

**FOX RIVER GROVE POLICE PENSION FUND**

**305 Illinois Street**

**Fox River Grove, IL 60021**

**Minutes of Police Pension Board, July 10th, 2019 @ 5:30 p.m.**

1. Meeting called to order by President Resseguie at 5:38 p.m.
2. Roll Call: Present were board members Dick Resseguie, Penny Toppel, Mark Slovacek, Kira Berry and Mike Miller. Also present were Nicole Kozlowski – Village Treasurer, Attorney Cary Collins and Dwight Ower – Mitchell, Vaught and Taylor.
3. Approval of Minutes from meeting of April 3, 2019. Resseguie pointed out misspelling of Kira Berry’s first name which will be corrected. Toppel made of motion to accept the minutes and seconded by Kira Berry. All voted aye to approve.
4. Finance Reports:

a. Village Report by Nicole Kozlowski, Village Treasurer

Beginning balance April 1, 2019.....	\$92,665.84
Income for second quarter.....	\$380,469.15
Expenses including payroll.....	\$117,945.36
Ending balance June 30, 2019.....	\$355,189.63

**Projected Cash Requirement for third quarter.....\$125,500.00**

Treasurer reported that she was still working on closing the BMO Harris account and transferring into the Money Market account at Cary Bank and Trust. However, it will require \$150,000.00 to start the Money Market account. Considering the \$150,000.00 in addition to the projected expenditures for the third quarter, Slovacek made a motion to transfer \$75,000.00 from the bank account into the investment accounts. Roll call vote was made to approve the motion to transfer funds and all approved.

**Bills:**

Ms. Kozlowski reported on following bills needing approval for payment:

IL Department of Insurance Compliance Fee	\$570.30
Collins & Raja, Attorney’s quarterly fee	\$525.00
IL Public Pension Advisory Committee (yearly fee)	\$500.00

Slovacek made the motion to accept and make payment of these bills, seconded by Toppel. All approved.

4. Finance Reports:

b. Mitchell, Vaught & Taylor report presented by Dwight Ower:

Mr. Ower presented to the board MVT's quarterly report in booklet form for all members.

Beginning balance of 2 <sup>nd</sup> quarter 2019.....	\$3,076,557.00
Contributions.....	\$0
Net investment gain.....	\$91,832.00
Ending value.....	\$3,168,389.00

Management fees were reported as \$1,922.00 and income of \$11,749.00  
Since September 30, 2008, the Cumulative return was 51.75%, a NET annualized return of 3.96% and the NET Investment gain of \$825,064.00 Asset allocations were reported at 54.9% for Fixed Incomes and 45.1% for Equities. Mr. Ower reported that a new person has been added to MVT to perform clerical duties and that new books were being made. Economy has been doing well with 3.1% in the first quarter, but was expected to be lower In the second quarter. Warning signals were present of an impending recession, but it is not there yet. The talk of Tariffs continues to affect the market and the rates have increased 4 times in the last year. There is currently political pressure to lower these rates. Net performance for the quarter had fixed incomes at 1.72% and equities at 4.52% giving the total fund a 2.98% return for the quarter. Mr. Ower reported the yield curve was now inverted indicating a possible recession. Mr. Ower also reported on the various funds and how they performed for the quarter. Lastly, he gave a report on the weaknesses and strengths of the funds and MVT's strategies for the quarter included buying shorter corporate bonds and longer government bonds. However, they may investigate buying shorter government bonds and longer corporate bonds. Mr. Ower also discussed the purchasing of infrastructure bonds which had been previously reported. However, MVT will have to sell off some other funds to free up the cash needed to buy into the Infrastructure bonds. Slovacek pointed out that we had just transferred \$75,000.00 into the investment accounts. Mr. Ower said that they would invest some of that into this Infrastructure bonds.

Toppel made a motion to accept Mr. Ower's report, seconded by Resseguie. All approved.

5. Old Business:

- a. Training: Upcoming training hosted by IPPAC. 8 hours continuing education and 8 hours of Ethics at Schaumburg P.D. September 24<sup>th</sup> and 25<sup>th</sup>. Also, Ethics training at West Dundee Fire Department on November 22<sup>nd</sup> and 8 hours continuing training and Christmas Party on December 6<sup>th</sup> in Hoffman Estates per Cary Collins.
- b. Slovacek reported that Nicole Kozlowski found many files in her office that were left there by the previous Treasurer and Ms. Kozlowski said that these files should be placed into the Pension Board's filing cabinet. Slovacek suggested that Board members get together in the future to organize these files and place them into the filing cabinet. Ms. Kozlowski was directed to box up all the files she was referring to so that the Board members could file them away.

## 6. New Business:

- a. President Resseguie reported on the election results for Board members of the active officers and the position of the Beneficiary board member. Resseguie said that Penny Toppel and he tabulated the ballots with the following result:

### Active Officer:

Miller received 5 votes of 5 ballots returned  
Berry received 4 votes of 5 ballots returned  
Officer Fiore received 1 vote of the 5 ballots returned.

### Beneficiary Member:

Slovacek ran unopposed and received 7 votes of 7 ballots returned.

Slovacek made a motion to ratify the results of the election with Toppel seconding the motion. all approved to ratify the results. Slovacek pointed out that a total of 9 ballots were distributed to both active officers and to beneficiaries. However, only 5 of 9 active officers cast their ballot and return it to the Village Hall. Two beneficiaries did not return their ballot though they were given a pre-addressed and stamped envelope.

- b. Election of Board Officers – Toppel made a motion to have all Board members keep the same position. Resseguie as President, Toppel Vice President, Slovacek Secretary and Miller as assistant Secretary. Resseguie seconded the motion to keep all Board members as listed for this coming year. There was no further discussion on the motion and three members except for Slovacek and Miller voted aye. Slovacek said he would abstain from casting his vote and Miller did not vote. Motion was passed with three aye votes, which was a quorum.
- c. Mr. Collins stated that the Board had to ratify the Municipal Compliance Report. Toppel made the motion to ratify the report which was seconded by Miller. All voted aye and the report was ratified.

## 7. Attorney Report:

Mr. Collins reported that there was still talk in Springfield regarding consolidation of investments and pension funds within the State. However, nothing has been heard from Michael Madigan. If Madigan doesn't bring this up, there won't be a vote to consolidate. There also was talk of Firefighters funds under \$2.5 million in value consolidating their investments, but not the Boards. Also, if Springfield were to make all new Police Officers and Firefighters go into a 401K pension, this would mean that existing pension funds would become a closed pension fund and that the municipalities would now have to solely support the existing pension fund.

8. Adjournment: Resseguie made a motion to adjourn the meeting, seconded by Miller. All voted aye to Adjourn at 6:23 p.m.

Next meeting October 2, 2019 at 5:30 p.m. at the Village Hall

Minutes approved \_\_\_\_\_, 2019

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Mark Slovacek - Secretary