

**MINUTES OF A REGULAR MEETING OF THE
HICKORY HILLS POLICE PENSION FUND
BOARD OF TRUSTEES
JANUARY 15, 2020**

A regular meeting of the Hickory Hills Police Pension Fund Board of Trustees was held on Wednesday, January 15, 2020 at 5:30 p.m. at the Hickory Hills Police Department located at 8800 West 87th Street, Hickory Hills, Illinois 60457, pursuant to notice.

CALL TO ORDER: Trustee McDonald called the meeting to order at 5:35 p.m.

ROLL CALL:

PRESENT: Trustees Mary McDonald, Alejandro Lopez, Robert Troy and Brian Nelligan

ABSENT: None

ALSO PRESENT: Tom Sawyer, Sawyer Falduto Asset Management, LLC; Amanda Secor, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *November 20, 2019 Regular Meeting:* The Board reviewed the November 20, 2019 regular meeting minutes. A motion was made by Trustee Troy and seconded by Trustee Nelligan to approve the November 20, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eight-month period ending December 31, 2019. As of December 31, 2019, the net position held in trust for pension benefits is \$29,004,580.82, for a change in position of \$1,849,243.55. 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 October 1, 2019 through December 31, 2019 for total disbursements of \$89,163.14. A motion was made by Trustee Troy and seconded by Trustee Nelligan to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$89,163.14. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez, Troy and Nelligan

NAYS: None

ABSENT: None

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 December 31, 2019. As of December 31, 2019, the fourth quarter net return is 4.7% versus the fourth quarter account benchmark of 5.07%. The investment return for the quarter is \$1,316,887 for an ending market value of \$28,993,706. The current asset allocation is as follows: fixed income at 36.7%, equities at 61.9% and cash equivalents at 1.3%. 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 Nelligan and seconded by Trustee Troy to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board reviewed the Investment Policy in summary and determined that no updates were necessary at this time.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that due to recently implemented requirements mandated by the IDOI, spousal data will be necessary in order to file the IDOI Annual Statement. L&A recommended issuing Affidavits of Continued Eligibility to all pensioners with the April payroll cycle, to coincide with the fiscal year-end and ensure adequate time to compile the necessary data. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to authorize L&A to issue Affidavits of Continued Eligibility to all pensioners with the April payroll cycles. Motion carried unanimously by voice vote.

2020 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement decreased to \$0.575 per mile, effective January 1, 2020.

Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the City by February 1, 2020. Statements of Economic Interest will be sent to all registered filers, who will need to respond by the deadline of May 1, 2020.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – Vincenzo Rimmele:* The Board discussed the Application for Membership submitted by Vincenzo Rimmele. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to accept Vincenzo Rimmele into the Hickory Hills Police Pension Fund effective January 6, 2020, as a Tier II participant contingent upon receipt of his signed application. Motion carried unanimously by voice vote.

OLD BUSINESS: *Fiduciary Liability Insurance Renewal:* The Board reviewed the Fiduciary Liability Insurance renewal from Arthur J. Gallagher Risk Management Services, Inc., invoice #3246807 for the policy effective 10/01/2019 – 10/01/2021 in the amount of \$6,122. Trustee McDonald informed the Board that the City has remitted payment in full for the invoice, although the Pension Fund will assume responsibility for 50% of the payment. A motion was made by Trustee Troy and seconded by Trustee Nelligan to reimburse the City of Hickory Hills in the amount of \$3,061 for the Fund's portion of the Fiduciary Liability Insurance renewal. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez, Troy and Nelligan

NAYS: None

ABSENT: None

The Board will review the balance of the interfund account at the next regular meeting to ensure that funds have been appropriated correctly.

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: The Board discussed the upcoming 2020 IPPFA Illinois Pension Conference. A motion was made by Trustee Nelligan and seconded by Trustee Lopez to approve the registration fee for Trustee McDonald to attend the 2020 IPPFA Illinois Pension Conference and to direct L&A to register Trustee McDonald for the event, in an amount not to exceed \$500. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez, Troy and Nelligan

NAYS: None

ABSENT: None

NEW BUSINESS: *Portability Update – Glenn Tienstra:* The Board noted that Glenn Tienstra has submitted a request to combine service under portability. L&A will prepare a calculation for the Board's review at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2020 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Nelligan and seconded by Trustee Lopez to approve the 2020 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried unanimously by voice vote.

Review Trustee Term Expirations and Election Procedures: The Board noted that the retired member term currently held by Trustee Troy is expiring in April 2020. Trustee Troy stated that he will not seek reelection. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position.

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 Troy and seconded by Trustee Nelligan to adjourn the meeting at 6:30 p.m. Motion carried unanimously by voice vote.

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

Mary J. McDonald
Board President or Secretary

Minutes approved by the Board of Trustees on 05-20-20

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