



**FOX LAKE POLICE PENSION FUND
BOARD MEETING - VIA ZOOM
July 20, 2020**

I. Meeting Called to Order

President Fred Loffredo called the meeting to order at 9:30 a.m., and read the following statement.

This meeting is being conducted by audio or video conference without a quorum of the public body physically present and without any singular member of the public body present at the Board's regular meeting location because of a disaster declaration related to COVID-19 public health concerns affecting the Fox Lake Police Pension Board. The Pension Board President has determined that an in-person meeting with all participants is not practical, prudent or feasible because of the disaster. All votes will need to be taken via roll call vote during this meeting.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Roll Call

Board Members present were Fred Loffredo, Bill Golden, Terrence Daly and Joe Martin. Walter Kubalanza was absent. Also present: Steve Earnhardt of Lauterbach & Amen, Tom McShane of Graystone Consulting, Board Attorney Laura Goodloe, Stephanie Bay of Lauterbach & Amen, Police Chief Jimmy Lee, Village Finance Director Nazer Uddin, Village Administrator Ann Marin, and Recording Secretary Carol McMullen.

IV. Approval of Agenda

A motion was made by Bill Golden to approve the Agenda as presented; second by Joe Martin. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. 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 05-04-2020 as presented; second by Fred Loffredo. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

VII. Financial Report

Tom McShane sent the updated Investment Policy with the sustainability language to Attorney Goodloe to review. He will send copies to the rest of the Board for review. This will be on the next meeting agenda for approval.

Tom reviewed the second quarter markets and discussed the turmoil in the market due to COVID. He reviewed cash flow stating there was enough cash in the bank at this time to sustain the fund through the remainder of this year. As of 6-30-2020, the funds worth was \$17,838,777. There was \$6,459,040 (36.21%) in fixed income, \$11,003,234 (61.68%) in equities and \$376,502 (2.11%) in cash and equivalents. For the last 12 months the fund is up 2.93%; for the fiscal year-to-date from 04-30-2020 to present the fund is up 4.86%; from 01-01-2020 the fund is down 2.69%; for the current quarter the fund is up 11.51%. Tom reviewed the risk/return analysis, since inception the fund has had greater returns than the benchmark and has taken less risk. He will be looking to add some bonds to the portfolio over the next few days, including Honeywell, Conoco and PayPal, putting \$250,000 into each.

A motion was made by Bill Golden to accept the 06-30-2020 Performance Report as presented by Tom McShane; second by Terrence Daly. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

VIII. Accountants Report

Steve Earnhardt presented and reviewed the Monthly Financial Report ending 06-30-2020, showing total assets at \$17,836,842.87.

A motion was made by Terrence Daly to accept the Lauterbach & Amen Financial Report of 06-30-2020 as presented; second by Bill Golden. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

A motion was made by Bill Golden to accept and pay the bills as presented on the Lauterbach & Amen quarterly Vendor Check Report dated 06-30-2020, and pay the bills as they become due; second by Joe Martin. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

The DOI Annual Statement is in the beginning stages of preparation; this report is due October 31, 2020.

Stephanie Bay of Lauterbach & Amen reviewed the draft actuarial report with the Board. The recommended tax levy contribution is \$1,027,128; the percent funded is 72.13%. The Illinois Statutory minimum contribution is \$620,702.

It was pointed out that pension contributions ceased for Meagan Blue; she resigned as of 06-08-2020. Pension contribution refund forms were sent to her. This is tabled.

IX. Attorney Report

Attorney Goodloe reported that with respect to the status of the Gliniewicz matter, that matter was back up on appeal over some issues whether communications between Melody and her late husband were privileged or not. There was a ruling that came down from the Second District, but we're waiting for the Circuit Court to finalize the pending criminal matter. There is no formal action to be taken on our end at this juncture.

With respect to legal updates, the Police Officers Investment Fund should have sent a communication last week that was going to be requesting information for all active participants and retirees. This information is needed in order to conduct an election for the permanent Board. Based upon State Statute the permanent Board is to be seated by the end of this year. They are looking to compile lists of everybody who would be eligible to participate in the election. They should be hiring an IT person to get a website up and running; at this time it is difficult to obtain any meeting minutes or get on to their page through LinkedIn.

Court houses are holding hearings through Zoom right now; they remain closed to the public.

X. Old Business

2020 Affidavits of Eligibility - It was the consensus of the Board to send these out and extend the amount of time for them to be returned to 60 days due to the COVID pandemic and the concern about the annuitants having to go to a notary during this disaster.

XI. Officer Status

Patrick Caputo resigned 11-12-2019; no paperwork has been received regarding disposition of his pension contributions at this time. This is tabled.

A motion was made by Bill Golden to approve the pension application of Ramon F. Carreno, Date of hire was 09-03-2019, Tier II, DOB 1996; second by Joe Martin. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

A motion was made by Bill Golden to approve the pension application of Scott R. Litwiler, Date of Hire was 03-16-2020, Tier II, DOB 1990; second by Joe Martin. Roll call vote taken: Fred Loffredo – Aye. Terrence Daly – Aye. Bill Golden – Aye. Joe Martin – Aye. Walter Kubalanza – Absent. Motion carried.

Paperwork for new hire Christopher M. Dudek, DOH 06-29-2020, Tier II, has not been received at this time. This is tabled.

XII. New Business

Verbatim Recordings Pursuant to 2.06 of the OMA – Board Counsel reviewed the approved executive session minutes from 05-25-2016, 08-25-2016, 12-21-2017 and their corresponding verbatim recordings. Counsel verified to the Board that the executive session meeting minutes complied with the requirements contained under 5ILCS 120/2.06(a), and confirmed these meetings occurred no less than eighteen months ago.

Upon Board counsel’s recommendation and in accordance with the policies and procedures contained under 5 ILCS 120/2.06(a), a motion was made by Joe Martin to destroy the verbatim recordings from the executive session meetings of 05-25-2016, 08-25-2016 and 12-21-2017; second by Terrence Daly. Roll call vote taken: Fred Loffredo – Aye. Terrence Daly – Aye. Bill Golden – Aye. Joe Martin – Aye. Walter Kubalanza – Absent. Motion carried. The verbatim recordings shall be destroyed while the executive session minutes shall remain intact. No further action is needed with regard to this matter.

Status of Audit - Ann Marin stated that the Audit is in its preliminary stages.

A motion was made by Joe Martin to approve Bill Golden as the OMA/FOIA Officer for the Fox Lake Police Pension Fund; second by Fred Loffredo. Roll call vote taken: Fred Loffredo – Aye. Terrence Daly – Aye. Bill Golden – Aye. Joe Martin – Aye. Walter Kubalanza – Absent. Motion carried.

Board Officer Positions Vote – Nominations for the slate of Board Officer Positions were received for Bill Golden as President, Fred Loffredo as Vice-President, Joe Martin as Secretary and Terrence Daly as Assistant Secretary.

A motion was made by Fred Loffredo to appoint Bill Golden as President, Fred Loffredo as Vice-President, Joe Martin as Secretary and Terrence Daly as Assistant Secretary for the Fox Lake Police Pension Board; second by Joe Martin. Roll call vote taken: Fred Loffredo – Aye. Terrence Daly – Aye. Bill Golden – Aye. Joe Martin – Aye. Walter Kubalanza – Absent. Motion carried.

Annual Medical Re-evaluations - There are no annual medical reevaluations at this time.

Trustee Training Requirements - The IPPFA is hosting the Mid-America Conference in Naperville the end of September through early October. Individuals will be given the opportunity to appear in person or virtually. Registration is not yet open, but the calendar of events is shown at IPPFA.org. This will cover the 8 hours of annual training, plus the 4 hours required consolidation training. Terrence Daly completed his 8 hours of annual training, and still needs the 4 hours consolidation training.

XIII. **Executive Session** - None.

XIV. **Action from Executive Session** - None.

XV. **Adjournment**

The next regular scheduled meeting will be in October. With no further business, a motion was made by Joe Martin to adjourn at 10:40 a.m.; second by Terrence Daly. Roll call vote taken: Fred Loffredo - Aye. Terrence Daly - Aye. Bill Golden - Aye. Joe Martin - Aye. Walter Kubalanza - Absent. Motion carried.

Respectfully Submitted,

Bill Golden
President

BY: Carol McMullen
Recording Secretary