

**MINUTES OF A REGULAR MEETING OF  
THE HIGHWOOD FIREFIGHTERS' PENSION FUND  
BOARD OF TRUSTEES  
JANUARY 6, 2022**

A regular meeting of the Highwood Firefighters' Pension Fund Board of Trustees was held via videoconference on Thursday, January 6, 2022 at 7:00 a.m., pursuant to notice and in accordance with Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)), as the result of the COVID-19 pandemic disaster declaration by the Governor and a determination by the Board President that an in-person meeting is not feasible or prudent.

**CALL TO ORDER:** Trustee Mohry called the meeting to order at 7:04 a.m.

**ROLL CALL:**

**PRESENT:** Trustees Dennis Baker, David Mohry, Wedge Lazenby, and Rosa Stefani  
**ABSENT:** None  
**ALSO PRESENT:** Keri O'Brien, Lauterbach & Amen, LLP (L&A); John Falduto and Tom Sawyer, Sawyer Falduto Asset Management, LLC; Attorney Carolyn Clifford, Ottosen DiNolfo; Brian LeFevre, Sikich, LLP

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

**APPROVAL OF MEETING MINUTES:** *October 7, 2021 Regular Meeting and November 24, 2021 Special Meeting:* The Board reviewed the October 7, 2021 regular meeting minutes and November 24, 2021 special meeting minutes. A motion was made by Trustee Stefani and seconded by Trustee Baker to approve the October 7, 2021 regular meeting minutes and November 24, 2021 special meeting minutes as written. Motion carried by roll call vote.

**AYES:** Trustees Baker, Stefani, Mohry and Lazenby  
**NAYS:** None  
**ABSENT:** None

*Semi-Annual Review of Closed Session Meeting Minutes:* The Board reviewed the closed session meeting minutes. A motion was made by Trustee Mohry and seconded by Trustee Baker release the closed session meeting minutes from February 11, 2008 and make them available to the public. Motion carried by roll call vote.

**AYES:** Trustees Baker, Stefani, Mohry and Lazenby  
**NAYS:** None  
**ABSENT:** None

**ACCOUNTANT'S REPORT – SIKICH, LLP:** *Monthly Financial Report:* Mr. LeFevre presented the Monthly Financial Report for the seven-months ended November 30, 2021 as prepared by Sikich, LLP. As of November 30, 2021, the net position held in trust for pension benefits is \$4,692,284.25. A motion was made by Trustee Baker and seconded by Trustee Mohry to approve the Monthly Financial Report as presented. Motion carried by roll call vote.

**AYES:** Trustees Baker, Stefani, Mohry and Lazenby  
**NAYS:** None  
**ABSENT:** None

*Presentation and Approval of Bills:* The Board reviewed the Disbursement Warrant for the period October 15, 2021 through January 13, 2022 for total disbursements of \$10,717.50. A motion was made

by Trustee Baker and seconded by Trustee Stefani to approve the Disbursement Warrant in the amount of \$10,717.50. Motion carried by roll call vote.

AYES: Trustees Baker, Stefani, Mohry and Lazenby  
NAYS: None  
ABSENT: None

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

*Review/Update – Cash Projections and Cash Needs:* The Board confirmed that the cash retention amount of \$100,000 previously determined at the July 8, 2021 regular meeting will remain sufficient for the Fund's needs to pay pension benefits and administrative expenses during the freeze period once the Fund's assets are transferred.

**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 2.7% versus the fourth quarter account benchmark of 3.1%. The investment return for the quarter is \$125,570 for an ending market value of \$4,737,283. The current asset allocation is as follows: fixed income at 57.8%, equities at 41.4% and cash equivalents at 0.8%. 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 Mohry and seconded by Trustee Baker to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

AYES: Trustees Baker, Stefani, Mohry and Lazenby  
NAYS: None  
ABSENT: None

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

**COMMUNICATIONS AND REPORTS:** *Statements of Economic Interest:* The Board noted that the List of Filers must be submitted to the County by the City of Highwood 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.

**FIREFIGHTERS' PENSION INVESTMENT FUND OF ILLINOIS (FPIF) (FEBRUARY 2022 TRANCHE):** *Review of FPIF Checklist:* Attorney Clifford provided the Board with an update on consolidation and reviewed the next steps regarding the asset transfer.

*Possible Reassignment to April 2022 Tranche:* Attorney Clifford discussed the Highwood Firefighters' Pension Fund's transition date possibly being reassigned to the April 2022 tranche for the transfer of assets. Further discussion will be held at the next regular meeting.

*Status of Arlington Heights PPF v. Pritzker:* Attorney Clifford provided the Board with an update of the *Arlington Heights PPF v. Pritzker* lawsuit. It was noted that on January 7, 2022 a motion for a temporary restraining order was filed by the Plaintiffs and a hearing is scheduled for January 18, 2022. Updates will be provided as they become available.

**APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND:** *Status of Rivera Combined Service Application:* Trustee Mohry informed the Board that a calculation still needs to be provided by Carlos Rivera in regards to his combined service application and directed Attorney Clifford to send correspondence to Mr. Rivera on behalf of the Board with the calculation prepared by Sikich. Updates will be provided to the Board as they become available.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** The Board reviewed the regular retirement benefit calculation for Wedge Lazenby. Mr. Lazenby had an entry date of February 20, 2022; retirement date of February 21, 2022; 50 years old at date of retirement; 2 years, 2 days creditable service with Highwood Fire and applicable salary of \$32,628. A motion was made by Trustee Baker and seconded by Trustee Mohry to approve the combined service retirement benefit for Wedge Lazenby calculated by Sikich, LLP. Motion carried by roll call vote.

AYES: Trustees Baker, Stefani and Mohry  
NAYS: None  
ABSENT: None  
ABSTAIN: Trustee Lazenby

**OLD BUSINESS:** *Status Update – Pieri Matter:* Attorney Clifford advised the Board that Ron Pieri has been officially terminated from the Highwood Fire Department by the City's Board of Fire and Police Commissioners and is in the process of appealing the decision and having his case brought before the circuit court. Updates will be provided to the Board as they become available.

*Status of Audit:* Attorney Clifford informed the Board that the City's audit report for fiscal year ending April 30, 2021 has been completed and can be located on the City's website.

**NEW BUSINESS:** *Review Trustee Term Expirations and Election Procedures:* The Board noted that no Trustee positions are up for election this year.

*Servicer Certification from Illinois Finance Entities (if any):* The Board noted that the Highwood Firefighters' Pension Fund does not hold any assets in any bank that would be considered an Illinois finance entity at this time.

*Approve Ottosen Engagement Letter and Retainer for 2022 and 2023:* The Board reviewed the two-year engagement letter and retainer agreement provided by Ottosen DiNolfo. A motion was made by Trustee Stefani and seconded by Trustee Baker to engage Ottosen DiNolfo with the hourly rates as follows: \$235 per hour for attorneys; \$160 per hour for administrative staff and paralegals; and \$170 per hour for law clerks, and a monthly retainer of \$785 for 2022 and 2023. Motion carried by roll call vote.

AYES: Trustees Baker, Stefani, Mohry and Lazenby  
NAYS: None  
ABSENT: None

**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.

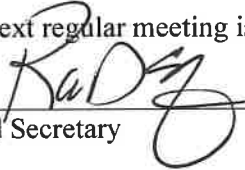
**ADJOURNMENT:** A motion was made by Trustee Baker and seconded by Trustee Mohry to adjourn the meeting at 7:56 a.m. Motion carried by roll call vote.

AYES: Trustees Baker, Stefani, Mohry and Lazenby

NAYS: None

ABSENT: None

The next regular meeting is scheduled for April 7, 2022 at 7:00 a.m.

  
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Board Secretary

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

4/7/22

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