

FOX RIVER GROVE POLICE PENSION FUND
305 ILLINOIS STREET
FOX RIVER GROVE, IL 60021

MINUTES OF BOARD MEETING JANUARY 5TH, 2022 AT 5:30 P.M.

1. Meeting called to order by President Colletti at 5:31 p.m.
2. **Roll Call:** Present was Tony Colletti, Mark Slovacek, Penny Toppel, Attorney Tom Hartwell and Robert Osmanski from Mitchell, Vaught & Taylor. Missing was the Village Treasurer.
3. **Approval of Minutes from October 6th, 2021:** Toppel made motion to accept the minutes with a slight correction to Old Business, Paragraph D stating that money should be maintained by the Pension Fund, rather than saying by the Village. Correction was noted and motion was seconded by Slovacek. All voted aye to approve minutes.
4. **Finance Report:**
 - a. Finance Report given by Colletti in absence of the Village Treasurer.

Starting balance.....	\$530,838.32
Deposits.....	\$224,084.98
Expenses.....	\$137,481.18
Ending Balance.....	\$617,442.12

Projected Cash Requirement for 2022 Q1:

Retiree Payroll.....	\$117,000.00
Taxes.....	13,000.00
Other administrative expenses.....	850.00
Total expenses.....	\$130,850.00
Ending balance as of 3/31/22.....	\$486,592.12
Transfer from Schwab of \$325,000.00 3/31/22.....	\$811,592.12

Slovacek made a motion to accept the Treasurer's report as presented and seconded by Schumann. All voted aye to accept the report as present.

There was discussion regarding a transfer of \$325,000.00 from the Schwab account into the checking account. Colletti asked for a motion to transfer \$325,000.00 from the Schwab account into checking account. Toppel made a motion to perform this transfer and seconded by Schumann. With no further discussion, all voted aye and motion carried.

b. Bills for approval of payment:

Collins & Raja, Attorneys at Law.....\$550.00. Motion made by Slovacek and seconded by Schumann to accept and pay bill.

IPPAC\$300.00 for conference fee of Slovacek attending IPPAC Conference in Rock Island. Toppel made motion to accept the bill and payment. Motion seconded by Schumann.

All voted aye to approve payments of the said bills above.

c. Report from Mitchell, Vaught & Taylor (Robert Osmanski):

For the 4th quarter of 2021, the following was reported (see attached report):

Beginning Value.....	\$4,526,021.00
Contributions & Withdrawals.....	0
Net Investment Gain.....	\$123,997.00
Ending Value.....	\$4,650,018.00

Management fee was \$2,829.00 and Income of \$21,679.00

Cumulative return since 9/30/2008.....	103.89%
Net annualized return.....	5.07%
Net Investment gain.....	\$1,786,045.00

IDOI Asset Allocation: 53.5% in Fixed income; 46.5% in Equities

Mr. Osmanski explained the 3rd and 4th quarter summary of the market and also of the market weaknesses and strengths. Osmanski further explained MVT’s strategies for the coming quarter.

Mr. Osmanski explained that if the fund were over \$5,000,000.00, these funds could invest in the Exchange Traded Fund, which means funds could be traded at a different rate and not through mutual funds. Mr. Osmanski showed the remaining graphical examples reports for the investments which were included in the booklet provided to Board members and filed. Slovacek asked if the return of 5.07% was a decent amount of return. Mr. Osmanski stated that anything over 5% was a decent return at this time.

Colletti asked if the Fox River Grove Pension Fund was going to transfer cash to the Consolidated Fund. Attorney Tom Hartwell explained that regarding the transfer to the Illinois Consolidated Fund would not be a transfer of cash, but a transfer of securities.

Slovacek made a motion to accept the report given by Mr. Osmanski. Schumann seconded the motion to accept the report from Mitchell, Vaught & Taylor. All voted aye to accept the report.

Colletti mentioned that the State if mandating that the transfer be made by June 30, 2022. However, the Board is considering this date be extended to June 30th, 2023.

5. OLD BUSINESS:

a. Colletti reported that the State was requesting certain forms be filled out and returned to them. Mr. Hartwell said these forms were similar in nature to the consolidation of the Fire Department Fund. However, there was no account number, address or who to send the forms back to in the consolidation fund. Mr. Hartwell stated that we should not move forward until forms are corrected and all information is included in their request for naming responsible board members and where the funds are to be transferred. Furthermore, since there is a lawsuit still pending against the State of Illinois regarding the consolidation of funds, no action should be taken until such time that a ruling is made on this lawsuit. Regarding the request for a Temporary Restraining Order, the judge ruled that there was no need for this TRO at this time as the requested transfer date was several months from the request for the TRO. However, the lawsuit is still pending in the Kane County courts.

Regarding the form naming representatives, Slovacek pointed out this form was sent to the Village and not to the pension fund. However, Slovacek pointed out that he would not list his personal address to this consolidated fund. Slovacek suggested that the named representatives should be Tony Colletti and the Village Treasurer. However, Mr. Hartwell pointed out that by default, the Secretary is named as a representative. Slovacek also pointed out that his computer does not accept Acrobat or Zip files easily and is hard to print those attached files.

Mr. Hartwell reported that resolutions were needed to approve the form and send it to the consolidation board. Further, a resolution would be needed to transfer the funds to the consolidated fund. The consensus of the board was to postpone naming authorized agents or for the transfer of funds. Motion was made by Toppel to postpone taking action on these forms, seconded by Schumann. All voted aye to postpone any further action until further information is obtained including the naming of agents to the fund. Toppel suggested a special meeting to take care of filling out these forms. Colletti suggested this special meeting be held electronically due to Covid concerns.

Mr. Hartwell did indicate that the current executive director is Mr. Richard White and his phone number is (331) 472-1080.

Colletti asked if we had any questions to be posed to the Consolidation Fund, to email him those questions and he would forward them to Mr. White for answers.

b. Training: It was reported that all members were in need of the required training except for Slovacek as he had attended the conference in June and was valid until the end of August, 2022. This year's IPPAC Conference will be held at Bally's Casino (old Jumar's Casino) on May 12th and 13th, 2022 in Rock Island.

6. NEW BUSINESS:

- a. Toppel made a motion to increase the retirees annual salary by 3% (compounded) and 3% (not compounded) for those on disability effective January, 2022. Slovacek seconded this motion. All voted aye to increase the annual salaries.

- b. Toppel reported that she had not received an answer from the Illinois Dept. of Insurance yet as to the retention of files. She believes the pension board should follow the Village policy of retaining records for 7 years. Toppel will report at the next meeting what records we should retain.

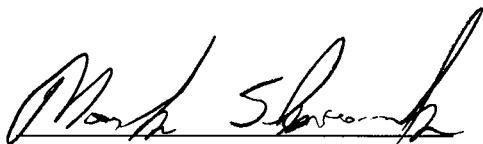
7. ATTORNEY REPORT

Mr. Hartwell reported that his firm is increasing their quarterly fee by \$25.00 to \$575.00 quarterly.

8. ADJOURNMENT: Slovacek made a motion to adjourn the meeting at 7:13 p.m. Motion was Seconded by Schumann. All voted aye to adjourn at this time.

NEXT MEETING APRIL 6TH, 2022 @ 5:30 P.M. IN THE VILLAGE HALL.

Approved April 6th, 2022



Mark Slovacek-Secretary