



FOX LAKE POLICE PENSION FUND
Fox Lake Village Hall – 66 Thillen Drive, Fox Lake, IL 60020

BOARD MEETING
Monday – April 15, 2019

I. Meeting Called to Order

President Fred Loffredo called the meeting to order at 9:30 a.m.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Roll Call

Board Members present were Fred Loffredo, Walter Kubalanza, Bill Golden and Joe Martin. Terrence Daly was absent. Also present: Dawn Ratkovich of Lauterbach & Amen, Attorney Laura Goodloe, Laura Rudkin sitting in for Village Finance Director Julie McManus and Recording Secretary Carol McMullen. Tom McShane of Graystone Consulting joined the meeting at 10:15 a.m.

IV. Approval of Agenda

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

V. Public Comments – None at this time.

VI. Approval of Minutes

A motion was made by Walter Kubalanza to accept the minutes of the quarterly meeting of 01-21-2019 as presented; second by Bill Golden. All Ayes; motion carried.

A motion was made by Walter Kubalanza to accept the minutes of the Special meeting of 02-19-2019 as presented; second by Bill Golden. All Ayes; motion carried.

VII. Financial Report

Tom McShane presented the Performance Report for the period ending 03-31-19. He reviewed the Asset Class Index performance and gave an overview of the markets for

the first quarter 2019. The target allocation is 2.0% cash, 38% fixed and 60% equity; current asset allocation shows 35.84% in fixed income, 63.59% in equities and 0.56% in cash & cash equivalents. On a year-to-date basis, the fund is up 8.18% vs. the benchmark of 8.37%. Since inception the fund is up 5.74% vs. the benchmark of 5.03%. Ending market value as of 03-31-19 is \$16,907,167. He recommended no changes be made to the current asset allocation. He reviewed and discussed the bond portfolio stating that most of the bonds are coming due over the next 3-4 years; in 2019 they will be reinvested in U.S. Treasuries.

A motion was made by Joe Martin to accept the Performance Report for the period ending 03-31-19 as presented by Tom McShane; second by Walter Kubalanza. All Ayes; motion carried.

VIII. Accountants Report – Cash Flow Needs

Dawn Ratkovich mentioned that a notice with information regarding the HELPS Program was disbursed to all pensioners in February. Dawn presented and reviewed the Monthly Financial Report ending 03-31-2019 showing total assets at \$16,917,967.52. Fred Loffredo questioned the line item for Union Dues. Laura Rudkin stated this was for pensioners Luerssen, Nagel and Mason that are contributing to the local FOP.

Fred Loffredo asked Attorney Goodloe if she had a total of how much her legal fees were to-date regarding the Gliniewicz case. Attorney Goodloe will tally up what it has cost the fund to-date and put a spreadsheet together with a running total for the Board. Walter Kubalanza asked if she would include Court Reporter fees in with her total.

A motion was made by Walter Kubalanza to accept the Lauterbach & Amen Financial Report for the month ended March 31, 2019 as presented; second by Joe Martin. All Ayes; motion carried.

A motion was made by Joe Martin to accept the bills as presented on the Lauterbach & Amen Report dated 03-31-2019, and pay them as they become due; second by Fred Loffredo. Roll call vote taken: Fred Loffredo – Aye. Walter Kubalanza – Aye. Bill Golden – Aye. Joe Martin – Aye. Terrence Daly – Absent. Motion carried.

Carol McMullen will prepare the 2019 Affidavits of Eligibility and the self-addressed return envelopes and give them to Dawn Ratkovich for Lauterbach & Amen to include with their July pension payment.

IX. Attorney Report

Attorney Goodloe updated the Board on the status of the Gliniewicz case. Since the last hearing for a Motion for Recusal, there was some discussion regarding documents the Municipality subpoenaed from the States Attorney's office. In response, the Counsel for Gliniewicz appeared in criminal court in February indicating there was a protective order issued over all these documents that the States Attorney originally turned over to the Village in response to their subpoena in this matter. This was argued in court and the court stated that any

and all documentation that the States Attorney inadvertently provided to the Municipality, with the exception of any documentation or potential pieces of evidence that the Municipality already had, had to be turned back over to the States Attorney due to the protective order in the criminal matter. A few weeks ago the Municipality filed A Motion for a Rule to Show Cause and another Motion for Reconsideration in criminal court, in front of the criminal judge as to the issue concerning all these documents that went back and forth between the States Attorney's Office and the Village. Attorney Goodloe stated she read over 150 pages of motions, affidavits and exhibits pertaining to the two motions that were filed by the Village and that Counsel for both parties are still going back and forth in criminal court. Another issue that will impact this case is if certain conversations that were had may or may not equate to marital privilege under the Constitution and whether or not they will be admissible in criminal court. The criminal matter is set for trial in July. The Appellate Court recently made a ruling and remanded it back to the Circuit Court for clarification and further hearing that only a certain portion of the phone conversations are admissible, not all of them. Attorney Goodloe will keep the Board posted on this case.

Attorney Goodloe discussed pending police and firefighter legislation and stated that all of the bills relating to pension consolidation have been sent to the Rules Committee. She reviewed disability cases handled by her firm.

X. Old Business

Attorney Goodloe stated that Julie McManus was going out for Actuarial RFP's and that she had asked if we wanted one individual appointed from the Board to co-chair and help review the responses. It was the consensus of the Board to direct Joe Martin to review the RFP's with Julie McManus as they come in and then to hold a Special Meeting on May 14th at 9:30 to review the Actuarial RFP's. Attorney Goodloe will send an e-mail to Julie informing her of the Board's direction and to ask Julie to send the RFP's to all of the Board members as they come in.

Attorney Goodloe reviewed changes to the Administrative Rules & Regulations with the Board. After Board approval, Attorney Goodloe will update the Table of Contents, send a copy to the DOI and e-mail a copy to the Board, Carol McMullen and Dawn Ratkovich.

A motion was made by Joe Martin to adopt the changes made to the Administrative Rules & Regulations and accept them as presented; second by Bill Golden. All Ayes; motion carried.

Elections were held among active police officers and annuitants based upon the procedures in the Administrative Rules & Regulations. Ballots were counted today by mayor appointed Trustees, Fred Loffredo and Walter Kubalanza. Fifteen (15) ballots were returned from active police officers. Votes received for active police officers: Cody Barker – (4) four. Eric Ewald – (5) five. Bill Golden – (8) eight. Josh Maas – (2) two. Matt Malczewski – (1) one. Joe Martin – (10) ten. Joe Martin stated he will accept the one year position this year so the active Trustee terms are staggered. Ten (10) ballots were returned from the annuitant members. Votes received for

annuitants: Terrence Daly – (7) seven. Kenneth Welsch – (3) three. Since the deadline to receive the ballots is today, April 15th, these are tentative election results; we will vote to certify the election results in July.

XI. Officer Status

Joe Martin stated that three officers put in for pension refunds. Paperwork has been received for Daniel McKinney whose date of hire was 06-05-17 and last day worked was 08-30-19, and for Elijah Porras-Garcia whose date of hire was 06-25-18 and last day worked was 01-08-19. No paperwork has been received for James Elser.

A motion was made by Joe Martin to ratify and approve the pension contribution refund for Daniel McKinney in the amount of \$7,305.60; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Walter Kubalanza – Aye. Bill Golden – Aye. Joe Martin – Aye. Terrence Daly – Absent. Motion carried.

A motion was made by Joe Martin to approve the pension contribution refund for Elijah Porras-Garcia in the amount of \$3,302.73; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Walter Kubalanza – Aye. Bill Golden – Aye. Joe Martin – Aye. Terrence Daly – Absent. Motion carried.

The approval of the pension contribution refund for James Elser is tabled until paperwork is received.

Joe Martin stated that there is a new police officer, Austin VanBuren, start date 03-19-2019. There is no paperwork at this time; this will be on the July Agenda.

Joe Martin did an annual review of the pension member files and sent e-mails to active officers who needed to update their files. A beneficiary form and child birth certificate was received from Shane Campion. A beneficiary form, marriage license and spouse birth certificate was received from Michael Cwiok. A beneficiary form, marriage license and spouse birth certificate was received from Jonathan Cawley.

XII. New Business

A motion made by Joe Martin to pre-approve the payment of the DOI Annual Compliance Fee not to exceed \$8,000.00; second by Bill Golden. Roll call vote taken: Fred Loffredo – Aye. Walter Kubalanza – Aye. Bill Golden – Aye. Joe Martin – Aye. Terrence Daly – Absent. Motion carried.

A motion was made by Bill Golden that all closed session meeting minutes pertaining to the Gliniewicz matter remain exempt from disclosure based upon the pendency of the claim and its ongoing nature; second by Fred Loffredo. All Ayes; motion carried.

XIII. Executive Session - None.

XIV. Adjournment

The next regular scheduled meeting will be July 15, 2019, at 9:30 a.m.

With no further business, a motion was made by Walter Kubalanza to adjourn at 11:10 a.m.; second by Fred Loffredo. All Ayes; motion carried.

Respectfully Submitted,

Fred Loffredo

President

BY: Carol McMullen
Recording Secretary