



**MINUTES OF A REGULAR MEETING OF THE
HAWTHORN WOODS POLICE PENSION FUND
BOARD OF TRUSTEES
AUGUST 20, 2019**

A regular meeting of the Hawthorn Woods Police Pension Fund Board of Trustees was held on Tuesday, August 20, 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 6:06 p.m.

ROLL CALL:

PRESENT: Trustees Douglas Samz, Michael Viramontes and Timothy McCue
ABSENT: Trustee John Tennant
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: *May 28, 2019 Regular Meeting:* The Board reviewed the May 28, 2019 regular meeting minutes. A motion was made by Trustee McCue and seconded by Trustee Viramontes to approve the May 28, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the six-month period ending June 30, 2019 prepared by L&A. As of June 30, 2019, the net position held in trust for pension benefits is \$4,553,855.17 for a change in position of \$560,973.87. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and the Vendor Check Report for the period April 1, 2019 through June 30, 2019 for total disbursements of \$17,090.72. A motion was made by Trustee McCue and seconded by Trustee Viramontes to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$17,090.72. Motion carried by roll call vote.

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

Additional Bills, if any: The Board reviewed the following additional bills for approval:

- L&A invoice #36939 in the amount of \$855 for accounting, payroll and PSA services rendered for the month of May 2019.
- L&A invoice #37704 in the amount of \$855 for accounting, payroll and PSA services rendered for the month of June 2019.
- L&A invoice #37257 in the amount of \$1,550 for preparation of the IDOI report for the fiscal year ended December 31, 2018.
- L&A invoice #38097 in the amount of \$475 for PSA Setup.
- Reimer & Dobrovolny PC invoice #25079 in the amount of \$789.35 for legal services.

A motion was made by Trustee Samz and seconded by Trustee McCue to approve the additional bills as presented. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes and McCue

NAYS: None

ABSENT: Trustee Tennant

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Review:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending June 30, 2019. As of June 30, 2019, the second quarter net return is 3.01% versus the second quarter account benchmark of 3.51%. The investment return for the quarter is \$134,420 for an ending market value of \$4,506,191. The current asset allocation is as follows: fixed income at 53.1%, equities at 45.0% and cash equivalents at 1.9%. 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 Viramontes and seconded by Trustee Samz 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.

COMMUNICATIONS AND REPORTS: *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.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

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: There were no trustee training registrations or reimbursable expenses presented for approval.

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: *Discuss Board Meeting Time Change:* The Board discussed changing the regular meeting time from 6:00 p.m. to 1:00 p.m. commencing at the next regular meeting. A motion was made by Trustee Viramontes and seconded by Trustee Samz to change the Board meeting time as discussed. Motion carried unanimously by voice vote.

Board Officer Elections – President, Vice President, Secretary & Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Trustee Samz as President, Trustee Viramontes as Vice President, Trustee Tennant as Secretary and Trustee McCue as Assistant Secretary. A motion was made by Trustee McCue and seconded by Trustee Viramontes to elect the slate of Officers as stated. Motion carried by roll call vote.

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

FOIA Officer & OMA Designee: The Board discussed maintaining the Village Clerk of Hawthorn Woods, Donna Lobaito, as the FOIA Officer and to designate Trustee Tennant as the OMA Designee. A motion was made by Trustee McCue and seconded by Trustee Samz to designate the FOIA Officer and OMA Designee as stated. Motion carried unanimously by voice vote.

Treasurer Kazenas left the meeting at 6:43 p.m. and returned at 6:50 p.m.

Review/Approve – Municipal Compliance Report: Treasurer Kazenas advised the Board that the current and prior fiscal year assets were not accurately reported on the Municipal Compliance Report that was presented and approved at the May 28, 2019 regular meeting. The Board reviewed the amended MCR prepared by Treasurer Kazenas. A motion was made by Trustee Samz and seconded by Trustee McCue to adopt the amended MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

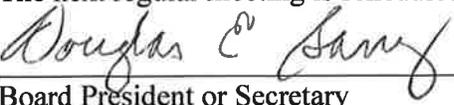
Discussion/Possible Action – Revised Lauterbach & Amen, LLP Engagement Letter: This item was tabled until the next regular meeting.

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 McCue to adjourn the meeting at 7:01 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for November 19, 2019 at 1:00 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 12/3/2019

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