



**FOX LAKE POLICE PENSION FUND
BOARD MEETING
Monday – April 16, 2018**

I. Meeting Called to Order

President Fred Loffredo called the meeting to order at 9:33 a.m.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Roll Call

Board Members present were Fred Loffredo, Bill Golden, Terrence Daly and Walter Kubalanza. Joe Martin was absent due to training. Also present: Tom McShane of Graystone Consulting, Board Attorney Laura Goodloe, Village Director of Finance/Treasurer Julie McManus, Village Administrator Ann Marin, Attorney Brian Smith, Attorney Paul Denham, Police Chief Jimmy Lee, Laura Linahan, and Recording Secretary Carol McMullen.

IV. Approval of Agenda

A motion was made by Walter Kubalanza to approve the Agenda as presented; second by Terrence Daly. All Ayes; motion carried.

V. Public Comments – None at this time.

VI. Approval of Minutes

A motion was made by Terrence Daly to accept the minutes of the quarterly meeting of 01-15-2018; second by Bill Golden. All Ayes; motion carried.

VII. Financial Report

Tom McShane reviewed the Performance Report ending 03-31-2018. The ending market value as of March 31, 2018 was \$16,495,547. Of that amount, \$10,862,549.00 (65.8%) was invested in equities; \$5,462,451.00 (33.1%) in fixed income and there was \$170,547.00 in cash and cash equivalents. He stated that the portfolio will be reduced as of 04-30-2018 to bring the equities down to under 65%. He discussed the first quarter volatile stock market, stating that YTD the fund is down -43 basis points vs.

the bench mark of -82 basis points. Since inception, the fund is up an average annualized return net after fees of 6% vs. the bench mark of 5.13%.

Trustee Kubalanza questioned the recent Daily Herald article regarding the worst investment returns for several Illinois pension funds. The article was discussed at length, including the rate of returns and if the funds year ended in April or December, since this would affect the comparison of the investments rate of return. At the Boards request, Tom McShane will prepare a 5-year comparison showing returns for the Fox Lake Police Pension Fund compared with other pension funds with April 30 year ends. Attorney Goodloe will help him prepare this comparison.

VIII. Accountants Report – Cash Flow Needs

Julie McManus reviewed the Lauterbach & Amen Monthly Financial Report as of 03-31-2018. Total Assets and Liabilities as of 03-31-2018 was \$16,510,761.29. She stated that the Village will be paying the \$30,000 balance due for the tax levy this month.

IX. Approval of Bills & Disbursements

A motion was made by Terrence Daly to accept the bills as presented on the Lauterbach & Amen Vendor Report, and pay them as they become due; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Bill Golden – Aye. Terrence Daly – Aye. Walter Kubalanza – Aye. All Ayes; motion carried.

X. Attorney Report

Attorney Goodloe updated the Board as to the status of the Gliniewicz matter. At the last hearing the Board voted to lift the Stay of Proceedings and move forward. In February, Attorney Goodloe requested a timeline from both counsels as to when the subpoenas will be issued and responses received as well as a witness list provided. Counsel (Mr. Smith) for Ms. Gliniewicz indicated there would not be many subpoenas issued, nor many witnesses called. Counsel for the Village indicated they did have subpoenas to be issued; so far approximately ten have been signed and sent back to Village Counsel to effectuate. The responses to those subpoenas are well past due at this juncture. Counsel for Village stated that subpoenas to third-party businesses are trickling in, receiving two responses last week.

Attorney Goodloe stated that Mr. Smith filed a Motion to Quash after the Village issued a subpoena to Ms. Gliniewicz; the Municipality thereafter withdrew that subpoena. The Village issued a second subpoena to Ms. Gliniewicz and Mr. Smith filed another Motion to Quash this second subpoena. The Village has filed a Motion for Response and filed a Motion to Compel. Mr. Smith sent a letter asking the Board to consider setting the matter for a hearing given the years that have passed since the matter first came to the Board in the form of an application for survivor's pension.

A hearing date is set for June 19, 2018, to hear oral arguments on the Motion to Quash, the Motion for Response and the Motion to Compel. By June all of the

subpoenas that the Village issued should be responded to, and at that time, with respect to how long this is taking, we will possibly consider a definitive set timeline to get this matter set for a hearing.

A motion was made by Walter Kubalanza to approve the Bostic Decision and Order; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Bill Golden – Aye. Terrence Daly – Aye. Walter Kubalanza – Aye. All Ayes; motion carried.

XI. Old Business

Affidavits of Eligibility with return envelopes have been prepared and will be given to Steve Earnhardt to include with the July pension payments.

Fred Loffredo's mayoral reappointment will be on the Village Board Meeting Agenda for the second meeting in May. Statement of Economic Interest was discussed; Terrence Daly has not received anything from the County yet; Kimberly Mate has notified the County, so he should be hearing from them shortly.

A motion was made by Bill Golden to approve the renewal of the Fiduciary Liability Insurance; second by Terrence Daly. Roll call vote taken: Fred Loffredo – Aye. Bill Golden – Aye. Terrence Daly – Aye. Walter Kubalanza – Aye. All Ayes; motion carried.

XII. Officer Status

Bill Golden will send New Hire forms for Daniel McKinney and Jonathan Cawley to Steve at Lauterbach & Amen.

After reviewing all documents received for new officer, Jonathan Cawley who is a Tier Two with a hire date of 01-02-2018 and year of birth 1988, A motion was made by Terrence Daly to approve the pension application of Jonathan Cawley; second by Bill Golden. All Ayes; motion carried.

Todd Ebbing has requested a calculation for military buy-back. Bill Golden will contact Steve at Lauterbach & Amen and ask him to provide the necessary documents for this.

XIII. New Business

A motion was made by Walter Kubalanza to approve payment for the DOI Annual Compliance Fee, not to exceed 3% over what was paid last year; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Bill Golden – Aye. Terrence Daly – Aye. Walter Kubalanza – Aye. All Ayes; motion carried.

The FOIA Officer for the Board will be Bill Golden; he will go online and take the required training and provide Carol with a copy of his Certificate of completion.

XIV. Executive Session – None at this time.

XV. Action from Executive Session – None at this time.

XVI. Adjournment

The next regular scheduled meeting will be Monday, July 16, 2018, at 9:30 a.m.

With no further business a motion was made by Walter Kubalanza to adjourn at 10:25 a.m.; second by Fred Loffredo. All Ayes; motion carried.

Respectfully Submitted,

**Fred Loffredo
President**