

Fox River Grove Police Pension Fund Board Meeting

April 3rd, 2013

Fox River Grove Village Hall

1. Meeting was called to order by President Resseguie at 5:31 p.m. Roll call made with President Dick Resseguie, Vice President Penny Toppel, Secretary Mark Slovacek and Board Member Mike Miller present. Also in attendance was Pension Board Attorney Cary Collins, William Yocius – Mitchell, Vaught & Taylor and James Nowicki from Mitchell, Vaught & Taylor.
2. Minutes of the January 2nd, 2013 meeting were reviewed. Miller made motion to approve them which was seconded by Toppel. Unanimously approved.
3. Toppel made the Financial Report from the Village as the new Village Treasurer, Jennifer Menz was unable to attend.
 - a. Due to the Police Department ratifying their new contract, which was retroactive to when the last one expired, Officer Diskin (now on permanent disability) was entitled to an increase of his monthly disability pay from about \$2,500.00 to an estimated \$,3067.00 Miller made a motion to accept this increase, which was seconded by Resseguie. All approved in vote.
 - b. Toppel reported next that \$72,000.00 had to be transferred from our investments into the general checking account to cover payouts.
 - c. Toppel lastly gave out the quarterly financial report. Slovacek pointed out that dates needed correction (i.e. Balance as of 12/31/13 needed to be changed to 12/31/12 and also at the bottom that should be 3/31/13 rather than shown as 9/30/12). Toppel said that the report was not complete as she was still transitioning the Treasurer's office to Jennifer Menz, but that the report will be completed prior to the next meeting. Slovacek made motion to accept the Financial Report from Toppel pending revised one. Motion seconded by Miller and report was accepted as given.
4. William Yocius – Mitchell, Vaught and Taylor gave his finance report next. For the first quarter of 2013, the fund had a starting balance of \$1,524,539. There was a withdrawal of \$72,198 and net investment gain of \$15,266 leaving an ending balance of \$1,467,607. Slovacek asked about our equities investments being over the 10% limit. Yocius explained that was due to returns on the investments and not from monies being transferred. The equity investments were reported at 11.7% Toppel made motion to accept Yocius' report, second by Miller. All approved report
5. Mr. James Nowicki, Vice President with Mitchell, Vaught & Taylor next gave a short presentation about our funds and investment options to make a proposal to the Village. Mr. Nowicki said that due to Stone Park's pension crisis (reportedly worst funded in the State), they were able to issue a taxable bond issue to help Stone Park's investment potential. As Fox River Grove's investments are limited to 90% fixed income/10%

Equities due to the fund balance being under 2.5 million dollars, Mr. Nowicki suggested a similar measure for Fox River Grove to increase our fund value to over 2.5 million dollars. This would allow our investments to shift from 90/10 to that of 55% fixed income and 45% Equities, where Equities investments are currently having a higher return. Toppel pointed out that the Village currently had two outstanding bond issues totaling over 4 million dollars for capital improvements and roads. In addition, the Village may be looking at spending a substantial amount in downtown revitalization in the future. It was reported that this Pension levy would have to be done through the Village as the village held the credit rating, not the Pension Fund.

Miller asked about a special meeting with the Village Board. It was decided that certain figures would be provided to Mr. Nowicki so a more formalized proposal could be made and proposed to Mayor Nunamaker the the Village Administrator prior to addressing the Village Board as a whole.

6:21 p.m. Officer Sharp arrived at the meeting

6. Attorney's Report given by Cary Collins:
 - a. No new legislative updates to report
 - b. Regarding Sgt. Domagala's request to transfer his pension funds to Lake in the Hills, he needs to fill out certain portability forms and send them back to this board. Collins gave Slovacek the forms to sign and mail to both Domagala and the Finance Director of Lake in the Hills. It was reported though that Tim Sharpe had computed an estimated \$130,977 that would be transferred from FRG Pension Fund to the LITH Pension Fund

OLD BUSINESS

7. Slovacek reported that he received correspondence and a bill from Buffalo Grove Orthopaedic Associates regarding Officer Westergren's annual disability examination. It was reported that Westergren is still permanently disabled and unable to return to duty. Miller made motion to pay the \$1,100.00 bill to Buffalo Grove Ortho, second by Resseguie. Measure passed in roll call vote.
8. Discussion was held regarding training of Board members and associated costs. It was reported that the 32 hour CD course was approximately \$600.00 of which Toppel, Miller and Schumann must complete. Slovacek indicated that he, too would like to take the 32 hour training. Slovacek pointed out that this was in addition to the mandatory 16 hours continuing education that had to be completed annually.
9. Regarding the audit completed last year, Toppel and Slovacek will attempt again to file an amended report.

6:50 p.m. Officer Sharp returned to the meeting...

NEW BUSINESS

10. Application for membership was made by Officer David Sharp, who recently joined the Fox River Grove Police Department in addition to John Pirrone. Their applications were accepted with Officer Sharp being a "Tier I" employee, while Officer Pirrone should be a "Tier II" employee. There was also discussion regarding previous application for membership of Officer Schumann. After discussing his past employment, it was decided that Officer Schumann's participation would also be as a "Tier II" employee.
11. Slovacek reported on the pending elections of both active Officers and retired. Officer Miller was the only person to submit his name, though there were two seats open. Miller stated that Officer Schumann expressed interest and emailed this to Slovacek. However, Slovacek reported that he had not heard directly from Schumann and asked for guidance in accepting his nomination. Miller contacted Schumann via phone and Schumann via speaker phone spoke with the Board, stating that he would run for a position on the Board. The Board accepted Schumann's verbal acceptance, but Slovacek did ask for Schumann to still email him with his intent. Slovacek reported that Officer Diskin, (on permanent disability) also submitted his name to run against Slovacek for the position on the board held by an officer either retired or disabled. Ballots will be distributed immediately to the active officers and mailed to the ones retired/disabled.
12. Slovacek asked for Board approval in the purchase of a file cabinet and necessary folders, binders, etc. to re-organize the Pension Board correspondence, etc. Resseguie made motion to authorize \$300.00 to be spent for this purpose, seconded by Toppel. Motion passed in roll call vote by all members. However, Miller reported he may have a line on a used cabinet and would check into it. Mr. Collins also reported that he may have a used cabinet in his office that the Board could purchase. Slovacek will keep in touch with Miller and Collins for progress on locating a file cabinet.
13. It was discussed and accepted that the next Pension Board meeting would be on July 10th, 2013, 5:30 p.m. rather than the first Wednesday of the month due to the Independence Day holidays.
14. Toppel made motion to adjourn the meeting, seconded by Resseguie. Motion approved and meeting was adjourned at 7:05 p.m.