

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES
FRANKLIN PARK POLICE PENSION FUND
July 28, 2015**

A regular meeting of the Board of Trustees of the Franklin Park Police Pension Fund was held on Tuesday, July 28, 2015 at 5:00 pm, 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: President Witnik called the meeting to order at 5:07 pm.

ROLL CALL

PRESENT: President Steve Witnik, Vice President Richard Viken, Secretary Robert Jensen, Assistant Secretary Jim Winje and Trustee Jason Waychoff

ABSENT: None

ALSO PRESENT: Daniel Antioho of Antioho Investment Planning Group, LLC; Treasurer Frank Grieashamer; Becky Davis, Lisa Barnaby and Jessica Fain of Lauterbach & Amen, LLP (L&A); Christopher McCurdy, Steven Maraffio and Elizabeth Pierson of First American Bank (*joined the meeting at 5:30 pm*)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MINUTES: *April 28, 2015 Regular Meeting:* The Board reviewed the minutes from the April 28, 2015 regular meeting. A motion was made by Trustee Viken and seconded by Trustee Winje to approve the April 28, 2015 regular meeting minutes as presented. Motion carried by unanimous voice vote.

Semi-Annual Review of Closed Meeting Minutes: The Board conducted a review of the closed session minutes and agreed to keep the 05/21/2014 Darren Glover closed session minutes confidential.

ACCOUNTANT'S REPORT: *GASB Report / Department of Insurance (DOI) Annual Statement:* The Board was reminded that the Annual Statement Certification Form must be filed with the DOI by 10/31/2015, and that the DOI will no longer allow filing extensions. A motion was made by Trustee Witnik and seconded by Trustee Viken to authorize President Witnik, Secretary Jensen and Treasurer Grieashamer to sign the DOI Certification Form for the DOI Annual Statement, subject to review and approval. Motion carried by unanimous voice vote.

Review draft Actuarial report: Ms. Fain of L&A distributed the draft actuarial valuation as of 04/30/2015 and reviewed it with the Board. Ms. Fain discussed the GASB report with the Board and indicated that L&A is not currently engaged to do the Fund's GASB report. An L&A engagement letter for Actuarial services and GASB reporting was submitted to the Village for its approval. No action was taken. A follow up will be provided at the next meeting.

The annual Treasurer's report was prepared by L&A and distributed to the Board for review. The Treasurer executed his signature on the annual report.

Monthly Financial Report: The Board reviewed the Monthly Financial Report for the month ended 06/30/2015. As of 06/30/2015, the net position held in trust for pension benefits is

\$22,984,480.17. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the Monthly Financial Report as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

PRESENTATION AND APPROVAL OF BILLS: *Vendor Checks Report:* The Board reviewed the Vendor Checks Report for the period of 04/01/2015 – 06/30/2015, for disbursements totaling \$32,439.50. A motion was made by Trustee Jensen and seconded by Trustee Witnik to approve the Vendor Checks Report as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Approve IPPFA 2015 Training Conference Registration Fee: The Board discussed the IPPFA Midwest training conference. A motion was made by Trustee Jensen and seconded by Trustee Winje to authorize the \$1,625 (\$325 x 5) payment for registration of Trustees Witnik, Winje, Waychoff, Viken and Jensen to attend the IPPFA Midwest conference on October 6-9, 2015. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Additional Bills, if any: None at this time.

APPLICATIONS FOR ADMISSIONS/WITHDRAWS FROM FUND: *Death of Surviving Spouse Margaret Warfield:* The Board acknowledged the 06/06/2015 death of Margaret Warfield; benefits have ceased.

COMMUNICATIONS OR REPORTS: *Legal Update:* The Board was provided a copy of the Reimer, Dobrovolny & Karlson, LLC *Legal and Legislative Update* newsletter to read at their convenience.

Trustee Training Summary: All Trustees will be attending the 2015 IPPFA Midwest conference on October 6-9, 2015. As FOIA and OMA designees, Trustees Witnik and Jensen (back up designee) agreed to complete the online training as soon as possible.

Active Member Records/File Maintenance Letters: L&A reported that preparation of the active member records update letters will be completed in August or September, 2015, for distribution to the active members.

Annual Affidavits of Continued Eligibility: The Board discussed the Affidavits of Continued Eligibility, which L&A mailed to pensioners on 6/30/2015; with a due date of 7/31/15 for replies. A report of the results will be given at the next regular meeting.

OLD BUSINESS: *Office Norman Carli Jr.:* The Board reported that it is possible that a disability application may be submitted by Officer Norman Carli Jr. A follow up will be discussed at the next meeting.

Mr. McCurdy, Mr. Maraffio and Ms. Pierson joined the meeting at 5:30 pm.

NEW BUSINESS: *Presentation by Chris McCurdy of First American Bank, Investment Management:* The First American Bank representatives described their services and discussed the various investment strategies their bank offers. The representatives indicated that First American Bank does not currently have any Article 3 or 4 Pension Fund clients.

Mr. McCurdy, Mr. Maraffio and Ms. Pierson left the meeting at 5:53 pm.

Annual Independent Medical Examinations: The Board discussed the annual IMEs for Frederick Dede and Darren Glover, and agreed to authorize the Pension Board Attorney's office to set up these examinations. The Board agreed to table this item for follow up at the next regular meeting.

Fiduciary Liability Insurance Renewal, effective 08/01/2015: The Board discussed renewal of the Fiduciary Liability Insurance policy. A motion was made by Trustee Jensen and seconded by Trustee Waychoff to approve the renewal of the Fiduciary Liability policy for the period of 08/01/2015 to 08/01/2016, through Mesirow at a cost of \$3,811.00. Motion carried by roll call vote.

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

Board Officer Elections: The Board conducted the Board Officer elections for President, Vice President, Secretary and Assistant Secretary. A motion was made by Trustee Waychoff and seconded by Trustee Winje to retain the same Officers as follows: President Steve Witnik, Vice President Richard Viken, Secretary Robert Jensen and Assistant Secretary Jim Winje. Motion carried by unanimous voice vote.

Jason Waychoff Reappointment: The Board will follow up with the Mayor to request the reappointment of Trustee Waychoff; currently Trustee Waychoff's term is considered ongoing. A follow up report will be provided at the next meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFIT: *Disability Application of Officer Christopher Sardo:* The Board noted that it was possible that a disability hearing for Officer Sardo may be held before the next regular meeting. Potential dates will be determined at a later date. A follow up report will be discussed at the next regular meeting.

INVESTMENT REPORT: *Quarterly Investment Report:* Mr. Antioho distributed the Quarterly Investment Report for the second quarter 2015. The ending market value of the Fund as of the end of the 2nd Quarter 2015 is \$22,832,372.31. The total Fund performance for the 2nd quarter 2015 is -0.63% and year-to-date is 1.02%. The portfolio allocations are: equities -

domestic 45.3%, equities - international 5.9%, fixed income and cash 46.2%, and real estate 2.6%.

A motion was made by Trustee Witnik and seconded by Trustee Viken to authorize Antioho Investment Planning Group to invest the maximum free amounts (\$1,075,000) from three contracts at Sun Life and two contracts at Jackson National Annuity accounts (excluding the Muscarello contracts) and invest \$650,000 into MFS International Value and \$425,000 into the Wilshire 5000 Index, as detailed in the Quarterly Systematic Investment Program, beginning 08/20/2015, as discussed, and attached to the minutes. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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

CLOSED SESSION: There was no closed session.

ADJOURNMENT: A motion was made by Trustee Viken and seconded by Trustee Winje to adjourn the meeting at 7:00 pm. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for Tuesday, October 27, 2015, at 5:00 pm.

Respectfully submitted,

Robert Jensen, Pension Board Secretary

Date approved by Board _____

Minutes prepared by Lisa Barnaby, Pension Services Administrator, Lisa Barnaby

Franklin Park Police Pension Fund

Vendor Checks Report

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Vendor Name	Chk. No.	Check Date	Amount	
LAUTERBACH & AMEN LLP	30062	04/06/15	1,620.00	Electronic
LAUTERBACH & AMEN LLP	30064	04/29/15	1,620.00	Electronic
VILLAGE OF FRANKLIN PK	30063	04/30/15	4,375.91	Electronic
STEPHEN M. WITNIK*	30065	05/04/15	948.60	
VILLAGE OF FRANKLIN PK	30066	05/29/15	4,375.91	Electronic
BOYD WATTERSON ASSET MGMT	50071	05/31/15	5,779.00	Electronic
ILLINOIS STATE TREASURER	30067	06/01/15	4,420.66	
LAUTERBACH & AMEN LLP	30068	06/08/15	1,620.00	Electronic
ROBERT JENSEN*	30069	06/17/15	1,036.02	
RICHARD VIKEN *	30071	06/18/15	1,036.02	
STEPHEN M. WITNIK*	30072	06/18/15	1,231.47	
		Subtotal	2,267.49	
VILLAGE OF FRANKLIN PK	30070	06/30/15	4,375.91	Electronic
		TOTAL	32,439.50	

As of 7/24/2015 Franklin Park Police Pension

4 – Sun Life Maximum free amount	\$241,073.01	\$225,000 x 3 = \$675,000
3 – Jackson National Maximum free amount	\$219,287.29	\$200,000 x 2 = <u>\$400,000</u>
		Total Withdrawal \$1,075,000

Sun Life

SL - MFS Int'l	LF	SELL \$216,667 x 3 = \$650,000
SL - Fidelity Contra	LB	SELL \$ 8,333 x 3 = <u>\$ 25,000</u> = \$675,000

Jackson National

JNL - Mellon S & P Index	LB	SELL \$100,000 x 2 = \$200,000
JNL - S & P 4	LB	SELL \$100,000 x 2 = <u>\$200,000</u> = \$400,000
		\$1,075,000

BUY MFS International Value	\$650,000
BUY Wilshire 5000 Index	<u>\$425,000</u>
	\$1,075,000

Quarterly Systematic Investment Program

Sell:		Buy:	Buy:	Buy:	Buy:
Wilshire		Vanguard	Vanguard	Virtus	Vanguard
5000	<u>Date</u>	<u>Small Cap Index</u>	<u>Total Int'l</u>	<u>REIT</u>	<u>REIT</u>
\$118,500	8/20/15	\$40,000	\$63,000	\$12,500	\$3,000
\$118,500	11/20/15	\$40,000	\$63,000	\$12,500	\$3,000
\$118,500	2/20/16	\$40,000	\$63,000	\$12,500	\$3,000
<u>\$118,500</u>	5/20/16	<u>\$40,000</u>	<u>\$63,000</u>	<u>\$12,500</u>	<u>\$3,000</u>
<u>\$474,000</u>	=	<u>160,000</u>	<u>\$252,000</u>	<u>\$50,000</u>	<u>\$12,000</u>