

**MINUTES OF A REGULAR MEETING OF THE
FRANKLIN PARK POLICE PENSION FUND BOARD OF TRUSTEES
OCTOBER 29, 2019**

A regular meeting of the Franklin Park Police Pension Fund Board of Trustees was held on Tuesday, October 29, 2019 at 5:00 p.m. at the Franklin Park Police Station in the Community Room located at 9451 W. Belmont Avenue, Franklin Park, Illinois 60131, pursuant to notice.

CALL TO ORDER: Trustee Witnik called the meeting to order at 5:00 p.m.

ROLL CALL

PRESENT: Trustees Steve Witnik, Robert Jensen, Richard Viken and Jason Waychoff

ABSENT: None

ALSO PRESENT: Daniel and David Antioho, Antioho Investment Planning Group, LLC; Alex Michael and James Ritchie, Lauterbach & Amen, LLP (L&A); Treasurer Frank Grieshamer, Village of Franklin Park

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *July 30, 2019 Regular Meeting:* The Board reviewed the July 30, 2019 regular meeting minutes. A motion was made by Trustee Viken and seconded by Trustee Jensen to approve the July 30, 2019 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the five-month period ending September 30, 2019 prepared by L&A. As of September 30, 2019, the net position held in trust for pension benefits is \$29,095,915.98 for a change in position of \$684,882.48. The Board reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. The Board also reviewed the Vendor Check Report for the period July 1, 2019 through September 30, 2019 for total disbursements of \$138,748.31. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$138,748.31. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Additional Bills, if any: There were no additional bills presented for approval.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Disability Application Status – James Figueroa:* Trustee Witnik informed the Board that additional medical documents are being subpoenaed. A status update will be provided at the next regular meeting.

Disability Application Status – Norman Carli, Jr.: Trustee Witnik informed the Board that he received correspondence from Mr. Carli's attorney requesting a calculation for the conversion of

his non-duty disability pension benefit to a regular retirement pension benefit. L&A will prepare the necessary calculation. A status update will be provided at the next regular meeting.

Disability Application Status – Christopher Sardo: Trustee Witnik informed the Board that the appeal has been filed with the appellate court. A status update will be provided at the next regular meeting.

Deceased Pensioner – Raymond Klafeta/Approve Surviving Spouse Benefits – Charlotte Klafeta: The Board noted that Raymond Klafeta passed away on September 12, 2019. The Board reviewed the surviving spouse benefit calculation for Charlotte Klafeta with an effective date of September 13, 2019 for a monthly benefit of \$3,189.16 with no additional increases. A motion was made by Trustee Witnik and seconded by Trustee Viken to approve the surviving spouse benefit of Charlotte Klafeta calculated by L&A. Motion carried by roll call vote.

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

Approve Regular Retirement Benefits – Lara Hill-Krawczyk: The Board reviewed the regular retirement benefit calculation for Lara Hill-Krawczyk prepared by L&A. Investigator Hill-Krawczyk had an entry date of October 3, 1994; retirement date of November 28, 2019; effective date of pension of November 29, 2019; 51 years old at date of retirement; 25 years of creditable service; applicable salary of \$106,201.88; and an applicable pension percentage of 62.5%. The amount of originally granted annual pension is \$66,376.20 and the amount of originally granted monthly pension is \$5,531.35. A motion was made by Trustee Witnik and seconded by Trustee Jensen to approve the regular retirement benefits for Lara Hill-Krawczyk calculated by L&A. Motion carried by roll call vote.

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

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

COMMUNICATIONS AND REPORTS: *Legal Updates:* The Board reviewed the Reimer & Dobrovolny PC newsletter, *Legal and Legislative Update.*

Affidavits of Continued Eligibility: The Board noted that all 2019 Affidavits of Continued Eligibility have been received by L&A. The originals were presented to the Board for their records.

OLD BUSINESS: *Vacant Appointee Board Trustee Position:* Trustee Witnik informed the Board that no update has been provided by the Village regarding a replacement appointee for the vacant Board Trustee position. A status update will be provided at the next regular meeting.

Discussion/Possible Approval – Purchase of Hard Drives for Pension Fund Files: The Board tabled this item until the next regular meeting.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement has been filed with the Illinois Department of Insurance prior to the October 31, 2019 deadline. No further action is necessary.

NEW BUSINESS: *Review/Approve – April 30, 2019 Year End Audit:* The Board reviewed the finalized April 30, 2019 Year End Audit prepared by L&A. A motion was made by Trustee Witnik and seconded by Trustee Jensen to approve the April 30, 2019 Year End Audit as prepared. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Review/Approve – Actuarial Valuation & Tax Levy Request: The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended municipal contribution amount is \$2,974,071, which is a \$71,327 increase from the prior year contribution. The statutory minimum contribution requirement is \$2,906,142. A motion was made by Trustee Witnik and seconded by Trustee Viken to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$2,974,071 from the Village of Franklin Park Board of Trustees based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Waychoff and seconded by Trustee Witnik to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Establish 2020 Board Meeting Dates: The Board established the 2020 Board meeting dates as January 28, 2020; April 28, 2020; July 28, 2020 and October 27, 2020 at 5:00 p.m. in the Community Development Room at the Police Department located at 9451 West Belmont Avenue, Franklin Park, Illinois 60131.

Review/Adopt – Resolution Regarding Consolidation of Pension Funds: The Board reviewed the Resolution Regarding Consolidation of Pension Funds provided by Attorney Reimer. A motion was made by Trustee Witnik and seconded by Trustee Viken to adopt the Resolution and authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Review/Possible Action – Lauterbach & Amen, LLP Electronic Portal Services: L&A presented electronic portal services to the Board. A motion was made by Trustee Witnik and seconded by

Trustee Viken to engage L&A for the electronic portal service in the additional monthly amount of \$125. An updated engagement letter will be provided to the Board to include the electronic portal services. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

Discussion/Possible Action – Request for Proposals for Investment Services: The Board reviewed the draft request for proposals document for investment consultant services. A motion was made by Trustee Witnik and seconded by Trustee Jensen to submit the document to Antioho Investment Planning Group, LLC and Marquette and Associates, with a due date of November 30, 2019, for review and consideration prior to the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: The Board reviewed the reimbursement to Trustee Viken in the total amount of \$767.84 for training expenses:

- o Hotel: \$672.72
- o Mileage: 164 miles at \$0.58/mile totaling \$95.12

A motion was made by Trustee Witnik and seconded by Trustee Jensen to approve the Trustee training reimbursement as presented. Motion carried by roll call vote.

AYES: Trustees Witnik, Jensen, Viken and Waychoff

NAYS: None

ABSENT: None

INVESTMENT REPORT – ANTIOHO INVESTMENT PLANNING GROUP, LLC:

Quarterly Investment Report: Mr. Antioho distributed the Quarterly Investment Report for the third quarter of 2019 for the Board to review. The ending market value of the Fund as of September 30, 2019 is \$28,846,673.49. The total Fund performance for the third quarter was 1.12% versus the third quarter benchmark of 0.97%. The portfolio allocation as of September 30, 2019 is: Domestic Equities 39.2%; International Equities 15.5%; Fixed Income and Cash 37.1%; and Real Estate 8.2%

Potential Purchase and/or Sale of Securities, Re-balancing of Asset Allocations and Hiring/Termination of Investment Managers: Mr. Antioho informed the Board that he received the \$766,337.77 annuity check and recommended depositing \$266,337.77 into the Fund's cash account for the purpose of remitting pension benefits through January 2020 and purchasing \$260,000 in All Cap Vanguard Total Stock and \$240,000 in Small Cap US Vanguard Small Cap Index. A motion was made by Trustee Witnik and seconded by Trustee Jensen to accept Mr. Antioho's recommendations as stated. Motion carried by roll call vote.

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

Review/Update Investment Policy: The Board discussed the Investment Policy in summary and determined that no changes were required at this time.

CLOSED SESSION, IF NEEDED: There was no closed session needed.

ADJOURNMENT: A motion was made by Trustee Viken and seconded by Trustee Witnik to adjourn the meeting at 5:55 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for January 28, 2020 at 5:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Alex Michael, Pension Services Administrator, Lauterbach & Amen, LLP