

1 Minutes of the Regular Meeting of the  
2 South Barrington Police Pension Fund  
3 Held on Tuesday, January 14, 2014  
4 4:30 p.m. at the South Barrington Village Hall Lower Level  
5

6 Call to Order  
7

8 President Cordell called the meeting to order at 4:30 pm.  
9

10 Roll Call  
11

12 Roll call was taken. Present: Board members Ray Cordell, Joe Abbate, Sam Lopez and  
13 Louis Matuska. A quorum was present. Also present were MVT Investment Advisor Jim  
14 Nowicki. Attorney Cary Collins arrived at 5:10 pm.  
15

16 Approval of Minutes  
17

18 Mr. Abbate motioned, Mr. Matuska seconded, to accept the minutes of the October 8, 2013  
19 meeting as written. Motion carried by voice vote.  
20

21 Investment Advisor Report  
22

23 Mr. Nowicki summarized the portfolio activity for the 4th quarter 2013. The fund had a  
24 beginning value of \$6.7 million and an ending value of \$7,049,256. He stated that, like last  
25 quarter, this quarter saw another great return on the portfolio. The net performance was  
26 again up almost 4%. Mr. Nowicki noted that fixed income was down 0.33% (almost  
27 \$10,000) even though the bonds beat the benchmarks. He happily informed members that  
28 equities earned over 8%. The total fund was up by \$267,469 for the quarter.  
29

30 Mr. Nowicki stated that MVT is very optimistic about the near future. Personal  
31 consumption is up, bankruptcies are down. The real estate sector is gaining momentum and  
32 corporate international bonds are a good investment. Mr. Nowicki reiterated that pension  
33 fund investments are not market-pickers; rather they are allocators who will ride it out. He  
34 stated that they will stay with the international bonds.  
35

36 The equity markets were very strong this quarter. We saw one of the largest annual gains  
37 in several years. Every equities manager yielded positive returns and most beat their  
38 benchmarks. Both domestic and international markets were strong. Mr. Nowicki stated that  
39 Heartland was the best domestic small cap performer and Artisan the best international  
40 performer.  
41

42 Mr. Nowicki stated that the rise in the long term interest rates caused the longer maturities  
43 to underperform compared to the shorter term. US Treasuries and the real estate sector  
44 were the weakest. The strategy for the next quarter is to stay the course with the shorter  
45 duration investments while continuing to look for attractive spreads in corporate bonds.  
46

47 Mr. Nowicki reviewed the specific investments in the portfolio as outlined in MVT's  
48 Portfolio Report for the 4th Quarter 2013 and fielded questions from Board members.

49  
50 Mr. Abbate motioned, and Mr. Lopez seconded, to accept the Investment  
51 Advisor/Treasurer's Report as given for the 4th quarter 2013. Motion carried by voice  
52 vote.

53  
54 Mr. Nowicki stated that the April and July Board meetings as currently scheduled are too  
55 early in the month to be able to produce up-to-date financial reports for the previous  
56 quarter. Mr. Abbate motioned to change the date of the April 8 meeting to April 15 and the  
57 date of the July 8 meeting to July 15 so as to accommodate the publication of MVT's  
58 quarterly financial reports. Motion carried by voice vote. The following regular meeting  
59 dates for the remainder of 2014 are

60 April 15, 2014

61 July 15, 2014

62 October 14, 2014

63  
64 Attorney's Report

65  
66 There was no report.

67  
68 Old Business

69  
70 Actuarial Report

71 President Cordell stated that the Village's Finance Officer, Michelle Bodie, has been  
72 working on small errors in the actuarial and that they are being corrected. Ms. Bodie was  
73 not available to come to the meeting to update the Board so they tabled the discussion until  
74 the next meeting.

75  
76 New Business

77  
78 Retirement of Sergeant Mark Eaton

79 President Cordell announced that Sergeant Mark Eaton has changed his mind about  
80 retiring in February. Sergeant Eaton sent a letter to the Pension Board rescinding his  
81 resignation.

82  
83 Resignation of Vice President Jim Weidig.

84 President Cordell announced that Board member Jim Weidig resigned from the Pension  
85 Board effective November 25, 2013. Mr. Weidig did not give a reason for his resignation.

86  
87 Beneficiary Member Special Election.

88 President Cordell stated that the resignation of Mr. Weidig leaves a vacancy in the  
89 beneficiary member position of the Pension Board. He announced that they would conduct  
90 a special election to fill the position. A notice will be sent to all beneficiary members.

91  
92 Officer Rycraft Application for Duty Disability.

93 President Cordell informed the Board that officer Bob Rycraft has made an application for  
94 a duty-related disability but has not completed the application by providing the Pension

95 Board with the pertinent medical documentation. Mr. Cordell explained that earlier in 2013  
96 Officer Rycraft was on workman's compensation for an injury to his groin. He later  
97 underwent surgery on his shoulder and has exhausted his Family Leave Act time. Officer  
98 Rycraft has requested an additional 90 days unpaid leave from the village and is awaiting  
99 their decision. President Cordell stated that the application remains on hold.

100

101 2014 Schedule of Pension Payments.

102 Mr. Lopez motioned, and Mr. Matuska seconded, to approve the 2014 schedule of pension  
103 payments totaling \$329,900.40 for the year. The motion carried by roll call vote.

104 Mr. Cordell yes

105 Mr. Abbate yes

106 Mr. Lopez yes

107 Mr. Matuska yes

108

109 Attorney Cary Collins arrived at the meeting at 5:10 pm.

110

111 Discussion took place about whether the treasurer should be a signer on all of the accounts.  
112 Mr. Collins said that he should be. Mr. Cordell commented the Treasurer Masciola already  
113 is a signer of the checking account. Mr. Collins stated that there is not a problem but it s  
114 best if Mr. Masciola were on all of the investment accounts. He volunteered to draw up the  
115 paperwork to make it so.

116

117 Approval of Bills

118

119 Mr. Matuska motioned, and Mr. Abbate seconded, to accept and approve the bills as  
120 follows:

121

122 \$750.00 payable to Cary Collins for legal retainer Jan-Mar 2014.

123

124 \$2,942.50 payable to Mitchell, Vaught & Taylor Inc. for investment management services  
125 Jan-Mar 2014; delivered via electronic transfer.

126

127 \$820 payable to Lauterbach & Amen, LLP for preparation of the Illinois Department of  
128 Insurance report for the fiscal years ending April 30, 2013.

129

130 Total amount: \$4,512.50

131

132 Motion carried by roll call vote.

133 Mr. Cordell yes

134 Mr. Abbate yes

135 Mr. Lopez yes

136 Mr. Matuska yes

137

138 Executive Session

139

140 There was no Executive Session.

141

142

143 Adjournment

144

145 Mr. Matuska motioned to adjourn and Mr. Lopez seconded. Motioned carried by voice  
146 vote. The meeting adjourned at 5:15 pm. Next meeting is scheduled for April 15, 2014.

147

148

149 The minutes of the January 14, 2014 South Barrington Police Department Police Pension  
150 Board regular meeting are respectfully submitted.

151 Mary Lampugnano, Recording Secretary.

152

153

154 These minutes were approved on

155 This \_\_\_\_\_ day of \_\_\_\_\_, 2014

156

157

158

159 \_\_\_\_\_

Signature