

MINUTES OF THE MEETING BOARD OF TRUSTEES
VILLAGE OF HAWTHORN WOODS POLICE PENSION FUND
HELD ON
AUGUST 21, 2018 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:

- ROLL CALL Timothy McCue
Michael Viramontes
John Tennant
Douglas Samz
- ALSO PRESENT Brian LaBardi, Reimer & Karlson LLC
Kristin Kazenas, Village of Hawthorn Woods
David Harrington, Sawyer & Falduto Asset Management
Allison Barrett, Lauterbach & Amen, LLP
- MINUTES Minutes for the May 22, 2018 Meeting were reviewed.

On a motion made seconded and unanimously carried,
the minutes from the meeting were approved.
- CONCERNS OF THE PUBLIC None
- INVESTMENTS Sawyer & Falduto Asset Management LLC submitted
their Investment Performance Report as of June 30, 2018.

Total Investments were \$3,891,318. The Market Value
change year to date was a loss of \$54,021. The rate of
return for the Equity Portfolio year to date was 0.75%,
and second quarter of 1.40%, compared to the benchmark
rate of 0.92% and 1.79% respectively. Fixed Income
Portfolio rate of return year to date was -1.08% and
second quarter of 0.01%, compared to the benchmark
rate of return of -1.05% and 0.10 respectively. Equity
Investments amounted to \$1,674,885. Market Value
change from inception was a gain of \$513,262.

Fixed Income Portfolio has a duration of 4.93 years and a yield to maturity of 3.00%, compared to the benchmark duration of 6.00 years and a yield to maturity of 2.71%.

A discussion was given about the Economic environment (Tab 3). Three major items of concern over the coming months are:

U.S. trade policies, tariffs and potential trade war continue to rattle investor confidence fueling volatility.

The Federal Reserve again raised short-term interest rates at the June meeting of the Federal Open Market Committee. Additionally, in its announcements the Fed forecasted two additional rate increases this year. Although breaching the 3.00% level several times during the quarter, the 10-year U.S. Treasury note finished June with a yield of 2.85%

Economic fundamentals continue on a positive track with accelerating GDP growth, low unemployment and a resilient consumer.

Tab 7 lists all purchases and sales during the Quarter. Noted the Purchase and Sale on June 25.

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

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

Investment Policy, No action needed.

ACCOUNTANTS REPORT

Monthly Financial Reports from Lauterbach & Amen LLP for the Periods ending or as of July 31, 2018 was presented.

As of the year ending	July 31, 2018
Total Assets	\$4,064,865.23
Money Market Account:	\$ 137,564.54
7 Month Surplus:	\$ 229,762.87

7 Month Revenue: \$ 335,448.30
7 Month Expenses: \$ 105,685.43

On a motion made and seconded and on a roll call vote, Financial Reports July, 2018 were approved.

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

CONTRIBUTIONS

Village contributions for the seven months ending July 31, 2018 amounted to \$198,089.50. The participant contribution for the same period was \$67,831.57.

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

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

TREASURER REPORT

The Money Market Account at Inland Bank has been closed. All contribution funds are now deposited directly to the Swab Account.

LEGAL COUNSEL

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

COMMUNICATIONS

None

BOARD OFFICERS REPORT

No action needed. As a reminder, Police Pension Trustees need to attained 16 hours of accredited education each fiscal year.

Administrative Rules were tabled

On a motion made as amended, seconded and unanimously carried, the Administrative Rules were tabled.

EXPENDITURES

The following expenses were presented for approval:

Reimer & Karlson	\$ 750.00
Lauterbach & Amen, LLP	\$2,715.00
IPPPA Conference registrations	\$1,125.00

Also, Page 10-1 Vendor Check report

These expenses were for legal fees & retainer,
Accounting Services, Illinois Department of Insurance
Annual Report and Trustee Conference Expense

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

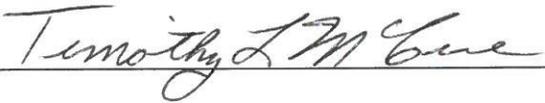
Roll Call Vote – Yes: McCue, Tennant, Viramontes
and Samz

OLD BUSINESS

None

ADJOURNMENT

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 7:27 pm.


Secretary