



**MINUTES OF A REGULAR MEETING OF THE HAWTHORN WOODS  
POLICE PENSION FUND BOARD OF TRUSTEES  
MAY 28, 2019**

A regular meeting of the Hawthorn Woods Police Pension Fund Board of Trustees was held on Tuesday, May 28, 2019 at 6:00 p.m. in the Village Hall located at 2 Lagoon Drive, Hawthorn Woods, Illinois 60047, pursuant to notice.

**CALL TO ORDER:** Trustee Samz called the meeting to order at 6:00 p.m.

**ROLL CALL:**

**PRESENT:** Trustees Douglas Samz, Michael Viramontes, Timothy McCue and John Tennant

**ABSENT:** None

**ALSO PRESENT:** Attorney Brian LaBardi, Reimer & Dobrovolny PC; Trinette Gardner and Keri O'Brien, Lauterbach & Amen, LLP (L&A); Tom Sawyer, Sawyer Falduto Asset Management, LLC; Treasurer Kristin Kazenas, Village of Hawthorn Woods

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *February 19, 2019 Regular Meeting:* The Board reviewed the February 19, 2019 regular meeting minutes. A motion was made by Trustee Tennant and seconded by Trustee Viramontes to approve the February 19, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report:* The Board reviewed the Monthly Financial Report for the four-month period ending April 30, 2019 prepared by L&A. As of April 30, 2019, the net position held in trust for pension benefits is \$4,439,396.42 for a change in position of \$446,515.12. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report and Payroll Journal. A motion was made by Trustee McCue and seconded by Trustee Tennant to accept the Monthly Financial Report as presented. Motion carried unanimously by voice vote.

*Presentation and Approval of Bills and Additional Bills, if any:* The Board reviewed the Vendor Check Report for the period February 1, 2019 through April 30, 2019 for total disbursements of \$12,172.75 and the following additional bills for approval:

- L&A invoice #36342 in the amount of \$855.00 for accounting, payroll and PSA services rendered for the month of April 2019.
- L&A invoice #36555 in the amount of \$2,250.00 for preparation of Actuarial Report.
- L&A invoice #34729 in the amount of \$2,000.00 for preparation of GASB 67/68.
- L&A invoice #35789 in the amount of \$575.00 for preparation of year end work papers.
- L&A invoice #35179 in the amount of \$1,555.00 for accounting, payroll and PSA services rendered for the months of January 2019 and February 2019.

- L&A invoice #34489 in the amount of \$505.00 for accounting and payroll services rendered for the month of February 2019.
- Reimer & Dobrovolny PC invoice #24775 in the amount of \$752.00 for legal services.
- Reimbursement to Trustee McCue in the total amount of \$908.92 for IPPFA 2019 Illinois Pension Conference expenses:
  - Hotel: \$609.46
  - Mileage: \$226.18
  - Meals: \$46.28
  - Business Expenses: \$27.00

A motion was made by Trustee McCue and seconded by Trustee Viramontes to approve the disbursements shown on the Vendor Check Report in the amount of \$12,172.75 and the additional bills as presented. Motion carried by roll call vote with Trustee McCue abstaining from the approval of his IPPFA 2019 Illinois Pension Conference reimbursement.

AYES: Trustees Samz, Viramontes, McCue and Tennant  
NAYS: None  
ABSENT: None

*Illinois Department of Insurance Compliance Fee:* The Board noted that the Illinois Department of Insurance Compliance Fee invoice has been received in the amount of \$799.19. A motion was made by Trustee Tennant and seconded by Trustee Viramontes to approve payment of the IDOI Compliance Fee in the amount of \$799.19. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes, McCue and Tennant  
NAYS: None  
ABSENT: None

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Review:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending March 31, 2019. As of March 31, 2019, the first quarter net return is 7.23% versus the first quarter account benchmark of 7.17%. The investment return for the quarter is \$291,285.00 for an ending market value of \$4,305,829.00. The current asset allocation is as follows: fixed income at 52.7%, equities at 45.5% and cash equivalents at 1.8%. Mr. Sawyer reviewed the Market Commentary, Equity and Fixed Income Portfolios, Credit Rating Report and Transaction Ledger Report with the Board. A motion was made by Trustee Tennant and seconded by Trustee McCue to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

*Review/Update Investment Policy:* The Board discussed the Investment Policy and no changes are needed at this time.

**TREASURER’S REPORT:** There was no Treasurer’s Report presented.

**COMMUNICATIONS OR REPORTS:** *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1, 2019.

*Affidavits of Continued Eligibility:* The Board noted that Affidavits of Continued Eligibility will be mailed to all pensioners with the September payroll cycle. An update will be provided at the next regular meeting.

*Review/Approve – Death Audit Service Authorization:* The Board discussed the Death Audit Service offered through IPPFA and L&A. A motion was made by Trustee Viramontes and seconded by Trustee Tennant to authorize the Death Audit Service as discussed and to execute the Death Audit Service Authorization form provided by L&A. Motion carried unanimously by voice vote.

**TRUSTEE TRAINING UPDATES:** The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

*Approval of Trustee Training Registration Fees and Reimbursable Expenses:* The Board discussed the upcoming 2019 IPPFA MidAmerican Pension Conference. A motion was made by Trustee Samz and seconded by Trustee McCue to approve the registration fees for trustees interested in attending the 2019 IPPFA MidAmerican Pension Conference and to direct L&A to register Trustees Samz, McCue, Viramontes and Tennant for the event. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes, McCue and Tennant

NAYS: None

ABSENT: None

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** There were no applications for membership or withdrawals from the Fund.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** There were no applications for retirement or disability benefits.

**OLD BUSINESS:** There was no old business to discuss.

**NEW BUSINESS:** *Certify Board Election Results – Active Member Position:* Treasurer Kazenas conducted an election for one of the active member positions on the Hawthorn Woods Police Pension Fund Board of Trustees. John Tennant ran unopposed and was reelected for a two-year term expiring May 14, 2021. A motion was made by Trustee McCue and seconded by Trustee Samz to certify the active member election results. Motion carried unanimously by voice vote.

*Review/Approve – Actuarial Valuation & Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation as prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$349,206.00 which is a \$14,125.00 increase from the prior year contribution. The statutory minimum contribution requirement is \$297,429.00. A motion was made by Trustee Tennant and seconded by Trustee Viramontes to accept the Actuarial Valuation as prepared. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes, McCue and Tennant

NAYS: None

ABSENT: None

*IDOI Annual Statement:* The Board noted that the IDOI Annual Statement was filed with the IDOI prior to the June 30, 2019 deadline. No further action is necessary.

*Review/Approve – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by Treasurer Kazenas. A motion was made by Trustee Tennant and seconded by Trustee Viramontes to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

**ATTORNEY’S REPORT – REIMER & DOBROVOLNY PC:** *Legal Updates:* The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney LaBardi discussed recent court cases and decisions, as well as general pension matters with the Board.

**CLOSED SESSION, IF NEEDED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee Viramontes and seconded by Trustee Tennant to adjourn the meeting at 7:02 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 20, 2019 at 6:00 p.m.

  
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Board President or Secretary

Minutes approved by the Board of Trustees on 8/20/19

*Minutes prepared by Keri O'Brien, Pension Services Administrator, Lauterbach & Amen, LLP*