

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK POLICE PENSION FUND
October 22, 2013**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, October 22, 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 5:09 p.m.

ROLL CALL

Upon roll call the following answered:

Present: President Steve Witnik, Secretary Robert Jensen, Vice President Richard Viken, and Asst. Secretary Jim Winje

Absent: Trustee Aaron Jimenez

Also Present: Daniel and David Antioho of Antioho Investment Planning Group, LLC; Allison Barrett, 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 Winje and seconded by Trustee Jensen to approve the July 23, 2013 regular meeting minutes as written. Motion carried by unanimous voice vote.

ACCOUNTANT'S REPORT

Ms. Barrett discussed the in depth review of salaries that was completed by L&A while processing the Department of Insurance (DOI) Annual Statement. It was discovered that the Village has been withholding Police pension deductions for holiday earnings incorrectly. A motion was made by Trustee Witnik and seconded by Trustee Jensen to approve a \$175 per hour service fee for L&A to immediately prepare a letter to the Village to make them aware of the holiday pay correction issue, and to complete a contributions review to correct the amounts withheld for the time period between January 2011 to current (2013). Further discussion about this topic will be addressed at the next meeting.

AYES: Trustees Witnik, Viken, Jensen and Winje

NAYS: None

ABSENT: Trustee Jimenez

Mr. Ritchie distributed and reviewed the final 04/30/2013 audit report with the Board. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the audit report as presented. Motion carried by unanimous voice vote.

The Board discussed an IRS notice that was received regarding tax returns and Social Security filings, and noted that this has been addressed by L&A. 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.

The Board distributed the 04/30/2013 DOI Annual Statement for its records. The Certification Form was completed today and L&A will forward the original form to the DOI.

Mr. Ritchie distributed and reviewed the final 04/30/2013 L&A actuarial report with the Board. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the 04/30/2013 actuarial report as presented, and based on that report, adopt the tax levy recommendation to the Village in the amount of \$1,931,074.

AYES: Trustees Witnik, Viken, Jensen and Winje

NAYS: None

ABSENT: Trustee Jimenez

The Board distributed and reviewed the Municipal Compliance Report (MCR). A motion was made by Trustee Witnik and seconded by Trustee Jensen to accept the MCR as presented.

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

Mr. Ritchie distributed and reviewed the monthly financial report with the Board. For the five months ended 09/30/13, net assets held in trust for pension benefits were \$21,196,554.28. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the 09/30/13 financial report as presented. 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 Jensen and seconded by Trustee Viken to approve the expenses paid in July, August and September 2013 totaling \$40,934.66 (see attached detail).

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

The Board discussed reimbursement of training expenses per the Illinois Pension Code. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the following reimbursements: Richard Viken \$792.92 (4 days hotel, meals and mileage), Stephen Witnik \$933.13 (4 days hotel and meals), Robert Jensen \$658.42 (4 days hotel, meals and mileage), and James Winje \$545.36 (3 days hotel, meals and mileage).

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

INFORMATIONAL ITEMS AND UNFINISHED BUSINESS

The Board reviewed the Trustee Training Summary. Trustee Witnik will complete the Freedom of Information Act (FOIA) and Open Meetings Act (OMA) online training as soon as possible. All Board members were reminded to submit their training certificates upon receipt. Ms. Davis will maintain a record of the certificates received and will update the Trustee Training Summary accordingly.

The Board noted that L&A will prepare pension file contents letters to be distributed to the active members.

The Board noted that all affidavits have been received and recorded by L&A. The affidavits will be filed into the members' pension files.

NEW BUSINESS

The Board noted that it does not currently have administrative rules other than the Illinois Pension code and the Article 3 statutes.

The Board agreed that there is no need for the review and update of any contractual agreements with custodians and advisors at this time.

The Board discussed the 2014 regular meeting dates. A motion was made by Trustee Winje and seconded by Trustee Witnik to approve the following 2014 dates: January 28th, April 22nd, July 22nd and October 28th. All meetings will be held at 5:00 p.m. and at the same location. Motion carried by unanimous voice vote.

INVESTMENT REPORT

Mr. Antioho distributed and reviewed the revised Investment Policy with the Board.

Mr. Antioho distributed and reviewed the 2013 third quarter investment report with the Board. The portfolio was up 3.53% for the quarter, and the ending market value as of 09/30/2013 was \$19,787,983.04. The portfolio outperformed the benchmark which was up 3.31% for the quarter. Year-to-date the portfolio return was up 8.32%. Mr. Antioho discussed cash flow and proposed his recommendations for changes to the portfolio.

Ms. Barrett was excused and left the meeting at 6:14 p.m.

- A motion was made by Trustee Winje and seconded by Trustee Viken to revise page 11 of the Investment Policy Statement (IPS) regarding asset allocation guidelines to a three year target, to adopt the revised IPS, and direct L&A to submit the adopted IPS to the DOI to be filed with the State.
AYES: Trustees Witnik, Viken, Jensen and Winje
NAYS: None
ABSENT: Trustee Jimenez
- A motion was made by Trustee Witnik and seconded by Trustee Winje to authorize Mr. Antioho to liquidate the Ovation annuity contract and move the proceeds into mutual funds within that annuity and into the Vanguard Small Cap Index investment account.
AYES: Trustees Witnik, Viken, Jensen and Winje
NAYS: None
ABSENT: Trustee Jimenez
- A motion was made by Trustee Witnik and seconded by Trustee Winje to move \$700,000 from the Cash account to the Boyd Watterson account.
AYES: Trustees Witnik, Viken, Jensen and Winje
NAYS: None
ABSENT: Trustee Jimenez

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

The Board agreed to make the Boyd Watterson quarterly management fee payments through the LPL account, since payments cannot be made directly to Boyd Watterson via ACH.

The Board will add the following item to the next agenda: Request for Proposal for Investment Consultant services.

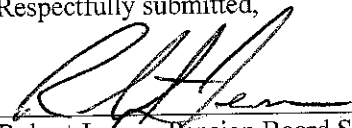
CLOSED SESSION – The Board saw no need for a closed session.

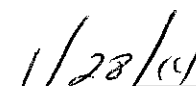
ADJOURNMENT

A motion was made by Trustee Witnik and seconded by Trustee Viken to adjourn the meeting at 6:36 p.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for January 28, 2014, at 5:00 p.m.

Respectfully submitted,


Robert Jensen, Pension Board Secretary


Date approved by Board

Minutes prepared by Pension Services Administrator, Becky Davis