



## Village of Hanover Park Administration

Municipal Building  
2121 West Lake Street, Hanover Park, IL 60133  
630-823-5600 tel 630-823-5786 fax

hpil.org

Village President  
Rodney S. Craig

Village Clerk  
Eira L. Corral Sepúlveda

Trustees  
James Kemper  
Fanny Y. López Benítez  
Herb Porter  
Bob Prigge  
Rick Roberts  
Sharmin Shahjahan

Village Manager  
Juliana A. Maller

### MINUTES OF A REGULAR MEETING OF THE HANOVER PARK FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES JULY 25, 2019

A regular meeting of the Hanover Park Firefighters' Pension Fund Board of Trustees was held on Thursday, July 25, 2019 at 9:00 a.m. at Fire Station #1 located at 6850 Barrington Road, Hanover Park, Illinois 60133, pursuant to notice.

**CALL TO ORDER:** Trustee Lanctot called the meeting to order at 9:05 a.m.

**ROLL CALL:**

**PRESENT:** Trustees Isidore Ordinario, Paul Lanctot, Remy Navarrete, Dean Deldin and Jon Kunkel (*arrived at 9:12 a.m.*)

**ABSENT:** None

**ALSO PRESENT:** Attorney Cary Collins, Collins & Radja; Craig Larsen, AHC Advisors Inc.; Amanda Secor, Lauterbach & Amen, LLP (L&A)

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

**APPROVAL OF MEETING MINUTES:** *January 26, 2017 Regular Meeting:* The Board tabled the approval of the January 26, 2017 regular meeting minutes until the next regular meeting.

*April 25, 2019 Regular Meeting:* The Board reviewed the April 25, 2019 regular meeting minutes. A motion was made by Trustee Lanctot and seconded by Trustee Navarrete to approve the April 25, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board reviewed the closed session meeting minutes and will not release the minutes at this time due to pending matters.

*Trustee Kunkel arrived at 9:12 a.m.*

**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, 2019 prepared by L&A. As of May 31, 2019, the net position held in trust for pension benefits is \$19,246,121.22 for a change in position of \$785,188.04. 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 March 1, 2019 through May 31, 2019 for total disbursements of \$97,388.46. A motion was made

by Trustee Ordinario and seconded by Trustee Navarrete to accept the Monthly Financial Report as presented and approve the disbursements shown on the Vendor Check Report in the amount of \$97,388.46. Motion carried by roll call vote.

AYES: Trustees Ordinario, Navarrete, Lanctot, Deldin and Kunkel  
NAYS: None  
ABSENT: None

*Additional Bills, if any:* The Board was presented with the following additional invoices for approval:

- \$675 Collins & Radja invoice #7372 dated September, 2018 for the fourth quarter of 2018 retainer fee
- \$675 Collins & Radja invoice #7441 dated December 21, 2018 for the first quarter of 2019 retainer fee
- \$675 Collins & Radja invoice #7512 dated March 28, 2019 for the second quarter of 2019 retainer fee
- \$675 Collins & Radja invoice #7567 dated June 25, 2019 for the third quarter of 2019 retainer fee

A motion was made by Trustee Ordinario and seconded by Trustee Lanctot to approve the additional invoices as presented. Motion carried by roll call vote.

AYES: Trustees Ordinario, Navarrete, Lanctot, Deldin and Kunkel  
NAYS: None  
ABSENT: None

**ATTORNEY'S REPORT:** *Disability Status Update – Darren Nocks:* Attorney Collins apprised the Board that Darren Nocks attended the required medical examinations. The Board has allowed the Village the opportunity to intervene in the matter, but no response has been received at this time. A status update will be provided at the next regular meeting.

*Annual Independent Medical Examination – Darren Nocks:* The Board noted that Mr. Nocks was examined January 17, 2019 and the evaluation determined that Mr. Nocks remains disabled. A motion was made by Trustee Lanctot and seconded by Trustee Navarrete to continue Darren Nocks' disability benefit based on a finding that he remains disabled and subject to further annual examinations until age 50. Motion carried unanimously by voice vote.

*Annual Independent Medical Examination – George Carrillo:* Attorney Collins will issue correspondence to the Fire Chief to determine if any additional information has been procured by the Village. A status update will be provided at the next regular meeting.

*Legal Updates:* Attorney Collins provided legislative updates pertaining to Article 4 Pension Funds; including recent court cases and decisions, as well as general pension matters.

**INVESTMENT REPORT – AHC ADVISORS, INC.:** *Quarterly Investment Report:* Mr. Larsen of AHC Advisors, Inc. presented the Quarterly Investment Report for the period ending June 30, 2019. As of June 30, 2019, the quarter-to-date total return is 2.11%. The change in

investment value for the second quarter was \$557,227 and the ending market value of the portfolio was \$20,359,089. Year-to-date, the total net return is 9.14%. The current asset allocation is: Fixed Income at 41.64%, Equities at 56.13% and Cash Equivalents at 2.23%. Mr. Larsen reviewed the Market Commentary, Equity Portfolio, Fixed Income Portfolio and Transaction Ledger Report with the Board. All questions were answered by Mr. Larsen.

A motion was made by Trustee Lanctot and seconded by Trustee Navarrete to authorize PNC to invest in corporate bonds within the current fixed income portfolio. Motion carried unanimously by voice vote.

A motion was made by Trustee Lanctot and seconded by Trustee Navarrete to authorize AHC Advisors, Inc. to sell the Vanguard short-term investment grade mutual fund and reallocate the proceeds to the equity portfolio. Motion carried unanimously by voice vote.

A motion was made by Trustee Lanctot and seconded by Trustee Deldin to transfer \$300,000 from the PNC fixed income portfolio to the equity portfolio. Motion carried unanimously by voice vote.

*Review/Possible Approval – Updated AHC Advisors, Inc. Consultant Agreement:* Trustee Lanctot informed the Board that Attorney Collins provided proposals from investment consultants pursuant to statutory requirements. The Board will continue the existing relationship with AHC Advisors, Inc.

*Review/Update Investment Policy:* The Board reviewed the current Investment Policy. A motion was made by Trustee Lanctot and seconded by Trustee Ordinario to adopt the updated Asset Allocation Appendix A as prepared by AHC Advisors, Inc., which reflects an updated equity target from 58% to 63%. Motion carried unanimously by voice vote.

**OLD BUSINESS:** *IDOI Annual Statement:* The Board noted that the finalized report was filed prior to the June 30, 2019 deadline.

*Reciprocity Update – Louis Panagopoulos:* The Board noted that the balance due from Louis Panagopoulos to the Hanover Park Firefighters' Pension Fund to combine service under reciprocity has been received in full. A motion was made by Trustee Ordinario and seconded by Trustee Lanctot to accept the payment in the amount of \$4,896.62 and to recognize the purchase as paid in full. Motion carried unanimously by voice vote.

**NEW BUSINESS:** *Review/Approve Actuarial Valuation & Tax Levy Request:* The Board reviewed the finalized Actuarial Valuation prepared by L&A. Based on data and assumptions, the recommended contribution amount is \$1,735,748 which is a \$141,723 increase from the prior year contribution. The statutory minimum contribution requirement is \$1,052,496.

The Board discussed requesting a tax levy in the amount of \$1,735,748. A motion was made by Trustee Ordinario and seconded by Trustee Lanctot to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$1,735,748 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 Ordinario, Navarrete, Lanctot, Deldin and Kunkel  
NAYS: None  
ABSENT: None

*Review/Approve – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Ordinario and seconded by Trustee Lanctot to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

*Board Officer Elections – President & Secretary:* The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Paul Lanctot as President and Isidore Ordinario as Secretary. A motion was made by Trustee Ordinario and seconded by Trustee Navarrete to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

*FOIA Officer & OMA Designee:* The Board discussed maintaining Trustee Lanctot as the FOIA Officer and Trustee Ordinario as the OMA Designee. A motion was made by Trustee Lanctot and seconded by Trustee Deldin to maintain the FOIA Officer & OMA Designee as stated. Motion carried unanimously by voice vote.

The Board noted that Ryan Jasper is currently remitting payments for a military service purchase over a five-year period. The Board requested that L&A prepare an updated payment schedule for a three-year period. A status update will be provided at the next regular meeting.

**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.

*Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the June payroll cycle and a due date of July 31, 2019. A status update will be provided at the next regular meeting.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Applications for Membership – Richard Cruise, Isaac Lewis and Kevin Stolzman:* The Board reviewed the Applications for Membership for Richard Cruise, Isaac Lewis and Kevin Stolzman. A motion was made by Trustee Ordinario and seconded by Trustee Lanctot to accept Richard Cruise effective May 16, 2019, Isaac Lewis effective February 21, 2019 and Kevin Stolzman effective December 20, 2018 into the Hanover Park Firefighters' Pension Fund effective their respective dates of hire, as Tier II participants. Motion carried unanimously by voice vote.

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

**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.

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

**ADJOURNMENT:** A motion was made by Trustee Lanctot and seconded by Trustee Navarrete to adjourn the meeting at 10:07 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for Thursday, October 24, 2019 at 9:00 a.m.

---

Board President or Secretary

Minutes approved by the Board of Trustees on \_\_\_\_\_

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