

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK POLICE PENSION FUND
July 23, 2013**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, July 23, 2013 at 5:00 p.m. at the Franklin Park Police Station, in the Community Room, located at 9451 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 Robert Jensen, and Trustee Aaron Jimenez

Absent: None

Also Present: Board Treasurer Frank Grieshamer, Daniel and David Antioho of Horizon Wealth Mgmt., 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 presented in the board meeting packet. A motion was made by Trustee Viken and seconded by Trustee Jimenez to approve the April 23, 2013 regular meeting minutes as written. Motion carried by unanimous voice vote.

The Board noted that there were no closed session minutes.

ACCOUNTANT'S REPORT

Mr. Ritchie distributed and reviewed the 04/30/2013 audit draft with the Board. Mr. Ritchie noted that the final report should be completed and ready for the Board's approval at the next meeting.

The Board discussed an IRS notice that was received. Mr. Ritchie stated that the notice inquired about tax returns and Social Security filings, and noted that L&A immediately responded with a letter and supporting documents to respectfully disagree with the IRS. Any further communication regarding this issue will be discussed at the next meeting.

Mr. Ritchie indicated that the 04/30/2013 Illinois Department of Insurance (IDOI) Annual Statement is in progress and that the draft will be completed by L&A and submitted for the Board to review. The Board reviewed procedures to properly execute the Certification Form for assured receipt by the IDOI.

The Board discussed the 04/30/2013 actuarial report. L&A reported that the Village indicated in a phone conversation that there were plans to hire L&A to complete the actuarial reports for both the Fire and Police Pension Funds.

Mr. Ritchie discussed the L&A workshops being offered to assist members and their families with questions. Information about the workshops was provided in the board meeting packet. No further action was taken at this time.

The Board reviewed the monthly financial summary presented in the board meeting packet. For the two months ended 06/30/13, net assets held at the end of the period were \$20,202,246.46. A motion was made by Trustee Jimenez and seconded by Trustee Jensen to accept the 06/30/13 financial report. Motion carried by unanimous voice vote.

PRESENTATION AND APPROVAL OF DISBURSEMENTS

The Board reviewed the disbursements summary and the vendor checks report presented in the board meeting packet. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the expenses paid in April, May and June 2013 totaling \$45,716.02 (see attached detail).

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

The Board discussed payment of the registration fees for the IPPFA Midwest conference. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the payment of \$1,475 (\$295 x 5) for the IPPFA Midwest trustee training conference registration fees.

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

The Board discussed the Coalition contribution presented in the board meeting packet. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve payment of a \$300 contribution to the Coalition for Qualified Plan Status for the 2014 – 2019 cycle.

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

Mr. Antioho discussed paying the Boyd Watterson invoice via ACH directly from the LPL account. A motion was made by Trustee Winje and seconded by Trustee Viken to authorize Boyd Watterson to set up payment for quarterly management services via ACH through the LPL account.

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

The Board discussed the renewal of the Fiduciary Liability Insurance policy. A motion was made by Trustee Viken and seconded by Trustee Jensen to approve payment of \$3,764 for renewal of the Fiduciary Liability Insurance policy (August 1, 2013 – August 1, 2014), with the same coverage as last year.

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

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

The Board discussed the active member records and noted that L&A will prepare letters to be distributed to active members in August or September.

L&A reported that the affidavits of continued eligibility are currently being returned by pensioners and that L&A will report the results at the next meeting.

NEW BUSINESS

The Board discussed the annual election of Board Officers. A motion was made by Trustee Jimenez and seconded by Trustee Witnik to elect the following Board Officers: President – Steve Witnik, Vice President – Richard Viken, Secretary – Robert Jensen, Assistant Secretary – Jim Winje.

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

The Board noted that the Mayor re-appointed Aaron Jimenez to another term on the Police Pension Board. His term will expire 04/30/2015.

The Board discussed the following new officers hired on 04/05/2013 with Tier 2 status: Rose Pietkiewicz, Brian Palacios, Richard Adamski, and Michael Leone. Franco Bottalico was hired on 06/21/2013 with Tier 2 status. A motion was made by Trustee Viken and seconded by Trustee Jensen to accept the new officers into the Fund. Motion carried by unanimous voice vote.

The Board noted that Wolf Popper recently informed the Board about a possible scam. The Board agreed that the letter should be distributed to all pensioners for their information. L&A will distribute to pensioners via their August payroll.

The Board discussed a recent communication from a pensioner regarding the Windfall elimination Provision.

The Board reviewed and agreed to execute the Harris Bank signature cards to include the new Board Secretary.

The Board discussed the Charter One account and the Board directed L&A to draft a letter to Charter One to close the account.

INVESTMENT REPORT

Mr. Antioho distributed and reviewed the 2013 second quarter investment report with the Board. The portfolio was up 0.31% for the quarter, and the ending market value as of 06/30/2013 was \$19,796,293.12. The portfolio underperformed the benchmark which was up 0.57% for the quarter. Mr. Antioho reviewed the annuities and bond maturities coming due in 2013 and 2014. With regard to cash flow, Mr. Antioho noted that the Board may consider moving some funds from Boyd Watterson at the next meeting.

The Board discussed revising the investment policy, specifically with regard to the asset allocation portion. Mr. Antioho distributed and discussed a handout comparing the current asset allocation with a potential target. A motion was made by Trustee Witnik and seconded by Trustee Viken to authorize the investment advisor, Dan Antioho to revise the investment policy statement asset allocation to a three year target, as presented.

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

NAYS: None

ABSENT: None

The Board reviewed the annuity products and discussed less expensive re-investment vehicles.

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

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

ADJOURNMENT

A motion was made by Trustee Viken and seconded by Trustee Jensen to adjourn the meeting at 6:45 p.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for October 22, 2013, at 5:00 p.m.

Respectfully submitted,


Steve Witnik, President

10/22/2013
Date approved by Board

Minutes prepared by Pension Services Administrator, Becky Davis

Franklin Park Police Pension Fund Vendor Checks Report

Vendor Name	Chk. No.	Check Date	Amount	
LAUTERBACH & AMEN LLP	70017	04/15/13	1,840.00	Electronic
BOYD WATTERSON ASSET MGMT	30018	04/25/13	4,487.00	
INSPE ASSOCIATES LTD	30019	04/25/13	480.00	
		Subtotal	<u>4,967.00</u>	
IPPFA	70018	04/29/13	750.00	Electronic
LAUTERBACH & AMEN LLP	70019	04/29/13	1,540.00	Electronic
		Subtotal	<u>2,290.00</u>	
VILLAGE OF FRANKLIN PK	23242	04/30/13	6,398.23	Electronic
LAUTERBACH & AMEN LLP	70020	05/20/13	4,850.00	Electronic
LPL FINANCIAL	50061	05/31/13	25.00	
VILLAGE OF FRANKLIN PK	23287	05/31/13	6,398.23	Electronic
		Subtotal	<u>6,423.23</u>	
ILLINOIS STATE TREASURER	30020	06/05/13	3,909.33	
LAUTERBACH & AMEN LLP	70021	06/10/13	8,640.00	Electronic
VILLAGE OF FRANKLIN PK	28332	06/28/13	6,398.23	Electronic
		TOTAL	<u>45,716.02</u>	