

City of Hickory Hills
Hickory Hills Police Pension Board Meeting Minutes
Wednesday October 21, 2015 at 5:30pm

Attendance: David Wetherald, President; Robert Troy, Vice President; Mary McDonald, Secretary; Dan Schramm, City Treasurer Absent: James Kardelis, Trustee; Scott Sodaro, Trust; Dan Davis, Morgan Stanley

After a very brief discussion of the Morning Star reports that Dan Davis provided for the meeting, the pension board decided that another meeting should be scheduled to review the portfolio more thoroughly. The board scheduled a meeting for Monday, November 9th at 5:30pm.

Dan Davis did make a recommendation to invest \$700,000 of the \$772,000 in the money market in a GNMA fixed investment as the portfolio hold 66% in equities. Bob Troy made the motion to invest in a GNMA. David Wetherald seconded the motion. The board unanimously agreed to approve the recommendation.

Mary presented the minutes of the July 22, 2015 meeting for approval. Bob Troy made a motion to approve the minutes. David seconded the motion. It was unanimous to approve to minutes.

Mary presented the pension payroll for the calendar year 2016 which reflects the applicable increases. The current annual payroll is approximately \$1,193,622 and will in 2016 be approximately \$1,226,102 (approx. noted as changes to the payroll occur within the year).

Mary presented the bills to be paid:-The annual dues from the IPPFA is now\$795.00 in the prior year it was \$775 they are asking for \$20 more;-David Wetherald went to the Retirement Coordinator training on September 24 and is requesting \$98.50 for travel expenditures and for attending the Annual Pension Conference in October is requesting a reimbursement of \$574.82 for travel expenditures; Robert Troy attended the Annual Pension Conference in October and is requesting a reimbursement of \$531.52 for travel expenditures. Scott Sodaro did attend the October conference, but his expenditures were paid by the City to be reimbursed by the pension fund. Mary will present his expenditures at the next meeting for approval of the reimbursement to the City. Bob Troy made a motion to pay the bills, David Wetherald seconded the motion. The board unanimously agreed to pay the bills.

David Wetherald stated that at the Annual Conference the topics of GASB reporting and underfunding were covered. Also mentioned was that Governor Rauner is still pursuing the consolidation of all of the pension funds.

Mary inquired upon reviewing the current actuarial report and the City's April 30, 2014 audit report the underfunding of the police pension fund has grown on an actuarial basis to \$9 million and asked if the City has a plan to address this issue. Dan Schramm when presenting the April 30, 2015 City audit to the City Council will emphasis the growing underfunding.

David Wetherald also distributed information on the asset management firm Sawyer Falduto. The pension board member after a discussion would like Sawyer Falduto to make a presentation to the pension board for consideration to more actively manage the pension portfolio and be able to invest in assets that we cannot through a broker. This firm would also be a fiduciary of the fund which Dan Davis is not. Bob Troy will reach out to them; hopefully they can attend the November 9th meeting at 6:30pm.

City of Hickory Hills

Hickory Hills Police Pension Board Meeting Minutes

Wednesday October 21 2015 at 5:30pm

Page 2 of 2

David Wetherald stated that at the Retiree Coordinator training he was given contact information and websites regarding topics such as social security, health insurance continuation, and taxation of benefits a police officer should be aware of when they are becoming close to their retirement from the Department.

Bob Troy made a motion to adjourn the meeting with no other topics to be discussed. David Wetherald seconded the motion. The board unanimously agreed to adjourn.

Meeting adjourned at 6:46pm.