



**FOX LAKE POLICE PENSION FUND
BOARD MEETING
Monday, July 18, 2016**

I. Meeting Called to Order

President Fred Loffredo called the meeting to order at 9:32 a.m.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Roll Call

Board Members present were Fred Loffredo, Jack Kiesgen, Joe Neary, Joe Martin and Mark Schindler. Also present: Police Officer Robert Lewis, Tom Olson, Steve Earnhardt of Lauterbach & Amen, Village Administrator Ann Marin, Village Finance Director Stephanie Hannon, Tom McShane of Graystone Consulting, Board Attorney Laura Goodloe and Recording Secretary Carol McMullen.

IV. Approval of Agenda

A motion was made by Joe Neary to approve the Agenda as presented; second by Fred Loffredo. All Ayes; motion carried.

V. Public Comments

Tom Olson read a statement voicing his opinion regarding the police department, the pension fund and the disability pension application of Police Officer Bill Bostic. The Board made no comment at this time.

VI. Approval of Minutes

A motion was made by Joe Neary to accept the Board Meeting minutes of 04-18-2016 as presented; second by Jack Kiesgen. All Ayes; motion carried.

A motion was made by Jack Kiesgen to accept the Executive Session Meeting minutes of 05-25-2016; second by Joe Neary. All Ayes; motion carried.

A motion was made by Joe Neary to accept the Special Meeting minutes of 05-25-2016; second by Fred Loffredo. All Ayes; motion carried.

VII. Financial Report

Tom McShane reviewed current and trending market conditions and events including the exit of the United Kingdom from the European Union. He reviewed the performance report through the period ending 05-31-2016, showing the ending market value at \$14,051,589. He will send out the 06-30-2016 reports via e-mail. He stated the fund was on target with allocations of 2% cash, 38% fixed income, 60% equities. Over the last five years the fund is up 5.50%. He reviewed the holdings in equities and the fixed income portfolio.

VIII. Accountants Report – Cash Flow Needs

Steve Earnhardt reviewed the Lauterbach & Amen Monthly Financial Reports ending June 30, 2016. Lauterbach & Amen shows net position assets & liabilities, held in trust for pension benefits at \$14,298,112.91.

A motion was made by Joe Neary to approve the Accountants Monthly Financial Report for the month ending 06-30-2016 as presented; second by Jack Kiesgen. All Ayes; motion carried.

A motion was made by Joe Neary to accept the Lauterbach & Amen 5-year engagement letter for accounting services for the years ended April 30, 2017, 2018, 2019, 2020 and 2021, as presented; second by Joe Martin. Roll call vote taken: Fred Loffredo – Aye. Mark Schindler – Aye. Joe Martin – Aye. Jack Kiesgen – Aye. Joe Neary – Aye. All Ayes; motion carried.

IX. Approval of Bills & Disbursements

A motion was made by Fred Loffredo to accept the bills as presented on the Lauterbach & Amen Monthly Financial Report for the months of April, May and June 2016 in the amount of \$16,702.73, and pay them as they come due; second by Joe Neary. Roll call vote taken: Fred Loffredo – Aye. Mark Schindler – Aye. Joe Neary – Aye. Jack Kiesgen – Aye. Jeff Norris – Aye. All Ayes; motion carried.

X. Attorney Report

Attorney Goodloe gave an update on an enforcement statute that was put into place several years ago regarding municipalities underfunding of pension fund tax levies; there was no direction on how to implement this statute. Committees have been formed, which includes the IPPFA, and meetings are being held to come up with policies and procedures on how to implement this.

Attorney Goodloe stated that a motion to Stay the Proceedings of the Gliniewicz matter was filed by the Village. A hearing will be scheduled to adjudicate the Village of Fox Lake's Motion to Stay Proceedings on August 23, 24 or 25, 2016.

XI. Old Business

DOI Security Administrator – The Pension Board appointed Stephanie Hannon to be the Security Administrator for the Pension Fund.

Fred Loffredo – mayoral appointment - The mayoral appointment of Fred Loffredo as Trustee to the Pension Fund has expired as of May 2016. Ann Marin stated that the Trustees reappointments have not been made yet.

Mark Schindler received a certificate for completing the online FOIA training.

XII. Officer Status

There is a new hire, Jessie Koutoulas; a pension packet was just given to her; this is tabled at this time.

Four police officers received disciplinary suspensions totaling 100 days. They will be notified by letter of their option to buy back this time.

Officer Henderson is out on a duty-related injury.

Officer Bostic has filed a disability pension application; this is currently pending receipt of medical records and personnel files, and workers comp file if there is one. Upon receipt of these records, under Section 115 of the Pension Code we are required by law to have Officer Bostic undergo three individual independent medical evaluations before we can adjudicate his application.

XIII. New Business

Semi-annual review of closed session meeting minutes –A motion was made by Mark Schindler to keep the closed session meeting minutes exempt from public disclosure; second by Joe Neary. All Ayes; motion carried.

Election of Board Officer Positions - A motion was made by Joe Neary to elect Fred Loffredo as President; second by Mark Schindler. All Ayes; motion carried.

A motion was made by Joe Neary to elect Jack Kiesgen as Vice-President; second by Mark Schindler. All Ayes; motion carried.

A motion was made by Joe Neary to elect Mark Schindler as Secretary second by Fred Loffredo. All Ayes; motion carried.

A motion was made by Joe Neary to elect Joe Martin as Assistant Secretary; second by Mark Schindler. All Ayes; motion carried.

Status as to Audit – Stephanie Hannon reported that the Audit will be completed by the end of October.

Actuary – A motion was made by Jack Kiesgen to authorize Fred Loffredo and Stephanie Hannon to review proposals from Tim Sharpe and Lauterbach & Amen for actuarial and GASB services; and to authorize Fred Loffredo to make the decision of

the hiring of an actuary at a cost not to exceed \$5,000; second by Joe Neary. All Ayes; motion carried.

Status as to preparation of DOI Annual Statement – Steve Earnhardt stated that this is due October 31, 2016 and is contingent upon the completion of the audit.

Trustee Training Requirement status – Mark Schindler will be registering Joe Martin for the Certified Trustee Training Class.

IPPPFA Conference – Everyone has been registered for the 2016 IPPFA Conference.

Status as to disabled pension annual revaluations – There are none at this time.

Review and Update of Membership files – Nothing at this time.

Annual Proof of Living Letters - The annual Continued Eligibility Affidavit will be sent out to all annuitants on 07-25-2016.

Temporarily Yours Secretarial Service Contract - A motion was made by Fred Loffredo to increase the hourly fee of Temporarily Yours Secretarial Service to \$27.50 per hour; second by Jack Kiesgen. Roll call vote taken: Fred Loffredo – Aye. Mark Schindler – Aye. Joe Martin – Aye. Jack Kiesgen – Aye. Joe Neary – Aye. All Ayes; motion carried.

XIV. Executive Session – None at this time.

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

XVI. Adjournment

With no further business a motion was made by Joe Neary to adjourn at 10:53 a.m.; second by Mark Schindler. All Ayes; motion carried.

The next regular scheduled meeting will be Monday, October 17, 2016, at 9:30 a.m.

Respectfully Submitted,

Fred Loffredo
President