

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

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, July 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, to conduct regular business.

CALL TO ORDER BY PRESIDING OFFICER

President Steve Witnik called the meeting to order at 5:04 p.m.

ROLL CALL

Upon roll call the following answered:

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

Absent: None

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

PUBLIC COMMENT – There was no public present and no comment made.

APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the prior meeting minutes as presented in the board meeting packet. A motion was made by Trustee Kreckler and seconded by Trustee Viken to approve the April 17, 2012 minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT

The Board reported that the Charter One paperwork establishing the current Pension Board signers and direction for Charter One to provide monthly statements to LPL Financial and L&A was completed.

The Board noted that clarification from the Village regarding the actuarial report cost had not yet been determined.

Mr. Ritchie distributed and reviewed the audit draft for the year ended April 30, 2012, stating the Fund had a net decrease of \$725,222 ; the end of year net assets held were \$19,541,309; and the funding percentage is 45.02%. Mr. Ritchie indicated that Ms. Zabinski will be presenting the final audit at the October meeting.

The Board briefly discussed the possibility of going in together with the Fire Pension Board to hold a special meeting with the City to discuss an optimum funding policy; possible dates were considered in September and Mr. Ritchie will follow up to set a date.

Mr. Ritchie distributed the most current financial report to the Board, stating for the two months ended June 30, 2012 the Fund had a net decrease of \$549,938.64 and the net assets held at the end of the period was \$19,830,874.38. A motion was made by Trustee Witnik and seconded by Trustee Kreckler to accept the Accountant's Report. Motion carried unanimously by voice vote.

PRESENTATION AND APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursement summary and the detailed vendor checks reports as presented in the board meeting packet. A motion was made by Trustee Kreckler and seconded by Trustee Winje to approve the April, May and June 2012 disbursements totaling \$59,077.01.

AYES: Trustees Witnik, Viken, Kreckler, Winje and Jimenez

NAYES: None

ABSENT: None

The Board discussed the payment of registration fees for the IPPFA Midwest conference to be held in October 2012. A motion was made by Trustee Viken and seconded by Trustee Witnik to authorize payment of the registration fees at a cost of \$1,425.00 (\$285.00 per person) for the five attending board members.

AYES: Trustees Witnik, Viken, Kreckler, Winje and Jimenez

NAYES: None

ABSENT: None

Mr. Ritchie left the meeting at 5:25 p.m.

OLD BUSINESS

The Board reviewed the current status of the required trustee training as presented in the board meeting packet. All Board members are up-to-date on training; Trustee Winje has completed the Open Meetings Act (OMA) training and Trustee Witnik has completed both the Freedom of Information Act (FOIA) and OMA training as required for the FOIA designee. Ms. Davis will email the OMA web link information to Trustees Viken, Jimenez and Kreckler to assist in their completion of the training requirement.

The Board noted that all officers have received letters stating the contents of their pension file and were requested to provide copies of any missing documents.

The Board discussed the letter sent to Mr. Robert J. Diviacchi from Allison Barrett of L&A regarding his transfer of two years, zero months and 15 days of creditable service from the Chicago Police Pension Fund under Public Act 097-0326. The letter stated payment has been received from the Chicago Police Pension Fund in the amount of \$21,207.39 and the amount due from Mr. Diviacchi is \$14,105,82. Trustee Witnik indicated that Officer Diviacchi will have an amount, to be determined, deducted for this purpose over a maximum five year period.

Ms. Davis distributed and reviewed the BMO Harris account paperwork provided to update the current Board members and corporate resolution; the Board President, Secretary and Treasurer completed the paperwork and L&A will submit the documentation to BMO Harris.

NEW BUSINESS

The Board briefly discussed the FOIA request that was received and completed promptly.

Ms. Davis reported that the affidavits of continued eligibility were mailed to the pensioners on 06/25/2012 and results are to follow at the October meeting.

INVESTMENT REPORT

Mr. Antioho distributed and reviewed the 2012 Second Quarter Review with the Board, stating the portfolio was down 1.54% for the quarter, up 3.90% year-to-date, but outperformed the benchmarks; the ending portfolio balance as of 06/30/2012 was \$18,749,726.39.

Mr. Antioho discussed market conditions and current asset allocations, which were: equities 42% and fixed income 58%; his recommendation to the Board to consider investing some maturing cash assets into REITs to raise the equity allocation, and the portfolio performance since inception. A motion was made by Trustee Krecker and seconded by Trustee Winje to authorize Mr. Antioho to complete the following transaction, as discussed: (1) move funds from Scudder – DWS Core Equity VIP and Scudder – DWS Large Cap Value into the Scudder – DWS Equity 500 Index, and (2) move funds from Scudder – DWS Dreman Small Mid Cap Value into the Scudder – Dreyfus Mid Cap Stock.

AYES: Trustees Witnik, Viken, Krecker, Winje and Jimenez
NAYES: None
ABSENT: None

A motion was made by Trustee Winje and seconded by Trustee Witnik to authorize the Board President and Secretary to execute the necessary paperwork to transfer \$1,000,000 from the money market account into the Boyd Waterson/ Schwab account, as the market allows.

AYES: Trustees Witnik, Viken, Krecker, Winje and Jimenez
NAYES: None
ABSENT: None

The Board discussed Mr. Antioho's suggestion to revise the investment policy to allow up to 55% in equities; follow up discussion will be held at the October meeting.

The Board noted one additional item – Officer Dani Vega submitted a request for transfer of his creditable service time from Northbrook Police; follow up discussion will be held at the October meeting.

CLOSED SESSION – The Board had no need for closed session.

ADJOURNMENT

A motion was made by Trustee Krecker and seconded by Trustee Winje to adjourn the meeting at 6:23 p.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for October 30, 2012 at 5:00 p.m.

Respectfully submitted,


Steve Witnik, President

Date approved by Board: 10/30/12

Minutes prepared by Pension Services Administrator, Becky Davis