

MINUTES OF THE MEETING BOARD OF TRUSTEES
VILLAGE OF HAWTHORN WOODS POLICE PENSION FUND
HELD ON
MAY 16, 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 6:09 PM. The following trustees were present:

ROLL CALL	Douglas Samz Timothy McCue John Tennant Michael Viramontes
ABSENT	NONE
ALSO PRESENT	Brian LaBardi, Reimer & Karlson LLC Kristin Kazenas, Village of Hawthorn Woods Tom Sawyer, Sawyer & Falduto Asset Management LLC A J Weber, Lauterbach & Amen, LLP
MINUTES	Minutes for the February 21, 2017, Meeting were reviewed. On a motion made, seconded and unanimously carried, the minutes from the meeting was approved.
CONCERNS OF THE PUBLIC	None
INVESTMENTS	Sawyer & Falduto Asset Management LLC submitted their Investment Performance Report as of March 31, 2017. Total Investments were \$3,117,865. The Market Value change for the fourth quarter was a gain of \$94,298. The rate of return for the portfolio in the first quarter was 3.12%. Equity Investments amounted to \$1,405,468 as of March 31, 2017. Rate of return on Equity Investments for the first quarter was 5.91 %. Equity Investment was slightly under 42% of Total Assets.

During the quarter Sawyer Falduto began to use Goldman Sachs International instead of the American Beacon International Equity funds.

Fixed income portfolio has a 4.97 year duration with a current yield of 2.66%, which is better than the benchmark of 6.0% with a duration of 6.0 years.

Investment Performance Report under Tab 7 listed the purchases and sales of investments for the first quarter 2017.

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

The Actuary Report was presented with no changes from the previous draft.

Actuarial Recommended Employer Contribution was \$339,582. Our attorney will send a letter to the Village Board of Trustees requesting the funding of this amount.

Officer Tennant left meeting at 6:32pm.

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

TREASURER REPORT

Financial Reports from Lauterbach & Amen LLP for the Periods of November 2016 to April 2017 were presented.

As of April 30, and the year ending April 30, 2017

Total Assets	\$3,411,871.34
Sawyer & Falduto	\$3,123,450.45
Money Market Account:	\$ 186,537.54
Three Month Surplus:	\$ 115,066.31
Twelve Month Revenue:	\$ 130,795.31
Twelve Month Expenses:	\$ 15,729.00

On a motion made and seconded and on a roll call vote, Financial Reports from November 2016 to April 2017 were approved.

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

CONTRIBUTIONS

Village contributions for the four months ending April 30, 2017 amounted to \$102,678.68. The participant contribution for the same period was \$33,353.09.

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 Viramontes
Absent: Tennant

COMPLIANCE REPORT

The Municipal Compliance Report for the year ended December 31, 2016 was presented. This report is to be submitted to the Village Board of Trustees upon approval.

On a motion made, seconded and unanimously carried, the Compliance Report was approved.

DOI ANNUAL REPORT

The Annual Department of Insurance Report was submitted and will be filed with the Illinois Department of Insurance.

On a motion made, seconded and unanimously carried, the DOI Annual Report was approved.

LEGAL COUNSEL

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

APPRICATION FOR BENEFITS

Currently Officer Gordon's benefit payment is on the first day of the month and should be on the last day of the month. Mrs. Gordon stated that it would be a financial

hardship to adjust the payment dates so that payments will be made on the last day of month.

On a motion made and seconded on a roll call vote the error by the pension board in the payment dates will be “grandfathered” and continue on the first of the month, was approved

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

CONTINUING EDUCATION

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

TRUSTEE ELECTION APPOINTMENT

Notices for the election of the Police Trustee and Retiree Trusted was posted. Officer Tennant was the only active duty nominee and there were no Retiree nominee.

It is noted that the Village Board has appointed Mr. McCue to a two-year term as a Citizen Trustee. His term will expire in May, 2019 or until someone is properly appointed by the Village Board to replace him.

On a motion made, seconded and unanimously carried, the Board Certify the elections of officer trustee and appointment of one citizen trustee, were approved

ELECTION OF BOARD OFFICERS

An election of new Board Officers for the Police Pension Board was held.

Office of President	Doug Samz
Office of Secretary	Tim McCue
Office of Vice President	Michael Viramontes
Office of Asst. Secretary	John Tennant

On a motion made, seconded and unanimously carried, the Officers were elected.

CONTINUING EDUCATION

Officer Tennant completed his education requirement at the Spring IPPFA Conference.

**ADMINISTRATIVE
POLICY**

No action needed.

ECONOMIC INTEREST All Trustees have filed.

EXPENDITURES

The following expenses were presented for approval:

Reimer & Karlson	\$ 750.00
Lauterbach & Amen, LLP	\$2,050.00

These expenses were for legal fees & retainer and Accounting Services, year-end audit, benefit calculation

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

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

On a motion made and seconded and on a roll call vote, Expenditures for a payment to Lauterbach & Amen LLP for the completion of the DOI Report not to exceed \$4,000 was approved.

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

**APPRICATION FOR
BENEFITS**

Commander Scharringhausen will be retiring on July 31, 2017. Lauterbach & Amen LLP had prepared a Pension Calculation Worksheet accordingly Commander Scharringhausen's monthly benefit as of August 2017 will be \$5,185.16, with retirement age of 51 and creditable service of 23 years.

On a motion made and seconded and on a roll call vote, the Lauterbach & Amen LLP Pension Calculation Worsheet was approved.

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

On a motion made and seconded and on a roll call vote, Approval of Commander Scharringhausen's Retirement decision, and Order and Certificate of payment of the Monthly Pension Benefit of \$5,185.16 effective 8/1/2017 was approved.

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

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 7:30 pm.


Secretary