

**MINUTES OF A REGULAR MEETING OF THE
HICKORY HILLS POLICE PENSION FUND
BOARD OF TRUSTEES
MAY 20, 2020**

A regular meeting of the Hickory Hills Police Pension Fund Board of Trustees was held on Wednesday, May 20, 2020 at 5:30 p.m. via videoconference in accordance with Section 6 of Governor Pritzker's Executive Order 2020-33 (COVID-19 Executive Order No. 31), pursuant to notice.

CALL TO ORDER: Trustee McDonald called the meeting to order at 5:33 p.m.

ROLL CALL:

PRESENT: Trustees Mary McDonald, Alejandro Lopez and Mary Anne Doherty
ABSENT: Trustee Brian Nelligan
ALSO PRESENT: Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC;
Amanda Secor, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

NEW BUSINESS: *Certify Board Election Results – Retired Member Position:* L&A conducted an election for the retired member position on the Hickory Hills Police Pension Fund Board of Trustees. The Board noted that 17 ballots were received and 17 ballots were counted, with one being spoiled. The retired member election results are as follows: 0 votes for Henry Boedecker, 10 votes for Mary Anne Doherty and 6 votes for Dave Wetherald. Mary Anne Doherty was elected as the retired member on the Board of Trustees for a two-year term, expiring May 10, 2022. A motion was made by Trustee Lopez and seconded by Trustee McDonald to certify the retired member election results. Motion carried unanimously by voice vote.

APPROVAL OF MEETING MINUTES: *January 15, 2020 Regular Meeting:* The Board reviewed the January 15, 2020 regular meeting minutes. A motion was made by Trustee Lopez and seconded by Trustee Doherty to approve the January 15, 2020 regular meeting minutes as written. Motion carried unanimously by voice vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the twelve-month period ending April 30, 2020. As of April 30, 2020, the net position held in trust for pension benefits is \$27,437,282.04, for a change in position of \$281,944.77. 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 January 1, 2020 through March 31, 2020 for total disbursements of \$96,384.85 and the Vendor Check Report for the period of April 1, 2020 through April 30, 2020 in the amount of \$40,438.27. A motion was made by Trustee Lopez and seconded by Trustee Doherty to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Reports in the amounts of \$96,384.85 and \$40,438.27. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Doherty
NAYS: None
ABSENT: Trustee Nelligan

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was

made by Trustee Lopez and seconded by Trustee Doherty to approve payment of the IDOI Compliance Fee upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Doherty

NAYS: None

ABSENT: Trustee Nelligan

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:

Quarterly Investment Performance Report: Mr. Falduto presented the Quarterly Investment Performance Report for the period ending March 31, 2020. As of March 31, 2020, the first quarter net return is (11.58)% versus the first quarter account benchmark of (12.85)%. The investment return for the quarter is \$(3,324,334) for an ending market value of \$25,447,494. The current asset allocation is as follows: fixed income at 42.7%, equities at 57.1% and cash equivalents at 0.2%. 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 Doherty and seconded by Trustee Lopez to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: Mr. Falduto presented updated investment policy language prepared by Sawyer Falduto Asset Management, LLC. The Board reviewed and discussed the proposed language, which has been updated to include language regarding sustainability consistent with Public Act 101-0473 and adjustments to allowable benchmarks. A motion was made by Trustee Doherty and seconded by Trustee Lopez to adopt the proposed investment policy language, prepare an updated investment policy and authorize signatures by the Board President and Secretary, to direct L&A to file the investment policy with the Illinois Department of Insurance within 30 days of execution and to place an executed copy in the Pension Fund's files. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Doherty

NAYS: None

ABSENT: Trustee Nelligan

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that due to the health and safety concerns associated with COVID-19, L&A did not issue Affidavits of Continued Eligibility to pensioners with the April payroll cycles. A motion was made by Trustee Lopez and seconded by Trustee McDonald to authorize L&A to issue Affidavits of Continued Eligibility to all pensioners with the June payroll cycles. Motion carried unanimously by voice vote.

Statements of Economic Interest: The Board was reminded that Statements of Economic Interest were due by May 1, 2020.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Scott Sodaro:* The Board reviewed the regular retirement benefit calculation for Scott Sodaro prepared by L&A. Police Officer Sodaro had an entry date of June 27, 1994, retirement date of July 26, 2020, effective date of pension of July 27, 2020, 63 years of age at date of retirement, 26 years of creditable service, applicable salary of \$94,161.84, applicable pension percentage of 65%, amount of originally granted monthly pension of \$5,100.43 and amount of originally granted annual pension of \$61,205.16. A motion was made by Trustee Doherty and

seconded by Trustee Lopez to approve Scott Sodaro's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Doherty

NAYS: None

ABSENT: Trustee Nelligan

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

OLD BUSINESS: *Portability Update – Glenn Tienstra:* The Board reviewed correspondence issued by L&A to Officer Glenn Tienstra regarding the transfer of 8 years, 3 months and 3 days of creditable service from the Hazel Crest Police Pension Fund. Officer Tienstra has not submitted a response at this time. No further action is needed.

TRUSTEE TRAINING UPDATES: The Board discussed upcoming training opportunities. All Trustees were reminded to submit their training certificates 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.

NEW BUSINESS (CONTINUED): *Schwab Account Signatory Update:* Sawyer Falduto Asset Management, LLC provided the Board with the necessary forms to update the signers on the Schwab account with the current Board members and municipal Treasurer. The Board will obtain signatures and submit the completed forms to Sawyer Falduto Asset Management, LLC. A motion was made by Trustee Doherty and seconded by Trustee Lopez to establish City Treasurer Al Vodicka and Trustees Lopez and McDonald as signatories on the Schwab account. Motion carried unanimously by voice vote.

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Legal Updates:* The Board reviewed the Reimer & Dobrovoly PC quarterly newsletter, *Legal and Legislative Update*.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Lopez and seconded by Trustee Doherty to adjourn the meeting at 6:14 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for July 15, 2020 at 5:30 p.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 07-15-2020

Minutes prepared by Amanda Secor, Pension Services Administrator, Lauterbach & Amen, LLP