

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE FRANKLIN PARK POLICE PENSION FUND
OCTOBER 30, 2018**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, October 30, 2018 at 5:00 p.m., 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 p.m.

ROLL CALL

PRESENT: Trustees Steve Witnik, Robert Jensen, Richard Viken and Jason Waychoff
ABSENT: None
ALSO PRESENT: Daniel Antioho, Antioho Investment Planning Group, LLC; Amanda Secor and James Ritchie, Lauterbach & Amen, LLP (L&A); Treasurer Frank Griecashamer, Village of Franklin Park

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *July 31, 2018 Regular Meeting Minutes:* The Board reviewed the minutes from the July 31, 2018 regular meeting. A motion was made by Trustee Viken and seconded by Trustee Jensen to approve the July 31, 2018 regular meeting minutes as written. Motion carried by roll call vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report:* The Board was presented with the Monthly Financial Report prepared by Lauterbach & Amen, LLP for review. As of September 30, 2018, the plan net assets held in trust for pension benefits is \$27,960,849.58 with a change in position of \$1,778,576.63 for the five-month period. The Board reviewed the Cash Analysis, Revenue and Expense Reports, Member Contributions and Payroll Journal. A motion was made by Trustee Witnik and seconded by Trustee Jensen to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

Presentation and Approval of Bills: The Board reviewed the Vendor Check Report for the period 07/01/2018 – 09/30/2018 for a total disbursement of \$124,902.40. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the disbursements shown on the Vendor Check Report in the amount of \$124,902.40. Motion carried by roll call vote.

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

Additional Bills, if any: The Board reviewed the Zabinski Consulting Services, Inc. invoice #3420 dated 10/28/2018 for preparation of the annual audit in the amount of \$3,300.00. A motion was made by Trustee Witnik and seconded by Trustee Jensen to approve the invoice as presented. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Disability Application Status – James Figueroa:* Trustee Witnik informed the Board that Officer James Figueroa has submitted a disability application but there has been no communication since that application has been made and other items requested. A status update will be provided at the next regular meeting.

Disability Application Status – Norman Carli, Jr.: Trustee Witnik informed the Board that the Norman Carli, Jr. case is currently in appeal with Workman’s Compensation. A status update will be provided at the next regular meeting.

Trustee Witnik informed the Board that Board Attorney Reimer issued correspondence stating that the Christopher Sardo case is pending in the appellate court. A status update will be provided at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Brandon Bieze, Auriel Payan and Michael Sarni:* The Board reviewed the Applications for Membership submitted by Brandon Bieze, Auriel Payan and Michael Sarni. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept Brandon Bieze, Auriel Payan and Michael Sarni into the Franklin Park Police Pension Fund effective their respective dates of hire, as Tier II participants. Motion carried unanimously by voice vote.

Contribution Refund – Eduardo Hower: The Board reviewed the contribution refund request submitted by Eduardo Hower. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve Eduardo Hower’s contribution refund in the amount of \$30,985.63 paid in a direct rollover. Motion carried by roll call vote.

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

L&A informed the Board that Eduardo Hower has additional contributions in the Fund in the amount of \$147.15. The Board will contact Mr. Hower in order to refund the additional contributions appropriately.

COMMUNICATIONS OR REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2018 Affidavits of Continued Eligibility have been received by L&A. The originals were presented to the Board for their records.

Legal Updates: The Board reviewed Reimer & Dobrovolny PC newsletter, *Legal and Legislative Update.*

OLD BUSINESS: *Trustee Training Updates:* The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

Vacant Appointee Board Trustee Position: Trustee Witnik informed the Board that the Mayor is seeking a replacement appointee for the vacant Board Trustee position. A status update will be provided at the next regular meeting.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement was filed prior to the October 31, 2018 deadline.

Annual Independent Medical Examinations – Frederick Dede III & Christopher Sardo: The Board discussed sending Frederick Dede III and Christopher Sardo for their annual independent medical examinations. A motion was made by Trustee Witnik and seconded by Trustee Viken to not send Frederick Dede III for an annual independent medical examination due to his near obtention of age 50 and to direct L&A to contact Board Attorney Reimer to schedule Christopher Sardo for his annual independent medical examination and to ensure that Mr. Sardo's counsel, Attorney Duda is copied on the correspondence issued by Reimer & Dobrovolny PC. Motion carried by roll call vote.

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

NEW BUSINESS: *Establish 2019 Board Meeting Dates:* The Board established the 2019 Board meeting dates as January 29, April 30, July 30, and October 29, 2019 at 5:00 p.m. located in the Community Room at the Police Station located at 9451 West Belmont Avenue, Franklin Park, Illinois.

Review/Approve – April 30, 2018 Year End Audit: The Board reviewed the finalized audit for the fiscal year ended April 30, 2018 prepared by Zabinski Consulting Services, Inc. A motion was made by Trustee Witnik and seconded by Trustee Jensen to accept the final audit as prepared by Zabinski Consulting Services, Inc. Motion carried by roll call vote.

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

Review/Approve – Actuarial Valuation & Tax Levy Request: The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$2,902,744 which is a \$359,602 increase from the prior year contribution. The statutory minimum contribution requirement is \$2,783,519. A motion was made by Trustee Witnik and seconded by Trustee Jensen to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$2,902,744 from the Village of Franklin Park Board of Trustees based on recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

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

Review/Approve – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Witnik and seconded by Trustee Viken to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

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

Review/Approve – Revised Lauterbach & Amen, LLP Engagement Letter: The Board reviewed the Lauterbach & Amen three-year engagement letter reflecting a revision to the narrative portion of the agreement which was amended to meet the recommendations set forth by the American Institute of Certified Public Accounts and to include verbiage stating that L&A will maintain cyber liability insurance. A motion was made by Trustee Witnik and seconded by Trustee Viken to engage L&A pursuant to the terms in the engagement letter provided. Motion carried by roll call vote.

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

INVESTMENT REPORT – ANTIOHO INVESTMENT PLANNING GROUP, LLC: *Quarterly Investment Report:* Mr. Antioho distributed the Quarterly Investment Report for the third quarter of 2018 for the Board to review. The ending market value of the Fund as of 09/30/2018 is \$27,456,630.70. The total Fund performance for the third quarter was 2.97%. The portfolio allocation as of 09/30/2018 is: Domestic Equities 47.92%; International Equities 11.37%; Fixed Income 34.68%; Cash 4.08%; Real Estate 6%; Other/Not Classified 1.95%. All questions were answered by Mr. Antioho.

Review/Possible Action – Search Results for Emerging Markets Manager: Mr. Antioho presented the Emerging Markets manager search results, highlighting American Funds New World Fund Class F-1 as a potential manager for 1% of the portfolio.

Potential Purchase and/or Sale of Securities, Re-balancing of Asset Allocations and Hiring/Termination of Investment Managers: The Board reviewed the reallocation proposal presented by Mr. Antioho. A motion was made by Trustee Witnik and seconded by Trustee Jensen to sell \$260,000 of the Vanguard Total Stock Market and purchase American Funds New World Fund Class F-1, to reallocate \$390,000 from cash into the MFS International Value Fund Institutional, and sell \$390,000 of the Vanguard Total Stock Market and to purchase \$390,000 of the Vanguard Small Cap Growth Index at Vanguard. Motion carried by roll call vote.

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

Review/Update Investment Policy: The Board reviewed the updated Investment Policy prepared by Antioho Investment Planning Group, LLC. A motion was made by Trustee Witnik and seconded by Trustee Viken to update the Investment Policy as presented. Motion carried by roll call vote.

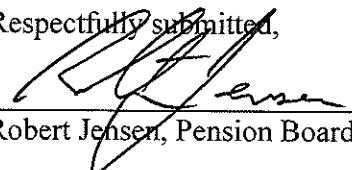
AYES: Trustees Witnik, Jensen, Viken and Waychoff
NAYS: None
ABSENT: None

CLOSED SESSION, IF NEEDED: There was no closed session needed.

ADJOURNMENT: A motion was made by Trustee Viken and seconded by Trustee Witnik to adjourn the meeting at 6:34 p.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for Tuesday, January 29, 2018 at 5:00 p.m.

Respectfully submitted,


Robert Jensen, Pension Board Secretary

1/29/2019
Date approved by Board

Minutes prepared by Amanda Secor, Pension Services Administrator