vertus Investment Partners

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: *April 26, 2016 Regular Meeting:* The Board reviewed the minutes from the April 26, 2016 regular meeting. A motion was made by Trustee Viken and seconded by Trustee Winje to approve the minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board determined there were no closed session meeting minutes to review.

ACCOUNTANT'S REPORT: *Monthly Financial Report:* James Ritchie presented the Monthly Financial Report prepared by Lauterbach & Amen, LLP to the Board for review. As of June 30, 2016, the plan net assets held in trust for pension benefits is \$23,544,880.68 with a change in position of \$66,245.88 for the two month period ended 06/30/2016. The Board reviewed the cash analysis, revenue and expense reports, member contributions, and the payroll journal. All questions were answered by Mr. Ritchie. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

PRESENTATION AND APPROVAL OF BILLS: *Vendor Checks Report:* The Board reviewed the Vendor Checks Report for the period 04/01/2016 – 06/30/2016 for total disbursements in the amount of \$44,005.33. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the Vendor Checks Report as presented. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

Fiduciary Liability Insurance Renewal: The Board reviewed the Fiduciary Liability Insurance Policy Renewal submitted by Mesirow Financial, effective 08/01/2016 – 08/01/2017. A motion was made by Trustee Winje and seconded by Trustee Viken to approve the Mesirow Financial insurance premium renewal in the amount of \$4,163. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

Additional bills: The Board directed Lauterbach & Amen to register all five Pension Board Trustees for the 2016 IPPFA Fall Conference. A motion was made by Trustee Witnik and seconded by Trustee Viken

to approve payment to IPPFA in the amount of \$1,675 for the registration fee of \$335 per attendee. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

A motion was made by Trustee Witnik and seconded by Trustee Viken to remit payment to Boyd-Watterson for invoice #21181 in the amount of \$987.73, for services rendered during the period of 07/01/2016 – 09/30/2016. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

A motion was made by Trustee Witnik and seconded by Trustee Viken to remit payment to Reimer, Dobrovolny & Karlson, LLC for invoice #44483 in the amount of \$6,249, for services rendered during the period of 06/02/2016 – 06/17/2016. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

APPLICATION FOR RETIREMENT AND DISABILITY BENEFITS: *Gillespie, Brian S. – Retirement:* The Board reviewed the regular retirement calculation for Mr. Gillespie, as calculated by L&A. Mr. Gillespie retired on 07/12/2016 with 23 years of creditable service, and an applicable salary of \$91,129.92. His effective date of pension is 07/13/2016. A motion was made by Trustee Viken and seconded by Trustee Jensen to approve Mr. Gillespie's monthly benefit of \$4,366.64, which is 57.5% of his applicable salary at the time of retirement. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Actuary Valuation and GASB Disclosures:* Mr. Ritchie distributed copies of the preliminary actuarial valuation and reviewed the recommended contribution, actuarial liability and assumptions used to prepare the draft report. Mr. Ritchie also mentioned there is an outstanding balance for the GASB valuations from the previous year. L&A will need the balance to be settled before GASB valuations for this year can be completed. Treasurer Frank Grieshamer indicated that he would speak with the Village Comptroller, Ron Heller, in regards to payment. All questions were answered by Mr. Ritchie.

Trustee Training: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all certificates to Lauterbach & Amen for record keeping.

Affidavits of Continued Eligibility: L&A informed the Board that affidavits of continued eligibility were mailed to all pensioners with the June payroll with a due date of July 29, 2016. An update will be provided at the next regular meeting.

Legal Update: The Board reviewed copies of Reimer, Dobrovolny & Karlson, LLC *Legal and Legislative Update* newsletter.

OLD BUSINESS: *Disability Application of Officer Norman Carli Jr.:* The Board discussed the pending line of duty disability application of Officer Carli. Trustee Witnik indicated he would contact Board Attorney, Rick Reimer for an update regarding the application.

Disability Update of Officer Christopher Sardo – Trustee Witnik informed the Board that a Motion for Leave to Intervene was received from the Village attorney, to intervene in the matter of Mr. Sardo’s application for disability. A date for a special meeting/hearing will be scheduled to determine if the Village will be permitted to intervene, as correspondence between the Village and Mr. Sardo’s attorney is obtained.

NEW BUSINESS: *Board Officer Elections:* The Board discussed the annual officer elections. A motion was made by Trustee Witnik and seconded by Trustee Winje to maintain the current slate of Board Officers: Trustee Steve Witnik as Board President, Trustee Rich Viken as Vice President, Trustee Bob Jensen as Board Secretary, and Trustee Jim Winje as Assistant Secretary. Motion carried unanimously by voice vote.

HELPS Discussion/Decision: The Board discussed a new service provided by L&A regarding the Healthcare Enhancement for Local Public Safety (HELPS) Retiree Act. A motion was made by Trustee Witnik and seconded by Trustee Viken to send information to the pensioners regarding the HELPS program, in order to gauge interest in the service. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

INVESTMENT REPORT: *Vertus Investment Partners Presentation:* Mr. Antioho introduced intermediary Regional Director, Matt Forman, and Portfolio Manager of the Real Estate Securities Fund, Frank Haggerty, to the Board for a brief presentation regarding US rates and the current US market environment. All questions were answered by Mr. Haggarty.

Mr. Antioho also distributed the Quarterly Investment Report for the second quarter of 2016 for the Board to review. The ending market value of the Fund as of 06/30/2106 is \$23,354,977.09. The total Fund performance for the year-to-date was 3.36%, and 1.91% for the second quarter. The portfolio allocation as of 06/30/2016 is: Domestic Equities 41.3%; International Equities 6.8%; Fixed Income and Cash 48%; and Real Estate 3.9%.

Potential Purchase and/or Sale of Securities, Re-balancing of Asset Allocations and Hiring/Termination of Investment Managers: There are none at this time.

Sun Life Redemption of Partial Assets: Mr. Antioho presented the Board with transaction recommendations in regards to the four current Sun Life contracts. Mr. Antioho suggested removal of \$125,000 from each of three accounts, and to transfer the total proceeds in the amount of \$375,000 to the Vanguard Total Stock Fund in order to increase both mid and small cap exposure. He also suggested moving funds from the fourth contract and add 1.5% to the MFS International Value Fund Portfolio by moving the funds from Contra, MFS Core Equity and Putnam Equity Income. A motion was made by Trustee Witnik and seconded by Trustee Waychoff to approve these transactions and to accept the Quarterly Investment Report as presented. Motion carried by roll call vote.

AYES: Trustees Witnik, Viken, Jensen, Winje and Waychoff
NAYS: None
ABSENT: None

Review and Revision of Tax Identification Number: Mr. Antioho addressed the issue of the invalid tax

identification number for the Fund. The Fund has investment accounts improperly using the Village of Franklin Park's Tax ID number. Due to the recent discovery, new W9 forms and applications for all LPL accounts will be required. Mr. Antioho distributed a number of the applicable forms to the Board for signatures. Mr. Antioho will provide the Board with an update at the next regular meeting.

CLOSED SESSION: There was no closed session.

ADJOURNMENT: A motion was made by Trustee Viken and seconded by Trustee Waychoff to adjourn the meeting at 6:54 pm. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for Tuesday, October 25, 2016, at 5:00 pm.

Respectfully submitted,

Robert Jensen, Pension Board Secretary

Date approved by Board _____

Minutes prepared by Amanda Secor, Pension Services Administrator