

MINUTES OF THE MEETING BOARD OF TRUSTEES
VILLAGE OF HAWTHORN WOODS POLICE PENSION FUND
HELD ON
MAY 20, 2014 AT 6:00 PM
AT THE HAWTHORN WOODS VILLAGE HALL
2 LAGOON DRIVE, HAWTHORN WOODS, IL. 60047

The meeting was called to order by Douglas Samz at 6:04 PM. The following trustees were present:

ROLL CALL Douglas Samz
 Timothy McCue
 Stewart Gordon
 Michael Viramontes

ABSENT John Tennant

LEGAL COUNSEL Brian LaBardi, Reimer & Karlson LLC
 Kristin Kazenas, Village of Hawthorn Woods

PUBLIC NONE

CONCERNS OF THE
PUBLIC None

RETIREE PAYMENTS The October 28, 2013 minutes need to be corrected. An error had occurred in the calculation of John Fenger annual payments for 2014 and the payment for January needs to be adjusted. The monthly calculated amount was \$2,851.30 and it should be \$2,851.71. The error was due to the compounding factor for 2014.

On a motion made and seconded and on a roll call vote, a letter to Mr. Fenger should be sent to explain the error and the correct amount should be remitted was approved.

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

MINUTES

Minutes for the October 28, 2013 as corrected above and February 24, 2014 meeting were reviewed.

On a motion made, seconded and unanimously carried, the minutes from both meetings were approved.

Absent: Tennant

INVESTMENTS

CD's at Inland Bank totaled \$1,608,516.32 as of March 31, 2014.

A discussion was held concerning the future cash flow need of the Pension Fund and the likelihood that a larger investment of Equity securities after the current calendar year would be made. The Pension Fund should maintain current cash flow in Money Market Account so that funds will be available at the end of the year.

On a motion made and seconded and on a roll call vote, CD report, and Investments were approved

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

Absent: Tennant

FINANCIAL STATEMENTS

Total Investment as of March 31, 2013 at Cornerstone Nat'l Bank was \$245,057.71. Market Value change for the first quarter 2014 was \$1,510.02.

As of March 31, and the Quarter ending March 31, 2014

Total Assets	\$2,261,005.57
Money Market Account:	\$ 405,963.58
First Quarter Surplus:	\$ 48,338.39
First Quarter Revenue:	\$ 88,563.86
First Quarter Expenses:	\$ 40,225.47

On a motion made and seconded and on a roll call vote, CD report, Investments, and Financial Report were approved.

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

Absent: Tennant

EXPENDITURES

The following expenses were presented for approval:

Goldstein & Associates	\$3,500.00
Reimer & Karlson	\$ 750.00
DOI Compliance fee	\$ 386.79

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

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

CONTRIBUTIONS

Village and Participant contributions for the quarter amounted to \$58,565.25 and \$21,168.65, respectively. The participant contribution was net of a refund to Officer Cora during the quarter of \$18,993.57.

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

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

ELECTION OF OFFICER TRUSTEE

Officer Viramontes was elected to a two-year term that will expire May 2, 2016.

On a motion made, seconded and unanimously carried, the results, from the election of Officer Trustee, were approved.

It is noted that the Village Board has appointed Mr. Samz to a two-year term as a Citizen Trustee. His term will expire on May 2, 2016 or until someone is properly appointed by the Village Board to replace him.

LEGAL COUNSEL

The Reimer Update was presented.

New Pension reform legislation is currently being contested in the court system. All similar law suits are being combined.

ACTUARY REPORT

The Final Actuary Report from Goldstein & Associates was presented. The Investment Return Rate was 6.75%, which caused an increase in the unfunded liability of \$180,496. The Annual Required Contribution for GASB Statement #25 was \$280,551.

On a motion made, seconded and unanimously carried, the Actuary Report was accepted and our attorney will prepare a letter to the Village requesting an annual contribution of \$280,551 for the calendar year 2015.

Absent: Tennant

NEW 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 7:22 pm.



Secretary