



**MINUTES OF A REGULAR MEETING OF THE
HAWTHORN WOODS POLICE PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 16, 2021**

A regular meeting of the Hawthorn Woods Police Pension Fund Board of Trustees was held via videoconference on Tuesday, February 16, 2021 at 11:00 a.m. without a quorum of the public body physically present because of a disaster declaration related to COVID-19 public health concerns affecting the Village of Hawthorn Woods. The Hawthorn Woods Police Pension Fund Board President determined that an in-person meeting with all participants is not practical, prudent or feasible because of the disaster, pursuant to notice.

CALL TO ORDER: Trustee Samz called the meeting to order at 11:14 a.m.

ROLL CALL:

PRESENT: Trustees Douglas Samz, Michael Viramontes, John Tennant and Karen Baird

ABSENT: None

ALSO PRESENT: Attorney Brian LaBardi, Reimer Dobrovolny & LaBardi PC; Keri O'Brien and Madeline Hayes, Lauterbach & Amen, LLP (L&A); Tom Sawyer, Sawyer Falduto Asset Management, LLC; Finance Director Katreina York, Village of Hawthorn Woods

OLD BUSINESS: *Appointed Member Vacancy:* Karen Baird was appointed to the Board by the Mayor of the Village of Hawthorn Woods. A motion was made by Trustee Tennant and seconded by Trustee Viramontes to accept Trustee Baird's appointment as stated. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes and Tennant

NAYS: None

ABSENT: None

ABSTAIN: Trustee Baird

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *December 14, 2020 Regular Meeting:* The Board reviewed the December 14, 2020 regular meeting minutes. A motion was made by Trustee Viramontes and seconded by Trustee Tennant to approve the December 14, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Samz, Viramontes and Tennant

NAYS: None

ABSENT: None

ABSTAIN: Trustee Baird

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 one-month period ending January 31, 2021 prepared by L&A. As of January 31, 2021, the net position held in trust for pension benefits is \$5,923,935.32 for a change in position of \$14,109.26. 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 November 1, 2020 through January 31, 2021 for total disbursements of \$12,157.65. A motion was made by Trustee Tennant and seconded by Trustee Samz to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$12,157.65. Motion carried by roll call vote.

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

Additional Bills, if any: There were no additional bills presented for approval.

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending December 31, 2020. As of December 31, 2020, the fourth quarter net return is 6.43% versus the fourth quarter account benchmark of 7.36%. The investment return for the quarter is \$356,989. for an ending market value of \$5,899,193. The current asset allocation is as follows: fixed income at 52.4%, equities at 45.0% and cash equivalents at 2.6%. 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 Samz and seconded by Trustee Viramontes to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

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

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required at this time.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A and the originals were given to the Board for their recordkeeping.

Statements of Economic Interest: The Board noted that the List of Filers were submitted to the County by the Village by February 1, 2021. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2021.

2021 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement decreased to \$0.56 per mile effective January 1, 2021.

TRUSTEE TRAINING UPDATES: The Board 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 registration fees 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 (CONTINUED): The Board discussed the current assumed rate of return for the Actuarial Valuation that was previously deliberated at the February 18, 2020 meeting and requested that an Actuary from L&A attend the next regular meeting in order to discuss further.

Discussion – 2021 Village Contribution: The Board discussed the 2021 Village contribution. No further action is required.

NEW BUSINESS: QILDRO – Gary Scharringhausen: Attorney LaBardi informed the Board that Gary Scharringhausen’s QILDRO paperwork has not been received to date. Updates will be provided to the Board as they become available.

Approve Cost of Living Adjustments (COLAs) for Pensioners: The Board reviewed the 2021 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Tennant and seconded by Trustee Samz to approve the 2021 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Tennant is expiring in May 2021 and the retired member Trustee position that is currently vacant. Trustee Tennant wishes to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions and for the vacant retired member Trustee position.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

ATTORNEY’S REPORT – REIMER DOBROVOLNY & LABARDI 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 Tennant and seconded by Trustee Viramontes to adjourn the meeting at 12:04 p.m. Motion carried by roll call vote.

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

The next regular meeting is scheduled for May 18, 2021 at 11:00 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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