

MINUTES OF THE SPECIAL MEETING BOARD OF
TRUSTEES VILLAGE OF HAWTHORN WOODS POLICE
PENSION FUND HELD ON
AUGUST 31, 2015 AT 7:00 PM
AT THE HAWTHORN WOODS VILLAGE HALL
2 LAGOON DRIVE, HAWTHORN WOODS, IL. 60047

The meeting was called to order at 7:00 PM. The following trustees were present:

- ROLL CALL Douglas Samz (Arrive 7:15)
 Timothy McCue
 Stewart Gordon
 John Tennant
 Michael Viramontes (Arrive 7:10)
- ABSENT None
- ALSO PRESENT Brian LaBardi, Reimer & Karlson LLC
 Kristin Kazenas, Village of Hawthorn Woods
 Tom Sawyer
 John Falduto
- CONCERNS OF THE
PUBLIC None
- MINUTES Minutes for the June 9, 2015 Special Meeting were
 reviewed.
- On a motion made, seconded and unanimously carried,
 the minutes from the meeting was approved.
- INVESTMENT ADVISER Discussions were held concerning the Contract for the
 Investment Adviser firm of Sawyer Falduto Asset
 Management LLC.
- On a motion made and seconded and on a roll call vote,
 the hiring and the contract for Sawyer Falduto Asset
 Management LLC was approved.

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

Discussion was held concerning the brokerage company Charles Schwab & Co Inc.. Sawyer Falduto Asset Management LLC will use Charles Schwab & Co Inc. to maintain the Pension Funds investment.

On a motion made and seconded and on a roll call vote, the hiring and the contract for Charles Schwab & Co Inc. was approved.

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

INVESTMENTS

CD's at Inland Bank and Cornerstone Bank totaled \$1,644,905.88 as of June 30, 2015.

Total Investment as of June 30, 2015 at Cornerstone Nat'l Bank was \$507,121.22. Market Value change for the second quarter 2015 was a gain of \$373.86. The increase in the balance of the account was due to an increased investment of \$248,000.00, as the assets of the Pension Fund exceeded \$2,500,000.00.

Discussion was held concerning the timing of increasing the Percentage of Equity Securities to Total Assets. The percentage is currently 15% and the legal limit is 45%.

On a motion made and seconded and on a roll call vote, The Percentage of Equity Securities to Total Assets should be increase to at least 35% by November 23, and at the discretion of the Investment Adviser as to when the account should reach 45% over a short period of time were approved

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

A discussion was held concerning the funding of the increased Equity Securities. Mr. Sawyer, Mr. Falduto

and the Treasurer should do an analysis to see if there is any advantage to liquidate CD investment, and pay an early withdrawal penalty, in addition to use of Money Market account, to fund any additional Equity or Bond securities.

On a motion made and seconded and on a roll call vote, the Treasurer has the authority to liquidate investments to fund the increased investment in Equity or Bond Securities was approved.

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

FINANCIAL STATEMENTS

As of June 30, and the Six Months ending June 30, 2015

Total Assets	\$2,616,778.03
Money Market Account:	\$ 463,604.37
Six Month Surplus:	\$ 158,752.76
Six Month Revenue:	\$ 180,731.25
Six Month Expenses:	\$ 63,414.62

On a motion made and seconded and on a roll call vote, Financial Report was approved.

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

CONTRIBUTIONS

Village contributions for the quarter amounted to \$70,137.75. The participant contribution for the quarter amounted to \$20,165.12. The Total Contribution from all participants as of June 30, 2015 was \$696,229.13.

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, Viramontes and Tennant

LEGAL COUNSEL The Reimer Update was presented and a ten year report from DOI.

IDOI REPORT The Department of Insurance Annual Report has been completed, filed and accepted on a timely basis. Thanks to the hours contributed by Trustee Gordon and Treasurer Kazenas to help compile data needed for the report.

CONTINUING EDUCATION Each Police Pension Trustee must attain 16 hours of accredited education from August of one calendar year to August of the next calendar year. The IPPFA Annual Conference in Lake Geneva WI will be held in October, all Trustees are currently registered to attend.

EXPENDITURES The following expenses were presented for approval:

Reimer & Karlson	\$ 772.75
Trustee Samz	\$ 250.00
Treasurer Kazenas	\$1,357.35
IPPFA	\$ 300.00

These expenses were for legal fees & retainer, and seminar expenses.

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

Roll Call Vote – Yes: Samz, McCue, Gordon, Viramontes and Tennant
Trustee Samz abstained on the vote to approve his expenses.

APPLICATIONS Officer Alexander D. Miller submitted an application for admission to the Hawthorn Woods Police Pension as of June 25, 2015.

On a motion made and seconded and on a roll call vote, Officer Miller’s application for admission to the Hawthorn Woods Police Pension was approved.

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

REFUNDS None

MILITARY SERVICE PURCHASE

Officer Armijo inquired as to his contribution to purchase 24 months military service toward his police pension. Lauterbach & Amen LLP prepared the calculation for the military service purchase. The total cost is \$31,955.75; Officer Armijo will make a down payment of \$12,000.00, with the balance paid over time prior to his retirement date.

On a motion made and seconded and on a roll call vote, purchase of the Military Service credit for Officer Armijo was approved.

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

OLD BUSINESS A draft of the Investment policy was given to our Attorney and New Investment Adviser for their input.

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 8:32 pm.



Secretary