

**Fox River Grove Police Pension Fund  
c/o Village of Fox River Grove  
305 Illinois Street  
Fox River Grove, IL 60021**

**Minutes of Board Meeting April 2, 2014**

1. Meeting called to order by President Dick Resseque at 5:37 p.m.
2. Roll Call – Dick Resseque, Mark Slovacek, Penny Toppel, Mike Miller and Matt Schumann were present. Also present was Bill Yocius from Mitchell, Vaught & Taylor, Inc., Jennifer Menz – Village Treasurer. No guests were present.
3. Minutes were reviewed from January 8<sup>th</sup>, 2014 minutes. Toppel suggested shortening minutes as State Auditor had to review these minutes. Toppel made motion to accept minutes, seconded by Schumann. All approved minutes as presented.
4. Finance Report:
  - a. Village Report – Jennifer Menz - Menz reported that remaining deposits are from Officer contributions. There were three officers that needed to reimburse Pension Fund due to retroactive raises in their collective bargaining agreement. Those officers have since made those reimbursements. Deposit slips ordered, which have to be paid for. Caselli's transfer to Vernon Hills went through. Resseque asked for more detail in an expense report in to indicate how much is received and disbursed so he can better present these facts to the Village Board in the future regarding possible bond issues or additional funding. Slovacek made motion to accept the Village report, seconded by Toppel. All voted to accept the Village Report. Menz reported she will have to reimburse the General Fund for the audit which is \$1,660.00
  - b. Investment Report – Bill Yocius, Mitchell Vaught & Taylor – Yocius distributed quarterly report booklet. 1<sup>st</sup> quarter of 2014 started with fund balance of \$1,237,618.00 Contributions were \$46,136.00 and investments gains of \$9,384.00 left an ending balance of \$1,293,138.00 Net investment gain since 9/30/2008 is \$256,445.00, which is when Mitchell, Vaught & Taylor first started managing the fund. Fixed income is up by .58% and equities were up by 1.33%. Total fund target was .69%. Yocius reported that the IDOI Asset Allocation is 84.7% fixed income and 15.3% in equities. This will be corrected to the 90%/10% investment ratio by April 30<sup>th</sup>. Yocius reported on the strengths and weaknesses of this past quarter and the strategies that they plan on for the next quarter.

*Cary Collins, Board Attorney arrived at 5:48 p.m.*

Yocius showed in his report the Portfolio Comparative Performance, fixed income summaries and Portfolio statements. Slovacek made a motion to accept Yocius' report, seconded by Resseque. All voted to approve report. Refer to booklet quarterly report.

## 5. OLD BUSINESS:

- a. Since we were unable to get information from the Village of Bellwood regarding Officer Pikrone so a final determination can be made if he be considered a Tier I or Tier II pension participant, Mr. Collins will write a letter to Bellwood requesting this information. Currently, Pikrone is being considered a Tier I participant.
- b. Training – Slovacek will be attending the Spring Conference in Rock Island, which is 16 hours of training, 8 hours of that being the required 8 hours of Ethics training. Toppel may attend and Ressequeie may make the Friday session. Miller, Schumann and Toppel are still trying to obtain the 32 hour training CD's from Judson College and arranging for the payment of those courses. Schumann reported that Judson is claiming that they will not accept credit cards though Ressequeie had previously paid for his course by card. Toppel reported that she has not been able to get onto IPPAC's website and that Judson claimed that participants had to go through IPPAC to register for the 32 hour course, not directly from Judson. Collins will check into this matter and attempt to straighten out whom to register with and arrange for payment.
- c. Toppel received the 25 booklets from Collins' office and they have been distributed to all officers.
- d. File Cabinet – is now sitting in Police Garage. Slovacek reported that per the Village Hall, the Village Administrator is claiming that they don't have the room in the Village Hall for the cabinet, though Village President Nunamaker said that the cabinet could be kept in there. Collins reported that the Village is responsible for the storage of the cabinet and files. A locking bar for the cabinet has been ordered and Slovacek submitted a receipt of \$53.19 for the fund to reimburse him for the locking bar. Schumann will check with Chief Lukasik if the cabinet can be kept in the conference room of the Police Department if the Village Hall still cannot be utilized. Toppel and Slovacek will commence on organization of the files once the locking bar is installed and a final location of where to keep the cabinet. Slovacek reported that he does not possess any files regarding individual officer's applications for participation or for retirement or disability claims. Once we start organizing files, those files will have to be located, which may be in Lukasik's office.

## 6. NEW BUSINESS:

- a. Ressequeie reported on February 20<sup>th</sup>, he and Tom Gavin presented to the Village Board a proposal for a Pension Obligation bond of 4.2 million dollars. Ressequeie felt that the Board was receptive to the idea of a bond issue, but not for 4.2 million dollars, but an amount that would bring the pension fund over the 2.5 million dollar amount needed to change the fund's investment strategies. Ressequeie will talk with Tim Sharp, our actuary to help in preparation for some scenarios. Ressequeie will also work with the Village Administrator on these scenarios before making another presentation to the Village Board. Slovacek, who was also present at this Village Board meeting, reported that one Village Board member in particular was not wishing to commit the Village's borrowing power to a POB, but rather to the Village's downtown revitalization. They did agree though that this was an obligation that the Village had to be committed to. Slovacek also reported

that per an article in the newspaper, Village President Nunamaker made a comment in the Village's "State of the Village" report that in 3 years, every bit of the tax revenue to the Village will be for the police pension. It was questioned if this was a factual statement made by Nunamaker. Resseque questioned whether even bringing the fund to over 2.5 million dollars would be sufficient.

- b. Review of Officers on Permanent Disability - Collins reported that per statute, officers must be examined annually to the age of 50, but that per the Department of Insurance, officers now may be examined beyond the age of 50. Westergren was last examined in February, 2013 so he is now due to be re-examined. Toppel asked if Stensing, age 63 must be changed from disability to just a retirement pension. Stensing may remain on permanent disability, which may be financially more beneficial for him. As for Officer Diskin, Slovacek reported that he received documentation from the Illinois Retired Officer Concealed Carry (IROCC) that Diskin successfully qualified for the past two years with his firearm. Slovacek additionally stated that per one physician's report, he had concerns of Diskin's ability to handle his firearm. In addition, Officer Mlekush at one time attempted to have Diskin qualify with his weapon on the State's required course of fire. It was pointed out that on Diskin's initial application for IROCC, Diskin answered yes to a question that indicated he understood that he had to qualify the same as that of an active officer in Illinois. Miller asked if all board members had access to the physician reports and that he could not make a decision without reviewing those reports. Collins stated that a physician would have to make determination if Diskin were able to return to duty. Toppel asked if the board was willing to pay the expense of having Diskin re-examined. Miller also commented that Diskin would undoubtedly fight any decision by the board to have him reinstated to duty. Miller questioned if the board was prepared for the expense of litigation that undoubtedly would occur. Collins will contact the examining physicians, present them with the information that was discovered and determine if this information is sufficient for a re-examination of Diskin. Collins asked for copies of the IRROC records.
- c. Report on the Actuarial Audit – Miller reported that there were salary errors within the audit showing his salary as different from Officer Simcoe's, which should have been almost the same. Menz will check into the salary figures and re-confirm those figures.

*Schumann left meeting at 6:45 p.m.*

- d. Miller reported that due to family reasons, Officer Pikrone asked if there was a temporary disability that he could apply for. It was stated that Pikrone could file for FMLA, but not temporary disability. Miller also reported that Officer Bower was going to apply for disability due to complications with her pregnancy. Miller asked for the forms that Officer Bower needs to file to the Pension Board. Slovacek has the forms and will send them to Bower.
- e. Slovacek asked if we needed to approve the actuarial report. It was reported that this not need to be approved, but just acknowledge that it has been received.

7. ATTORNEY REPORT – Nothing to report other than the upcoming Spring Conference in Rock Island, IL.
8. Slovacek reminded everyone to file their Economic Interest statements with the County Clerk's Office this month or prior to the due date.
9. ADJOURNMENT: Ressequie made a motion at 6:57 p.m. to adjourn the meeting, seconded by Miller. All approved.

NEXT MEETING SCHEDULED FOR JULY 2<sup>ND</sup>, 2014 5:30 P.M. AT VILLAGE HALL