



**MINUTES OF A REGULAR MEETING OF THE
HAWTHORN WOODS POLICE PENSION FUND
BOARD OF TRUSTEES
NOVEMBER 28, 2022**

A regular meeting of the Hawthorn Woods Police Pension Fund Board of Trustees was held via videoconference on Monday, November 28, 2022 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 Tennant called the meeting to order at 11:03 a.m.

ROLL CALL:

PRESENT: Trustees John Tennant, Dennis Hoppe, Jennifer Paulus and Karen Baird

ABSENT: Trustee Michael Viramontes

ALSO PRESENT: Attorney Brian LaBardi, Reimer Dobrovlny & LaBardi PC; Tom Sawyer, Sawyer Falduto Asset Management, LLC; Finance Director Katreina York, Village of Hawthorn Woods; Megan Snell, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *August 16, 2022 Regular Meeting:* The Board reviewed the August 16, 2022 regular meeting minutes. A motion was made by Trustee Hoppe and seconded by Trustee Tennant to approve the August 16, 2022 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird

NAYS: None

ABSENT: Trustee Viramontes

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the ten-month period ending October 31, 2022 prepared by L&A. As of October 31, 2022, the net position held in trust for pension benefits is \$5,881,734.96 for a change in position of (\$882,163.26). 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 August 1, 2022 through October 31, 2022 for total disbursements of \$26,648.57. A motion was made by Trustee Paulus and seconded by Trustee Hoppe to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$26,648.57. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird

NAYS: None

ABSENT: Trustee Viramontes

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 September 30, 2022. As of September 30, 2022, the third quarter net return is (4.0%) versus the third quarter account benchmark of (4.2%). The investment return for the quarter is (\$233,903) for an ending market value of \$5,658,955. The current asset allocation is as follows: fixed income at 55.0%, equities at 41.8% and cash equivalents at 2.5%. Mr. Sawyer also 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 Paulus to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird

NAYS: None

ABSENT: Trustee Viramontes

IPOPIF – Verus Advisory, Inc: The Board reviewed the IPOPIF Investment Performance Review prepared by Verus Advisory, Inc. for the period ending June 30, 2022. As of June 30, 2022, the three-month total net return is (9.7%) and the year-to-date total net return is (9.2%) for an ending market value of \$2,746,308,452.

State Street Statements: The Board noted that no State Street Statements are available for review at this time.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. Further discussion will be held at the next regular meeting.

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: The Board reviewed the following Trustee training reimbursements:

- Reimbursement to Trustee Baird in the total amount of \$545.25 for Trustee Training expenses:
 - Hotel: \$415.03
 - Mileage: 78 miles at \$.625/mile totaling \$81.47
 - Meals: \$48.75

A motion was made by Trustee Tennant and seconded by Trustee Hoppe to approve Trustee Training Reimbursable Expenses for Trustee Baird in the amount of \$545.25. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird

NAYS: None

ABSENT: Trustee Viramontes

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Karolina Kulczyk and Patrick Pagliuco:* The Board reviewed the Application for Membership submitted by Karolina Kulczyk. A motion was made by Trustee Tennant and seconded by Trustee Hoppe to accept Karolina Kulczyk effective September 26, 2022, into the Hawthorn Woods Police Pension Fund as a Tier II participant. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird

NAYS: None

ABSENT: Trustee Viramontes

The Board noted that no Application for Membership has been received from Patrick Pagliuco. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approval of written Decision and Order for Retirement of Jennifer Paulus:* The Board tabled this item until the next regular meeting.

OLD BUSINESS: *Review/Adopt – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Paulus and seconded by Trustee Hoppe to adopt the revised MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird
NAYS: None
ABSENT: Trustee Viramontes

Transfer of Creditable Service from IMRF Pursuant to SB3785 – Michael Viramontes: The Board discussed the Transfer of Creditable Service from IMRF Pursuant to SB3785 for Michael Viramontes. Updates will be provided to the Board as they become available.

NEW BUSINESS: *Establish 2023 Board Meeting Dates:* The Board discussed establishing the 2023 Board meeting dates as February 7, 2023; May 30, 2023; August 15, 2023; and November 7, 2023 at 11:00 a.m. in the Village Hall located at 2 Lagoon Drive, Hawthorn Woods, Illinois 60047. A motion was made by Trustee Tennant and seconded by Trustee Hoppe to establish the 2023 Board meeting dates as stated. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird
NAYS: None
ABSENT: Trustee Viramontes

Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letter – Actuary Services: The Board reviewed the L&A four-year engagement letter renewal. A motion was made by Trustee Tennant and seconded by Trustee Hoppe to engage L&A for preparation of police funding actuarial valuation in the annual amounts as follows: \$2,900 for the year ended December 2022; \$2,990 for the year ended December 2023; \$3,080 for the year ended December 2024 and \$3,170 for the year ended December 2025. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird
NAYS: None
ABSENT: Trustee Viramontes

Discussion/Possible Action – eCFM Access Form and Resolution: The Board discussed the eCFM Access Form and Resolution and determined no changes are needed at this time.

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 Paulus to adjourn the meeting at 12:11 p.m. Motion carried by roll call vote.

AYES: Trustees Tennant, Hoppe, Paulus and Baird
NAYS: None
ABSENT: Trustee Viramontes

The next regular meeting is scheduled for February 7, 2023 at 11:00 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Megan Snell, Pension Services Administrator, Lauterbach & Amen, LLP