

# MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES FRANKLIN PARK POLICE PENSION FUND

April 23, 2013

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, April 23, 2013 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 5:07 p.m.

## ROLL CALL

Upon roll call the following answered:

Present: President Steve Witnik, Vice President Richard Viken, Asst. Secretary Jim Winje, Trustee Aaron Jimenez

Absent: Secretary Jack Kreckler

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

**PUBLIC COMMENT** – The Board introduced and welcomed Robert Jensen who was recently elected to the Board of Trustees, his term will begin May 2013. The Board expressed their gratitude to exiting trustee, Jack Kreckler, for his participation on the Police Pension Board for over 20 years.

## APPROVAL OF PRIOR MEETING MINUTES

The Board reviewed the prior meeting minutes presented in the board meeting packet. A motion was made by Trustee Winje and seconded by Trustee Viken to approve the January 22, 2013 regular minutes as written. Motion carried by unanimous voice vote.

## ACCOUNTANT'S REPORT

The Board reviewed the 03/31/13 financial summary presented in the board meeting packet. For the eleven months ended 03/31/13, contributions received from the Village were \$1,284,581.93 and contributions from employees were \$500,122.04. Net investment income for the period was \$1,300,404.15. There was \$2,006,155.40 paid for pension benefits, \$73,802.20 for contribution refunds and \$36,362.72 for administration costs. This resulted in a net increase of \$968,787.80 and net assets held at the end of the period were \$20,510,096.56. A motion was made by Trustee Witnik and seconded by Trustee Winje to accept the 03/31/13 financial report. Motion carried by unanimous voice vote.

Per the Board's prior direction, Mr. Ritchie presented the Zabinski Consulting engagement letter for completion of the 04/30/2013 year-end financial audit. A motion was made by Trustee Winje and seconded by Trustee Jimenez to execute the engagement of Zabinski Consulting for a cost of \$3,000, as discussed.

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Kreckler

Trustee Witnik noted that there will possibly be four new hires with a Tier 2 status to accept at the next meeting. The new hires' names and dates of hire will be provided at that time.

## PRESENTATION AND APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements summary and the detailed vendor check reports presented in the board meeting packet. A motion was made by Trustee Winje and seconded by Trustee Viken to approve the January, February and March 2013 expenses totaling \$30,182.31 (see attached detail).

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Kreckler

### **INFORMATIONAL ITEMS AND UNFINISHED BUSINESS**

The trustee training summary was reviewed by the Board. Trustee Witnik is the FOIA and OMA designee and will complete the required online training as soon as possible. Mr. Jensen may share or take on this responsibility at a later date. Hotel reservations for the Board will be made for the IPPFA Midwest conference in Lake Geneva, WI.

The Board reviewed the member records file summary presented in the board meeting packet. L&A will prepare letters to active members in June requesting them to update their files, as needed.

The Board acknowledged the completion of Officer Dani Vega's transfer of creditable service with Northbrook Police. Officer Vega's original date of hire was 09/14/2011, and is now adjusted to 03/27/2002.

Disabled member, Fred Dede completed his annual medical examination, and the doctor concluded that he remains disabled. A motion was made by Trustee Winje and seconded by Trustee Viken to accept the doctor's report and to continue disability benefits to Fred Dede, subject to further annual evaluations as required under 5/3-115 and 5/3-116 of the Illinois Pension Code.

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Kreckler

The Board discussed Mr. Thomas C. Henniger's request for a deferred retirement pension. Mr. Henniger will be sent a retirement application for completion.

The Board discussed the L&A renewal engagement letter. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the L&A engagement letter for services through 04/30/2016.

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Kreckler

The Board discussed actuarial services for 04/30/2013 and indicated that Trustee Witnik will contact the Village to discuss options. Further discussion will follow at the next meeting.

The Board discussed the Statements of Economic Interest. Trustees Winje, Viken, Witnik and Kreckler confirmed they have completed their statements to Cook County. Trustee Jimenez will do so prior to the May 1<sup>st</sup> deadline.

### **NEW BUSINESS**

The Board discussed the election results for the active member position currently held by Jack Kreckler. There were a total of 42 ballots distributed to active members and the results were as follows: 23 votes for Robert Jensen, 14 votes for Jack Kreckler and 5 ballots were not returned. A motion was made by Trustee Viken and seconded by Trustee Jimenez to certify the election results electing Robert Jensen to the Board of Trustees for a 2 year term ending April 30, 2015. Motion carried by unanimous voice vote.

Appointed member Aaron Jimenez's term is expiring this year. Trustee Jimenez will discuss his re-appointment with the mayor and follow up at the next meeting.

The Board acknowledged the 04/11/2013 death of pensioner Helen Zahn, and that pension benefits have ceased.

The Board discussed the following new hires: Nicholas Tomaso – date of hire 01/07/2013, Tier 2 status, and Matthew Bowes – date of hire 03/15/2013, Tier 1 status. A motion was made by Trustee Viken and seconded by Trustee Winje to accept Nicholas Tomaso and Matthew Bowes into the Fund. Motion carried by unanimous voice vote.

### INVESTMENT REPORT

Mr. Antioho distributed and reviewed the 2013 First Quarter investment report with the Board. The portfolio was up 4.43% for the quarter, and the ending market value as of 03/31/2013 was \$20,095,493.35. The portfolio outperformed the benchmark which was 4.30% for the quarter. Mr. Antioho reviewed the annuities and bond maturities, noting that approximately \$960,000 will come due in September and December of this year. Mr. Antioho discussed his recommendations to the Board. Asset allocations were discussed and Mr. Antioho noted that the next agenda should address amending the asset allocation in the Investment Policy Statement.

New account paperwork was executed by the Board to include the new Board member, Robert Jensen. Mr. Antioho submitted an invoice from Boyd Watterson Asset management, LLC to the Board for approval. A motion was made by Trustee Witnik and seconded by Trustee Jimenez to approve payment of the Boyd Watterson invoice in the amount of \$4,487 for second quarter (04/01/2013 – 06/30/2013) management fees.

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Krecker

L&A was asked to send a form to Boyd Watterson to setup an ACH for future transfers.

The Board discussed options to move the All Cap target to 12%, slowly as it is prudent to do so. Mr. Antioho will put together a plan to benefit the Fund. A motion was made by Trustee Witnik and seconded by Trustee Jimenez to move \$600,000 from the cash account and invest the proceeds in the Boyd Watterson account.

AYES: Trustees Witnik, Viken, Winje and Jimenez

NAYS: None

ABSENT: Trustee Krecker

Mr. Griashamer arrived and joined the meeting at 6:03p.m.

Mr. Antioho deferred discussion regarding the repositioning the Alliance Ovation annuity proceeds until a later date. No further action will be taken until it is prudent to do so.

A motion was made by Trustee Witnik and seconded by Trustee Winje to accept the investment report as presented. Motion carried unanimously by voice vote.

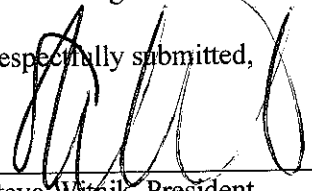
**CLOSED SESSION** – The Board had no need for closed session.

### ADJOURNMENT

A motion was made by Trustee Viken and seconded by Trustee Witnik to adjourn the meeting at 6:11 p.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for July 15, 2013, at 5:00 p.m.

Respectfully submitted,

  
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Steve Witnik, President

Date approved by Board: 7/23/13

*Minutes prepared by Pension Services Administrator, Becky Davis*

# Franklin Park Police Pension Fund

## Vendor Checks Report

01/01/13-03/31/13

04/19/13 01:38 PM

Vendor Name	Chk. No.	Check Date	Amount	
LAUTERBACH & AMEN LLP	70015	01/14/13	3,290.00	Electronic
<b>Account No.</b>			<b>Amount</b>	
52-170-03			830.00	
52-170-03			1,750.00	
52-290-35			710.00	
		Subtotal	<u>3,290.00</u>	
BOYD WATTERSON ASSET MGMT	50060	01/31/13	4,789.00	
<b>Account No.</b>			<b>Amount</b>	
52-190-01			4,789.00	
LPL FINANCIAL	50059	01/31/13	25.00	
<b>Account No.</b>			<b>Amount</b>	
52-190-04			25.00	
VILLAGE OF FRANKLIN PK	23104	01/31/13	6,742.48	Electronic
<b>Account No.</b>			<b>Amount</b>	
20-220-00			6,120.58	
20-220-00			621.90	
		Subtotal	<u>11,556.48</u>	
VILLAGE OF FRANKLIN PK	23150	02/28/13	6,742.48	Electronic
<b>Account No.</b>			<b>Amount</b>	
20-220-00			6,120.58	
20-220-00			621.90	
		Subtotal	<u>6,742.48</u>	
LAUTERBACH & AMEN LLP	70016	03/11/13	1,540.00	Electronic
<b>Account No.</b>			<b>Amount</b>	
52-170-03			710.00	
52-170-03			120.00	
52-290-35			710.00	
		Subtotal	<u>1,540.00</u>	
REIMER & KARLSON LLC	30017	03/13/13	310.87	
<b>Account No.</b>			<b>Amount</b>	
52-170-05			310.87	
		Subtotal	<u>310.87</u>	
VILLAGE OF FRANKLIN PK	23196	03/29/13	6,742.48	Electronic
<b>Account No.</b>			<b>Amount</b>	
20-220-00			6,120.58	
20-220-00			621.90	
		Subtotal	<u>6,742.48</u>	
		TOTAL	<u><u>30,182.31</u></u>	