

**MINUTES OF THE MEETING BOARD OF TRUSTEES  
VILLAGE OF HAWTHORN WOODS POLICE PENSION FUND  
HELD ON  
FEBRUARY 21, 2017 AT 6:00 PM  
AT THE HAWTHORN WOODS VILLAGE HALL  
2 LAGOON DRIVE, HAWTHORN WOODS, IL. 60047**

The meeting was called to order at 6:00 PM. The following trustees were present:

<b>ROLL CALL</b>	Douglas Samz Timothy McCue John Tennant
<b>ABSENT</b>	Michael Viramontes (Arrived 6:01)
<b>ALSO PRESENT</b>	Brian LaBardi, Reimer & Karlson LLC Tom Sawyer, Sawyer & Falduto Asset Management LLC A J Weber, Lauterbach & Amen, LLP Colleen Trela, Lauterbach & Amen, LLP
<b>MINUTES</b>	Minutes for the November 28, 2016, Meeting were reviewed.  On a motion made, seconded and unanimously carried, the minutes from the meeting was approved.
<b>CONCERNS OF THE PUBLIC</b>	None
<b>INVESTMENTS</b>	Sawyer & Falduto Asset Management LLC submitted their Investment Performance Report as of December 31, 2016.  Total Investments were \$3,025,467. The Market Value change for the fourth quarter was a gain of \$34,166 and a gain of \$132,534 for the year. The rate of return for the portfolio in the fourth quarter was 1% and 6.96% for the year. Equity Investments amounted to \$1,341,317 as of December 31, 2016. Rate of return on Equity Investments for the year was 10.8 %. Equity Investment was slightly under 42% of Total Assets.

Investment Performance Report under Tab 7 listed the purchases and sales of investments for the fourth quarter 2016.

On a motion made and seconded and on a roll call vote, the Investment Performance Report was approved.

Roll Call Vote – Yes: Samz, McCue, Viramontes and Tennant

#### ACTUARY REPORT

Ms. Trela presented a draft of the GASB 67/68 Actuary Report as of January 1, 2017 from Lauterbach & Amen.

The audited Financial Statement for the Hawthorn Wood Police Pension are not currently available, however there are no anticipated adjustments from the preliminary Financial Statements.

The projected Unfunded Pension Liability is \$2,550,795 or 57.31% percent funded Actuarial Value of Assets. Long term Expected Rate of Return on Plan Assets is 6.50%. Projected Individual Salary and Total Payroll increases are 3.25%. Consumer Price Index is 2.5%.

Actuarial Recommended Employer Contribution was \$339,582.

Officer Viramontes left meeting at 6:45pm

#### TREASURER REPORT

On a motion made and seconded and on a roll call vote, Financial Report was tabled.

Roll Call Vote – Yes: Samz, McCue, and Tennant  
Absent: Viramontes

#### CONTRIBUTIONS

Village contributions for the quarter and year 2016 amounted to \$70,055.76 and \$280,233.04, respectively. The participant contribution for the quarter and year 2016 amounted to \$27,910.09 and \$106,896.71, respectively.

On a motion made and seconded and on a roll call vote, contributions to the Fund were approved.

Roll Call Vote – Yes: Samz, McCue, and Tennant  
Absent: Viramontes

#### FIDUCIARY INSURANCE

Fiduciary Liability Insurance with the same provisions and identical coverage will be renewed. The annual renewal date is March 14, 2017.

On a motion made and seconded and on a roll call vote, Renewal of Fiduciary Liability Insurance was approved with the annual premium not to exceed \$3,000.

Roll Call Vote – Yes: Samz, McCue, and Tennant  
Absent: Viramontes

#### LEGAL COUNSEL

The Reimer Update was presented. There was discussion concerning articles in the newsletter.

#### CONTINUING EDUCATION

Police Pension Trustees need to attained 16 hours of accredited education each fiscal year.

Trustee McCue has completed the Open Meeting Act Certification for the year 2017.

Officer Tennant was elected to fill the vacant office of Assistant Secretary.

#### TRUSTEE ELECTION APPOINTMENT

Notices for the election of the Police Trustee will be posted for the upcoming election. The Appointed Trustee will be submitted to the Village Board for action.

Officer Viramontes returned to meeting at 7:30pm

#### EXPENDITURES

The following expenses were presented for approval:

Reimer & Karlson	\$ 750.00
IPPFA Seminar	\$ 670.00
Lauterbach & Amen, LLP	\$5,200.00
Lauterbach & Amen, LLP	\$4,250.00

These expenses were for legal fees & retainer, seminar expenses for Tennant and Kazenas, Accounting Services and Actuarial Services.

On a motion made and seconded and on a roll call vote, Expenditures were approved.

Roll Call Vote – Yes: Samz, McCue, Viramontes and Tennant

APPLICATION FOR BENEFITS

Commander Scharringhausen will be retiring on July 31, 2017. Discussion that Lauterbach & Amen, LLP should do the Retirement Benefit calculation for Commander Scharringhausen.

On a motion made and seconded and on a roll call vote, that Lauterbach & Amen, LLP should prepare the Retirement Benefit calculation not to exceed a cost of \$300 was approved.

Roll Call Vote – Yes: Samz, McCue, Viramontes and Tennant

Officer Gordon's widow benefit will be \$3,552.50 per month effective January 9, 2017.

Currently the benefit payment is on the first day of the month and should be on the last day of the month. Mrs. Kazenas will contact Mrs. Gordon to determine the best way to adjust the payment dates so that payments will be made on the last day of month.

OLD BUSINESS

None

ADJOURMENT

There being no further or other business to come before the Board, a motion was made and seconded to adjourn the meeting. The motion was unanimously carried. The meeting was adjourned at 7:55 pm.



Secretary