

Minutes of the Regular Meeting of the
South Barrington Police Pension Fund
Held on Tuesday, April 12, 2016
4:30 p.m. in William R. Rose Hall

Call to Order

President Cordell called the meeting to order at 4:35 pm.

Roll Call

Roll call was taken. Present: Board trustees Ray Cordell, Lou Matuska, Sam Lopez, and Joe Abbate. A quorum was present. Trustee Jim Weidig arrived at 5:05 pm. Also present were Village Treasurer Michelle Bodie, Village Trustee Anthony Stagno, MVT Investment Advisor Bill Yocius, Attorney Cary Collins, and Attorney Melissa Wolf. Village President Paula McCombie arrived at 5:10 pm.

Public Comments

None.

Approval of Minutes

Mr. Lopez motioned to accept the minutes of the January 12, 2016 regular meeting. Mr. Abbate seconded. Motion carried by voice vote.

Investment Advisor Report

Investment Advisor Yocius reviewed the portfolio for the 1st quarter 2016. The fund had a beginning value of \$7,782,435; an investment gain of \$92,720; and an ending value of \$7,875,155. Fixed income investments were up by 1.96% and equities were up by .36%. The total fund was up by 1.19%. Interest rates were raised by the Fed in December but 10 year bonds still fell, resulting in longer maturities performing better than shorter ones. Bonds did better than equities this quarter. US Treasuries performed the best for us. Our allocation is 53.4% in fixed investments and 46.6% in equities.

On the equities side, the REIT managed investments had another good return this quarter. However, the healthcare stocks, in particular T Rowe Price Healthcare, performed poorly. Healthcare as a sector did not perform well this quarter and did not meet the target. Mr. Yocius stated that MVT is “not giving up on it yet” noting that healthcare spending is almost as much as housing in this country.

Mr. Yocius reviewed the specific stocks within the portfolio. He added that they have sold the Van Guard fund this past quarter and are looking for a lower risk fund. The strategy moving forward remains constant: to stay as close as possible to benchmark on government debt and look for longer durations in corporate bonds. On the equity side, we will continue to overweigh dividend paying stocks.

Mr. Abbate motioned to accept the Investment Advisor’s report as given. Mr. Lopez seconded; motion carried by voice vote.

46 Electronic Signatures for TD Ameritrade. Mr. Cordell stated that the process of obtaining
47 electronic signatures for the TD Ameritrade account has not been completed yet. There
48 were some technical difficulties that they are working on. Mr. Cordell advised that he is set
49 up but that Sam Lopez is not. They will try again to establish the electronic signatures.

50
51

52 Treasurer Bodie announced that the Village Finance Committee recommended to the
53 Board that the Village contribute an additional \$150,000 to the pension fund.

54

55 Treasurer Bodie reported that, as directed by the Pension Board, the Illinois Funds account
56 was closed and all funds were moved to the BMO-Harris account.

57

58 Attorneys Report

59 Mr. Collins briefed the Board on the Robert Rycraft disability case. Two briefs have been
60 filed in Appellate Court. Workman's comp has turned down Mr. Rycraft's disability claim
61 pending the outcome of the court case. Mr. Collins did not give an estimate on when we
62 might hear back from the court. Discussion took place about the likelihood of winning this
63 case. Mr. Matuska asked Mr. Collins his opinion on our chances of prevailing. Mr. Collins
64 stated that in his opinion, the statutes regarding disability are interpreted more liberally on
65 behalf of the petitioner in the Cook County court system. Still, he remains optimistic
66 stating that the Board's chances of prevailing are 60-70% if a physician concludes that Mr.
67 Rycraft has recovered.

68

69 Discussion took place about directing Mr. Rycraft to undergo his annual medical
70 examination as required of disability pensioned officers who are under the age of 50. The
71 Board directed Attorney Collins to recommend a physician for that purpose and report
72 back to the Board. Mr. Collins stated that he knows of several doctors who would be
73 appropriate including an orthopedic surgeon.

74

75 Old Business

76

77 Fee Disclosure. As required by law, Charles Schwab disclosed its fees for services
78 provided the Pension Board during calendar year 2015. Charles Schwab was paid
79 \$1,277.95 in direct brokerage fees during 2015. Additionally, Mitchell, Vaught & Taylor
80 was paid \$820.00 and Wedgewood Partners was paid \$1,548.00 from the Schwab account
81 for advisor fees.

82

83 Death of Beneficiary Member Pete Swistowicz. Mr. Cordell stated for the record that Pete
84 Swistowicz died on March 20, 2016 and that his beneficiary benefits will be paid in full
85 through the date of death. Mr. Cordell asked for a moment of silence to remember and
86 honor Mr. Swistowicz.

87

88 IPPAC Spring Seminar. Mr. Cordell announced that the IPPAC spring seminar will be held
89 in Rock Island May 18-20, 2016. Ethics and continuing education credits will be offered
90 at the seminar. Ray Cordell, Sam Lopez, Jim Weidig, and Joe Abbate are registered to
91 attend. Mr. Matuska motioned to approve the travel, training, per deim, and lodging
92 expenses for all attendees to the seminar. Seconded by Mr. Lopez, the motion carried by
93 voice vote.

94
95 Executive Session
96 None.
97
98 Payment of Bills
99 Mr. Abbate motioned to accept for payment the following bills.
100
101 \$750.00 payable to Cary Collins for legal retainer Apr-Jun 2016;
102
103 \$2,942.50 payable to Mitchell, Vaught & Taylor Inc. for investment management services
104 Apr-Jun 2016; delivered via electronic transfer;
105
106 \$6,715.19 payable to Collins & Radja, P.C. for preparation and delivery of appeal brief in
107 the Robert Rycraft appellate Court appeal against the South Barrington Police Pension
108 Fund.
109
110 Total amount: \$10, 407.69
111
112 Seconded by Mr. Lopez, the motion carried by roll call vote.
113 Mr. Cordell yes
114 Mr. Lopez yes
115 Mr. Matuska yes
116 Mr. Abbate yes
117 Mr. Weidig yes
118
119 Adjournment
120 Mr. Weidig motioned, and Mr. Matuska seconded, to adjourn the meeting. The motion
121 carried by voice vote. The meeting adjourned at 6:26 pm.
122
123 The minutes of the April 12, 2016 South Barrington Police Department Police Pension
124 Board regular meeting are respectfully submitted.
125 Mary Lampugnano, Recording Secretary.
126
127
128 These minutes were approved on
129 This _____ day of _____, 2016
130
131
132 _____
133 Signature