



Village of Hanover Park Administration

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hpil.org

Village President
Rodney S. Craig

Village Clerk
Eira L. Corral Sepúlveda

Trustees
Liza Gutierrez
James Kemper
Herb Porter
Bob Prigge
Rick Roberts
Sharmin Shahjahan

Village Manager
Juliana A. Maller

MINUTES OF A REGULAR MEETING OF THE HANOVER PARK POLICE PENSION FUND BOARD OF TRUSTEES JULY 14, 2020

A regular meeting of the Hanover Park Police Pension Fund Board of Trustees was held on Tuesday, July 14, 2020 at 4:00 p.m. via videoconference in accordance with Executive Orders 2020-07, 2020-10 and 2020-33 issued by Governor Pritzker, guidance issued by the Illinois Attorney General's Office and Public Act 101-0640, pursuant to notice.

CALL TO ORDER: Trustee Sullivan called the meeting to order at 4:04 p.m.

ROLL CALL:

PRESENT: Trustees George Sullivan, Thomas Langhenry, Remy Navarrete, Kevin Pini and Dave Jonen

ABSENT: None

ALSO PRESENT: Craig Larsen, AHC Advisors, Inc.; Amanda Secor, Lauterbach & Amen, LLP (L&A); Attorney Robert M. Zelek, Law Offices of Robert M. Zelek

All attendees present acknowledged the meeting as a public meeting and provided their individual consent to be monitored via audioconference and/or via conference and to be recorded.

A motion was made by Trustee Sullivan and seconded by Trustee Pini to begin the meeting at 4:04 p.m. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen

NAYS: None

ABSENT: None

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 14, 2020 Regular Meeting:* The Board reviewed the April 14, 2020 regular meeting minutes. A motion was made by Trustee Sullivan and seconded by Trustee Jonen to approve the April 14, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen

NAYS: None

ABSENT: None

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 five-month period ending May 31, 2020 prepared by L&A. As of May 31, 2020, the net position held in trust for pension benefits is \$32,506,796.53 for a change in position of \$(3,880,829). 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 of March 1, 2020 through May 31, 2020 for total disbursements in the amount of \$226,657.10. A motion was made by Trustee Sullivan and seconded by Trustee Navarrete to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount \$226,657.10. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

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

INVESTMENT REPORT – AHC ADVISORS, INC.: *Quarterly Investment Report:* Mr. Larsen presented the Quarterly Investment Report for the period ending June 30, 2020. As of June 30, 2020, the quarter-to-date total net return is 11.97% for a change in investment value of \$3,724,606 and an ending market value of \$33,614,007. The current asset allocation is as follows: Fixed Income at 36.53%, Equities at 59.85% and Cash Equivalents at 3.62%. Mr. Larsen reviewed the Market Commentary, Equity Portfolio, Fixed Income Portfolio and Transaction Ledger Report with the Board.

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC/PNC: *Quarterly Investment Performance Report:* The Board was provided with the Quarterly Investment Performance Reports prepared by Sawyer Falduto Asset Management, LLC and PNC.

Approve Investment Reports/Transactions: The Board reviewed the Investment Reports and transactions in summary listed on the custodial statements. A motion was made by Trustee Sullivan and seconded by Trustee Langhenry to approve the Investment Reports and transactions listed on the custodial statements. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

Review/Update Investment Policy: Mr. Larsen presented an addendum to the current investment policy prepared by AHC Advisors, Inc. The Board reviewed and discussed the addendum, which includes language to update the investment policy to address sustainability consistent with Public Act 101-0473. A motion was made by Trustee Pini and seconded by Trustee Sullivan to accept the addendum, to direct L&A to file the document with the Illinois Department of Insurance within 30 days of execution and to direct President Sullivan to place a copy in the Pension Fund's files. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Active Member File Maintenance:* The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members

requesting any additional pension file documents.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registrations or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Deceased Pensioner – Gerald Bee:* The Board noted that pensioner Gerald Bee passed away June 4, 2020 with no surviving spouse and his pension benefit has ceased.

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

OLD BUSINESS: *Discussion/Possible Action Regarding Retroactive Holiday Pay Contributions:* Attorney Zelek informed the Board that the court upheld the written Decision & Order adopted by the Board regarding retroactive holiday pay contributions. The Village has filed an appeal in the matter. A status update will be provided at the next regular meeting.

Certify Board Election Results – Active Member Positions: L&A conducted an election for both of the active member positions on the Hanover Park Police Pension Fund Board of Trustees. The Board noted that 38 ballots were received and 35 ballots were counted, as 3 ballots were spoiled. The active member election results are as follows: 14 votes for Daniel Kosartes, 24 votes for Thomas Langhenry and 31 votes for Kevin Pini. Thomas Langhenry and Kevin Pini were elected as the active members on the Board of Trustees for two-year terms expiring May 10, 2022. A motion was made by Trustee Sullivan and seconded by Trustee Navarrete to certify the active member election results. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen

NAYS: None

ABSENT: None

IDOI Annual Statement: The Board noted that the finalized report was filed prior to the June 30, 2020 deadline.

The Board noted that there is currently no opportunity for Article 3 members to transfer creditable service from Article 7.

NEW BUSINESS: *Review/Approve Actuarial Valuation and Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$3,462,567, which is a \$571,590 increase from the prior year contribution. The statutory minimum contribution is \$2,065,812. The Board discussed requesting a tax levy in the amount of \$3,462,567. A motion was made by Trustee Sullivan and seconded by Trustee Jonen to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$3,462,567 from the Village of Hanover Park, based on the recommended amount stated in the Actuarial Valuation prepared by L&A. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

Review/Adopt – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Sullivan and seconded by Trustee Navarrete to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

Portability Update – Justin Pearce: The Board reviewed correspondence issued by L&A to former Hanover Park Police Officer Justin Pearce for the transfer of 4 years, 1 month and 16 days of creditable service from the Hanover Park Police Pension Fund to the Oak Brook Police Pension Fund. A motion was made by Trustee Sullivan and seconded by Trustee Pini to authorize the transfer in the amount of \$67,262.88 to the Oak Brook Police Pension Fund. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete, Pini and Jonen
NAYS: None
ABSENT: None

Trustee Jonen left the meeting at 5:16 p.m.

Review/Approve – Fiduciary Liability Insurance Renewal: The Board reviewed the fiduciary liability insurance renewal quote provided by Mesirow Insurance Services, Inc. through Ullico Casualty Group, LLC. A motion was made by Trustee Sullivan and seconded by Trustee Navarrete to approve payment of the fiduciary liability insurance renewal premium effective September 1, 2020 through September 1, 2021 in an amount not to exceed \$4,505, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete and Pini
NAYS: None
ABSENT: Trustee Jonen

Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: George Sullivan as President, Kevin Pini as Vice President, Thomas Langhenry as Secretary and Dave Jonen as Assistant Secretary. A motion was made by Trustee Sullivan and seconded by Trustee Langhenry to elect the slate of Officers as stated. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete and Pini
NAYS: None
ABSENT: Trustee Jonen

FOIA Officer and OMA Designee: The Board discussed maintaining Village Clerk Eira Corral-Sepulveda as the FOIA Officer and OMA Designee. A motion was made by Trustee Pini and seconded by Trustee Sullivan to maintain the Village Clerk as the FOIA Officer and OMA Designee. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete and Pini
NAYS: None
ABSENT: Trustee Jonen

ATTORNEY’S REPORT: *Legal Updates:* There was no legal updates.

Status Update – Dolores Lane Surviving Spouse Benefit: Attorney Zelek apprised the Board that Dolores Lane’s attorney filed a new complaint with the Cook County circuit court. A status update will be provided at the next regular meeting.

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

ADJOURNMENT: A motion was made by Trustee Sullivan and seconded by Trustee Langhenry to adjourn the meeting at 5:33 p.m. Motion carried by roll call vote.

AYES: Trustees Sullivan, Langhenry, Navarrete and Pini
NAYS: None
ABSENT: Trustee Jonen

The next regular meeting is scheduled for October 13, 2020 at 4:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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