

**MINUTES OF A REGULAR MEETING OF THE  
HICKORY HILLS POLICE PENSION FUND  
BOARD OF TRUSTEES  
JANUARY 19, 2022**

A regular meeting of the Hickory Hills Police Pension Fund Board of Trustees was held on Wednesday, January 19, 2022 at 5:00 p.m. via videoconference due to a disaster declaration related to COVID-19 public health concerns affecting the City of Hickory Hills, pursuant to notice.

**CALL TO ORDER:** Trustee Lopez called the meeting to order at 5:03 p.m.

**ROLL CALL:**

**PRESENT:** Trustees Mary McDonald, Alejandro Lopez and Brian Nelligan

**ABSENT:** Trustee Mary Anne Doherty

**ALSO PRESENT:** John Falduto, Sawyer Falduto Asset Management; Amanda Secor and Sara Gutierrez, Lauterbach & Amen, LLP; Treasurer Al Vodicka, City of Hickory Hills

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *October 20, 2021 Regular Meeting:* The Board reviewed the October 20, 2021 regular meeting minutes. A motion was made by Trustee Nelligan and seconded by Trustee Lopez to approve the October 20, 2021 regular meeting minutes as written. Motion carried by roll call vote.

**AYES:** Trustees McDonald, Lopez and Nelligan

**NAYS:** None

**ABSENT:** Trustee Doherty

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board reviewed the closed session meeting minutes. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to release the closed session meeting minutes as written. Motion carried by roll call vote.

**AYES:** Trustees McDonald, Lopez and Nelligan

**NAYS:** None

**ABSENT:** Trustee Doherty

**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, 2021. As of December 31, 2021, the net position held in trust for pension benefits is \$36,949,677.21, for a change in position of \$2,105,697.47. 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, 2021 through December 31, 2021 for total disbursements of \$99,364.09. A motion was made by Trustee Lopez 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 \$99,364.09. Motion carried by roll call vote.

**AYES:** Trustees McDonald, Lopez and Nelligan

**NAYS:** None

**ABSENT:** Trustee Doherty

*Additional Bills, if any:* There were no additional bills presented for approval.

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:** *Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending December 31, 2021. As of December 31, 2021, the fourth quarter net return is 4.4% versus the fourth quarter account benchmark of 5.1%. The investment return for the quarter is \$1,546,460 for an ending market value of \$36,942,389. The current asset allocation is as follows: fixed income at 37.3%, equities at 61.1% and cash equivalents at 1.7%. Mr. Falduto 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 Lopez and seconded by Trustee Nelligan to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Nelligan

NAYS: None

ABSENT: Trustee Doherty

*Review/Update Investment Policy:* The Board discussed the Investment Policy and determined that no changes are required at this time.

*Post Consolidation Services Proposal:* The Board reviewed the post consolidation services proposal prepared by Sawyer Falduto Asset Management, LLC. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to accept the proposal as presented at the rate of \$500 per month, on a month-to-month basis, effective with the consolidation of the Fund's assets into the Illinois Police Officers' Pension Investment Fund. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Nelligan

NAYS: None

ABSENT: Trustee Doherty

*Consolidation Related Matters:* There were no additional consolidation matters to discuss.

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the City by February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

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

**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 discussed Glenn Tienstra's transfer of creditable service under portability and reviewed the updated true cost calculation reflecting the true cost amount of \$38,307.48 prepared by L&A dated through November 15, 2021 and noted the calculation was delivered to the member via email and USPS Certified Mail. The Board also reviewed correspondence prepared by Trustee Lopez that was placed in the member's designated mailbox at the Police Department and noted that Mr. Tienstra acknowledged receipt of the document on November 24, 2021 but no additional response has been received to date. Mr. Tienstra will need to request an updated calculation if he intends to pursue portability further or contact Hazel Crest Police Pension Fund for reimbursement of his prior contributions previously repaid to their Fund with the intent to pursue the purchase of creditable service.

**NEW BUSINESS:** *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Nelligan

NAYS: None

ABSENT: Trustee Doherty

*Review Trustee Term Expirations and Election Procedures:* The Board noted that the retired member term currently held by Trustee Doherty is expiring in May 2022. The Board will contact Trustee Doherty

to confirm her interest in remaining on the Board, if nominated. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position.

*Discussion – Pension Obligation Bonds:* Treasurer Vodicka addressed the Board regarding the City's opportunity to fully fund the Pension Fund through the purchase of pension obligation bonds. The Board reviewed the concept and expressed support for the potential issuance of pension obligation bonds to the City of Hickory Hills.

*Acknowledge IPOPIF Notice of Asset Transfer Date, Adopt Resolution 2022-01/Exhibit B and Execute Exhibit(s); Discussion/Possible Action – Interim Cash Management Policy, Discussion/Possible Action – Cash Reserve Balance, Discussion/Possible Action – Local Account Collateralization, Discussion/Possible Action – Additional IPOPIF Requests Pertaining to Consolidation:* The Board discussed correspondence received from IPOPIF. A motion was made by Trustee Lopez and seconded by Trustee Nelligan to table these items for discussion at an upcoming special meeting, tentatively scheduled to be held February 24, 2022 at 5:00 p.m. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Nelligan

NAYS: None

ABSENT: Trustee Doherty

**TRUSTEE TRAINING UPDATES:** The Board discussed upcoming training opportunities. Trustees were reminded to submit any 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.

**ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC:** *Legal Updates:* The Board reviewed the Reimer Dobrovoly & LaBardi 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 Nelligan to adjourn the meeting at 5:54 p.m. Motion carried by roll call vote.

AYES: Trustees McDonald, Lopez and Nelligan

NAYS: None

ABSENT: Trustee Doherty

The next regular meeting is scheduled for April 20, 2022 at 5:00 p.m.

Mary J. McDonald  
Board President or Secretary

Minutes approved by the Board of Trustees on 4-20-2022

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