

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK POLICE PENSION FUND
APRIL 17, 2012**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on April 17, 2012 at 5:00 p.m. in the conference room located at the Village of Franklin Park, 9500 W. Belmont Avenue, 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 5:05 p.m.

ROLL CALL

Upon roll call the following answered:

Present: President Steve Witnik, Secretary Jack Kreckler, Trustee Aaron Jimenez
Absent: Vice President Rich Viken and Asst. Secretary Jim Winje (both excused)

Also Present: Dan Antioho of LPL Financial; Todd Schroeder, James Ritchie and Becky Davis of Lauterbach & Amen, LLP (L&A); Frank Grieashamer, Treasurer

PUBLIC COMMENT - none

APPROVAL OF PRIOR MEETING MINUTES

- a. January 24, 2012 regular meeting minutes: The Board reviewed the prior meeting minutes as presented in the board meeting packet. **A motion was made by Jimenez to approve the January 24, 2012 minutes as presented, seconded by Kreckler. Motion unanimously carried by voice vote.**

ACCOUNTANT'S REPORT

- a. Optimum funding policy discussion: Schroeder reviewed the Discussion & Analysis (D&A) presented in the board meeting packet with the Board, noting the Fire Board is discussing this L&A service option as well. Schroeder explained the three meeting presentation given by L&A to assist the Pension Funds and the Village to come together on a funding policy that enhances the overall health of the Pension Funds and to understand the key aspects of the actuarial process to ensure informed decisions are made and future events anticipated that could be crucial. The D&A prepared and presented by L&A has proven to assist in a beneficial dialogue with the Village officials to develop and support a sound funding policy for the long-term sustainability of the Fund. Cost is approximately \$6,000 - \$8,500 depending on services requested. **TABLED for further discussion.**
- b. Monthly Financial Report – The Board reviewed the February 29, 2012 financial report summary as presented in the board meeting packet. Ritchie distributed the March 31, 2012 monthly financial statements to review with the Board. For the eleven months ended March 31, 2012 the Fund had a net decrease of \$435,656.89 and the net assets held at the end of the period was \$19,830,874.38.
- c. Zabinski audit in process: Ritchie indicated that Zabinski Consulting was preparing the audit; the Board signed the audit confirmation letters.
- d. Charter One update: Ritchie discussed the Charter One issue with the Board; Witnik will follow up with Ritchie and address this issue.
A motion was made by Kreckler to approve the Accountant's Report as presented, seconded by Jimenez. Motion unanimously carried by voice vote.

PRESENTATION AND APPROVAL OF DISBURSEMENTS

- a. Review Disbursement Summary: The Board reviewed the Disbursement Summary and the detailed vendor checks reports as presented in the board meeting packet. A motion was made by Witnik to approve the January, February and March 2012 disbursements totaling \$100,328.40, seconded by Jimenez. Roll call vote: Witnik – aye, Jimenez – yes, Krecker – aye, Winje – absent, Viken - absent. Motion unanimously carried.
- b. Approve IDOI Compliance fee: The Board discussed that the invoice will be coming in May and must be paid before the end of June. A motion was made by Krecker to authorize payment of the IDOI Compliance fee upon receipt, not to exceed \$10,000, seconded by Witnik. Roll call vote: Witnik – aye, Jimenez – yes, Krecker – aye, Winje – absent, Viken - absent. Motion unanimously carried.

OLD BUSINESS

- a. Trustee Training Summary: The Board reviewed and discussed the Trustee Training Summary as presented in the board meeting packet. All Board members have completed their training, or are in the process. Viken will follow up with the IPPFA to correct the certificate he received for only 11 hours, when he should have received 16 hours credit at the IPPFA fall conference. The Board discussed their 2012 plans for trustee training. The IPPFA spring conference is no longer possible due to the NATO Summit being held in Chicago during the same time period; available Board members will attend the IPPFA fall conference instead, October 2 – 5, 2012 in Lake Geneva, WI.
- b. Active member pension file maintenance: The Board reviewed the follow up sheet as presented in the board meeting packet. Witnik indicated that he will follow up with officers to obtain missing documents.
- c. Actuarial report: 04/30/2011 actuarial report has not been completed; the Board is still negotiating with the Village. **TABLED until the next meeting.**
- d. IME for Dede update: The Board reported that Mr. Dede has been found to still be disabled; resulting reports have been placed in his pension file.
- e. Diviacchi transfer from Article 5 update: A letter from the Board accepting the transfer request for Diviacchi was sent to The Retirement Board of the Policemen's Annuity and Benefit Fund, City of Chicago, in April, 2012. **TABLED for further update.**

NEW BUSINESS

The Board briefly discussed Justin Camp's recent resignation from the Board.

- a. Election results: The Board reviewed the notice of election results as presented in the board meeting packet. Retired member, Rich Viken, ran unopposed and was re-elected by acclamation for another 2 year term, expiring May 2014. Active members, Steve Witnik and Jack Krecker ran unopposed – Witnik will serve a 2 year term, expiring May 2014 and Krecker will serve 1 year to complete the unexpired term from Justin Camp, expiring May 2013. Camp resigned in April, 2012. A motion was made by Jimenez to certify the election results as presented, seconded by Witnik. Motion unanimously carried by voice vote.
- b. Appointed member results: The Board reported that Jim Winje was re-appointed by the Village to serve another 2 year term, expiring May 2014, and Aaron Jimenez's term will expire May 2013.
- c. Board Officer position elections: A motion was made by Witnik to elect the following slate of Board Officers: President – Steve Witnik, Vice President – Rich Viken, Secretary – Jack Krecker and Asst. Secretary – Jim Winje, seconded by Jimenez. Motion unanimously carried by voice vote.

INVESTMENT REPORT

- a. Portfolio and Asset Allocation review: Antioho distributed and reviewed the 2012 Quarter Review with the Board. As of 03/31/2012, the total account value at LPL was \$19,462,846.86 which was up 6.52% for the quarter and YTD. Antioho discussed the possibility that the Village is looking at including the Fund to invest in municipal bonds; more information on interest rate funding to follow. **TABLED until the next meeting.** Antioho discussed the bond maturity schedule and investments coming due in April, and recommended options for re-investment.

A motion was made by Witnik to follow Antioho's recommendation to put aside available funds, subject to Board Attorney review, of approximately \$667,000 to invest in municipal bonds with the Village, and to authorize the Board President to execute said transaction upon proper counsel approval, seconded by Jimenez. Roll call vote: Witnik – aye, Jimenez – yes, Kreckler – aye, Winje – absent, Viken - absent. Motion unanimously carried.

A motion was made by Kreckler to invest \$1.2 million, coming due May 1st – June 30th, in the Boyd Watterson account, seconded by Witnik. Roll call vote: Witnik – aye, Jimenez – yes, Kreckler – aye, Winje – absent, Viken - absent.

The Board discussed possible real estate investments to be researched and discussed at the next meeting, which may include a revision to the investment policy. **TABLED until the next meeting.**

- b. Review Investment Policy: - **TABLED until the next meeting.**

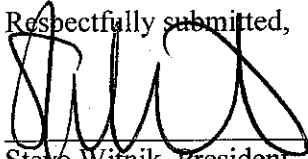
CLOSED SESSION – none needed.

ADJOURNMENT

A motion was made by Witnik to adjourn the meeting at 6:15 PM, seconded by Kreckler. Motion unanimously carried by voice vote.

The next regular Board meeting is scheduled for July 17, 2012 at 5:00 PM.

Respectfully submitted,



Steve Witnik, President

Date approved by Board: 07/17/12

Minutes prepared by Pension Services Administrator, Becky Davis