



Village of Hanover Park Administration

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hpil.org

Village President
Rodney S. Craig

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James Kemper
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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 JANUARY 14, 2020

A regular meeting of the Hanover Park Police Pension Fund Board of Trustees was held on Tuesday, January 14, 2020 at 4:00 p.m. at the Village Hall located at 2121 West Lake Street, Hanover Park, Illinois 60133, pursuant to notice.

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

ROLL CALL:

PRESENT: Trustees George Sullivan, Mark Walther, Remy Navarrete and Dave Jonen

ABSENT: Trustee Thomas Langhenry

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

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *October 8, 2019 Regular Meeting:* The Board reviewed the October 8, 2019 regular meeting minutes. A motion was made by Trustee Sullivan and seconded by Trustee Walther to approve the October 8, 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 eleven-month period ending November 30, 2019 prepared by L&A. As of November 30, 2019, the net position held in trust for pension benefits is \$35,746,443.67 for a change in position of \$4,449,825.75. 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 September 1, 2019 through November 30, 2019 for total disbursements in the amount of \$148,824.35. A motion was made by Trustee Sullivan and seconded by Trustee Walther to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount \$148,824.35. Motion carried by roll call vote.

AYES: Trustees Sullivan, Walther, Navarrete and Jonen

NAYS: None

ABSENT: Trustee Langhenry

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 December 31, 2019. As of December 31, 2019, the quarter-to-date total net return is 5.34% for a change in investment value of \$1,857,496 and an ending market value of \$36,370,875. The current asset allocation is as follows: Fixed Income at 35.15%, Equities at 63.15% and Cash Equivalents at 1.7%. 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: *Quarterly Investment Performance Report:* The Board was provided with the Quarterly Investment Performance Report prepared by Sawyer Falduto Asset Management, LLC.

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 Navarrete to approve the Investment Reports and transactions listed on the custodial statements. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required 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 December payroll cycle, to coincide with the fiscal year-end and ensure adequate time to compile the necessary data. A motion was made by Trustee Sullivan and seconded by Trustee Walther to authorize L&A to issue Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. 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 Village 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.

TRUSTEE TRAINING UPDATES: The Board reviewed the updated Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit all 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: *Application for Membership – Shahad Alkafil:* The Board reviewed the Application for Membership submitted by Shahad Alkafil. A motion was made by Trustee Sullivan and seconded by Trustee Walther to accept

Shahad Alkafile into the Hanover Park Police Pension Fund effective December 2, 2019 as a Tier II participant, with the starting salary of \$68,286.40. Motion carried unanimously by voice vote.

Daniel Torres resigned December 26, 2019. Mr. Torres is currently working for Aurora Police Department and will be contacted to determine if he will pursue portability.

Spencer Much resigned December 17, 2019 and does not have enough creditable service to pursue portability. L&A will provide Mr. Much with the contribution refund paperwork.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Eric Villanueva:* The Board reviewed the regular retirement benefit calculation for Eric Villanueva prepared by L&A. Sergeant Villanueva had an entry date of October 8, 1990, retirement date of October 17, 2019, effective date of pension of October 18, 2019, 51 years of age at date of retirement, 29 years of creditable service, applicable salary of \$118,156.80, applicable pension percentage of 72.5%, amount of originally granted monthly pension of \$7,138.64 and amount of originally granted annual pension of \$85,663.68. A motion was made by Trustee Sullivan and seconded by Trustee Walther to approve Eric Villanueva’s regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

OLD BUSINESS: *Discussion/Possible Action Regarding Retroactive Holiday Pay Contributions:* Attorney Zelek informed the Board that the Village filed a complaint about administrative review for the written Decision & Order regarding retroactive holiday pay contributions. Attorney Zelek will file a motion with the Board of Trustees and MAP to add Mark Atkinson to the grievance. A hearing in the matter will be held in March. A status update will be provided at the next regular meeting.

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

NEW BUSINESS: *Military Service Purchase – Matthew McDonnell:* The Board noted that Matthew McDonnell remitted payment in full to purchase twenty-four months of military service to the Hanover Park Police Pension Fund in the amount of \$47,496.30. A motion was made by Trustee Sullivan and seconded by Trustee Walther to accept the lump sum payment of \$47,496.30, recognize the purchase as paid in full and acknowledge Matthew McDonnell’s revised date of hire from September 16, 2002 to September 16, 2000. Motion carried by roll call vote.

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

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 Sullivan and seconded by Trustee Walther to approve the 2020 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call.

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

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member terms currently held by Trustee Langhenry and Trustee Sullivan and the retired member term currently held by Trustee Walther are expiring in April 2020. Trustees Langhenry and Sullivan expressed their interest to remain on the Board, if nominated. Trustee Walther will not seek reelection. L&A will conduct an election on behalf of the Pension Fund for the two active member Trustee positions and the retired member Trustee position.

ATTORNEY’S REPORT: *Legal Updates:* Attorney Zelek informed the Board that he received correspondence from Attorney Thomas Duda regarding the surviving spouse benefit of Dolores Lane. 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 Walther and seconded by Trustee Sullivan to adjourn the meeting at 5:41 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 14, 2020 at 4:00 p.m.

_____ Date Approved by Board _____
Board President or Secretary

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