

**MINUTES OF A REGULAR MEETING OF  
THE HIGHWOOD POLICE PENSION FUND  
BOARD OF TRUSTEES  
APRIL 7, 2022**

A regular meeting of the Highwood Police Pension Fund Board of Trustees was held on Thursday, April 7, 2022 at 8:30 a.m. located at 17 Highwood Avenue, Highwood, Illinois 60040, pursuant to notice.

**CALL TO ORDER:** Trustee Sirotti called the meeting to order at 8:30 a.m.

**ROLL CALL:**

**PRESENT:** Trustees Peter Sirotti, Joe Bessinger and David Wentz

**ABSENT:** Trustee Dennis Baker

**ALSO PRESENT:** Keri O'Brien and Jessica Foust, Lauterbach & Amen, LLP (L&A) (*via videoconference*); Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC (*via videoconference*); Attorney Carolyn Clifford, Ottosen DiNolfo (*via videoconference*); Brian LeFevre, Sikich, LLP (*via videoconference*) (*arrived at 8:31 a.m.*)

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

**APPROVAL OF MEETING MINUTES:** *January 6, 2022 Regular Meeting:* The Board reviewed the January 6, 2022 regular meeting minutes. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to approve the January 6, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

*Mr. LeFevre arrived at 8:31 a.m.*

**ACCOUNTANT'S REPORT – SIKICH, LLP:** *Monthly Financial Report:* Mr. LeFevre presented the Monthly Financial Report for the ten-month period ending February 28, 2022 as prepared by Sikich, LLP. As of February 28, 2022, the net position held in trust for pension benefits is \$5,679,709.59. A motion was made by Trustee Sirotti and seconded by Trustee Wentz to approve the Monthly Financial Report as presented. Motion carried by roll call vote.

**AYES:** Trustees Sirotti, Bessinger and Wentz

**NAYS:** None

**ABSENT:** Trustee Baker

*Presentation and Approval of Bills:* The Board reviewed the Disbursement Warrant for the period January 14, 2022 through April 14, 2022 for total disbursements of \$15,536.84. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to approve the disbursements as shown on the Disbursement Warrant in the amount of \$15,536.84. Motion carried by roll call vote.

**AYES:** Trustees Sirotti, Bessinger and Wentz

**NAYS:** None

**ABSENT:** Trustee Baker

**COMMUNICATIONS AND REPORTS:** *Confirmation of Tax Levy for Fund in City Levy Ordinance and Add Additional Contributions:* Mr. LeFevre confirmed that the City of Highwood

approved the tax levy amount that the Fund requested.

*Additional Bills, if any – Illinois Department of Insurance Compliance Fee:* The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to approve payment of the IDOI Compliance Fee, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Sirotti, Bessinger and Wentz

NAYS: None

ABSENT: Trustee Baker

**INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC:**

*Quarterly Investment Performance Report:* Mr. Falduto presented the Quarterly Investment Performance Report for the period ending March 31, 2022. As of March 31, 2022, the first quarter net return is (6.1%) versus the first quarter account benchmark of (5.4%). The investment return for the quarter is (\$347,723) for an ending market value of \$5,626,597. The current asset allocation is as follows: fixed income at 57.5%, equities at 41.4% and cash equivalents at 1.1%. 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 Sirotti and seconded by Trustee Wentz to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Sirotti, Bessinger and Wentz

NAYS: None

ABSENT: Trustee Baker

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

**COMMUNICATIONS AND REPORTS (CONTINUED):** *Statements of Economic Interest:*

Attorney Clifford apprised the Board of the modified Statements of Economic Interest. The Board was reminded that the Statements of Economic Interest are due by May 1, 2022.

*Affidavits of Continued Eligibility:* The Board noted that Affidavits of Continued Eligibility will be mailed to all pensioners with the April payroll cycle. A status update will be provided at the next regular meeting.

**ILLINOIS POLICE OFFICER PENSION INVESTMENT FUND (IPOPIF) (TRANCHE**

**TBD):** *Notice of Asset Transfer Date:* The Board noted that the Highwood Police Pension Fund asset transfer date is to be determined.

*Review of IPOPIF Checklist:* The Board reviewed the IPOPIF checklist prepared by Attorney Clifford.

*Review/Approval of Resolution Appointing Authorized Agents:* The Board will discuss this item at the next regular meeting.

*Review/Approval of Transfer Notice Letter to Investment Advisor and Custodian:* The Board will discuss this item at the next regular meeting.

*Review of Cash Flow Projections:* The Board will discuss this item at the next regular meeting.

*Review/Approval of Transition Cash Retention:* The Board will discuss this item at the next regular meeting.

*Identification of Local Account(s) for Cash:* The Board will discuss this item at the next regular meeting.

*Review/Approval of Collateralization Agreement for BMO Harris Account:* The Board will discuss this item at the next regular meeting.

*Review/Approval of eCFM Portal Form and Appointment of Account Representatives for Portal:* The Board will discuss this item at the next regular meeting.

*Amendments to and Future Termination of Investment Professional and Custodial Agreements:* The Board will discuss this item at the next regular meeting.

*Status of Arlington Heights PPF v. Pritzker:* Attorney Clifford discussed the status of the *Arlington Heights PPF v. Pritzker* lawsuit.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** There were no applications for membership or withdrawals from the Fund.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Rico Stringer Disability Application – Review/Possible Action – City’s Petition to Intervene and Appointment of IME Physicians:* Attorney Clifford informed the Board that she is currently waiting to receive Rico Stringer’s medical records and responses to subpoenas and that the City of Highwood has submitted a petition to intervene. The applicant’s attorney has stated that she and her client have no objection to the City’s petition. A motion was made by Trustee Sirotti and seconded by Trustee Wentz to grant the motion to intervene to the City of Highwood as discussed. Motion carried unanimously by voice vote.

Attorney Clifford advised the Board that one Occupational Specialist and two Orthopedic Specialists will need to be included in the appointment of independent medical examination physicians for Rico Stringer. A motion was made by Trustee Sirotti and seconded by Trustee Wentz to direct Attorney Clifford to select one Occupational Specialist and two Orthopedic Specialists on behalf of the Fund. Motion carried unanimously by voice vote.

**OLD BUSINESS:** *Review/Approval of Updated MCR for Fiscal Year Ending April 30, 2021:* The Board reviewed the updated Municipal Compliance Report prepared by Sikich, which now includes the actuarial valuation information from the Illinois Department of Insurance. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to adopt the updated MCR as

prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

**NEW BUSINESS:** *Certify Board Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the Highwood Police Pension Fund Board of Trustees. Peter Sirotti ran unopposed and was reelected for a two-year term expiring May 14, 2024. A motion was made by Trustee Wentz and seconded by Trustee Bessinger to certify the active member election results. Motion carried unanimously by voice vote.

*Review/Approval of Resolution Establishing Signatory Authority:* The Board reviewed the Resolution Establishing Signatory Authority prepared by Attorney Clifford. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to adopt Resolution 2022-02, establishing Trustees Sirotti and Bessinger as the authorized signers for the Highwood Police Pension Fund. Motion carried by roll call vote.

AYES: Trustees Sirotti, Bessinger and Wentz  
NAYS: None  
ABSENT: Trustee Baker

*Discussion/Possible Action – Lauterbach & Amen, LLP Engagement Letter:* The Board reviewed the L&A three-year engagement letter for actuarial services. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to engage L&A in the annual amounts as follows: \$6,150 for the year ended April 30, 2022; \$6,340 for the year ended April 30, 2023; and \$6,540 for the year ended April 30, 2024. Motion carried by roll call vote.

AYES: Trustees Sirotti, Bessinger and Wentz  
NAYS: None  
ABSENT: Trustee Baker

*Discussion/Possible Action – Sikich, LLP Engagement Letter:* The Board reviewed the one-year engagement letter with Sikich, LLP for accounting and benefits administration for the fiscal year ending April 30, 2023. A motion was made by Trustee Sirotti and seconded by Trustee Bessinger to approve the engagement letter with Sikich, LLP as presented. Motion carried by roll call vote.

AYES: Trustees Sirotti, Bessinger and Wentz  
NAYS: None  
ABSENT: Trustee Baker

**ATTORNEY’S REPORT – OTTOSEN DINOLFO:** Attorney Clifford provided updates on legal issues, as well as case law updates and information on the status of the consolidation.

**TRUSTEE TRAINING UPDATES:** *Status of Trustee Training Hours:* The Board 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 registration fees or reimbursable expenses presented for approval.

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

**ADJOURNMENT:** A motion was made by Trustee Sirotti and seconded by Trustee Wentz to adjourn the meeting at 9:13 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for July 8, 2022 at 8:30 a.m.

  
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Board Secretary

Minutes approved by the Board of Trustees on 9/29/22.

*Minutes prepared by Keri O'Brien, Pension Services Administrator, Lauterbach & Amen, LLP*