



Lake Zurich Police Pension Board
200 Mohawk Trail, Lake Zurich IL 60047
(847) 719-1690 Ext. 366

**MINUTES OF THE MEETING OF
THE LAKE ZURICH POLICE PENSION FUND**

October 9, 2012

The special meeting of the Lake Zurich Police Pension Board was held on October 9, 2012 at 8:00 a.m. in the Conference Room at the Lake Zurich Police Department, 200 Mohawk Trail, Lake Zurich, Illinois.

I. CALL TO ORDER

President John Filantres called the meeting to order at 8:00 a.m.

Roll Call shows the following members were present John Filantres; David Bradstreet; David Anderson; and Eric Burk.

Absent: Catherine Williams

Also present: John Falduto and Tom Sawyer, Sawyer Falduto Asset Management LLC Attorney, Carolyn Clifford, Ottosen Britz Kelly Cooper, Gilbert & DiNolfo, Ltd; Kelly Brainerd, Lauterbach & Amen; Jodi Andrew, Finance Director Village of Lake Zurich.

II. PUBLIC COMMENT

None

III. APPROVAL OF MINUTES

Motion was made by David Anderson to approve the minutes from the regular meeting on July 12, 2012. Seconded by Erik Burk and passed upon the following voice vote

AYES: Anderson, Bradstreet, Burk, Filantres
NAYS: None
ABSENT: Williams

IV. FINANCIAL/INVESTMENT REPORTS

A. Payment of bills

David Anderson explained the following bills that have been paid: The fund paid Zabinski Consulting Services \$3,750.00 for the audit; \$55.50 to Ottosen Britz Kelly Cooper, Gilbert & DiNolfo, Ltd for services rendered; \$1300.00 to Illinois Bone and Joint Institute for Mr. Zak's medical examination for his disability pension; \$1,195.00 to Lauterbach & Amen for Audit workup and July services; \$535.00 to Lauterbach & Amen for their accounting services for June; \$1,184.00 to Ottosen Britz Kelly Cooper, Gilbert, & DiNolfo, Ltd. for July services rendered.



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Erik Burk asked if the charge for Zak's medical exam was not covered by his insurance. Carolyn Clifford advised that this is a yearly required exam as a statutory requirement.

Motion was made by Dave Bradstreet to approve the bills as read off. Seconded by David Anderson and passed by a roll call vote.

AYES: Anderson, Bradstreet, Burk, Filantres
NAYS: None
ABSENT: Williams

B. Lauterbach & Amen: Financial Report

Kelly Brainerd reviewed and explained the financial report. Carolyn Clifford asked how the fund is doing as far as second installment of taxes. Jodi Andrew advised it was on the last bill list. David Anderson inquired if an entry date is needed for the newest patrolman. Kelly Brainerd advised they should have that. Carolyn Clifford inquired as to what the asterisk on the employee contribution report designates. David Anderson advised it represents buy backs. He went on to ask if anything else is needed regarding the passing of retired Deputy Chief Herbert Gehrke as far as approving anything. Carolyn Clifford advised they should receive a proper application for surviving spouse benefits. David Anderson advised he has all of that. Carolyn Clifford then added that we should acknowledge and approve it for the minutes at the next meeting.

C. Sawyer Falduto Quarterly Investment Performance Report

Tom Sawyer reviewed the Quarterly Investment Report. He explained the Equity target was bumped up a bit at the last meeting so that is reflected in the report. Also have expanded the footnote and included a disclosure of what constitutes the guidelines and a copy of the letter from the DOI follows that. He went on to explain in detail. He continued to explain the Investment Report.

Dave Bradstreet made a motion to accept the Monthly Financial Report from Lauterbach and Amen and the Quarterly Investment Performance Report from Sawyer Falduto. Seconded by David Anderson and passed by a unanimous voice vote.

V. UNFINISHED BUSINESS

A. DOI Annual Statement

Kelly Brainerd advised the statement has been filed and just needs to be signed by everyone. She went on to explain everything included. Carolyn Clifford asked if the current members could double check to make sure nothing is miss-reported as far as birthdates and service dates.

David Anderson noticed a discrepancy in a date. Kelly Brainerd advised we have time to change things for this year. She will make a new signature sheet.



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David Bradstreet made a motion to amend and refile the DOI statement by October 31st. Seconded by David Anderson and passed by a roll call vote.

AYES: Anderson, Bradstreet, Burk, Filantres

NAYS: None

ABSENT: Williams

B. Audit review/status

Kelly Brainerd explained and reviewed the financial statements as of April 30th. Various possible discrepancies were found. Carolyn Clifford suggested it be mentioned to Kelly Zabinski as it is believed similar things have been found in the past. David Anderson will mention it to her. Discussed other auditors used in the Village. Jodie Andrew will get a quote from the Village Auditor (Sikich) for next year.

Dave Bradstreet made a motion to table the audit until the next meeting. Seconded by Erik Burk and passed by a unanimous voice vote.

C. Tim Sharpe Actuarial Report Review

Jodie Andrew reviewed the report and explained. She also advised that the Village pays for the Actuarial Report. Discussed the pension board should share in the cost. Caroline Clifford advised we will make our formal presentation at the Village Board Meeting in November.

Dave Bradstreet made a motion to accept Tim Sharpe's report. Seconded by David Anderson and passed by a unanimous voice vote.

D. Officer Zak annual IME

Caroline Clifford advised that Kris Zak attended his annual IME by Dr. Gleason at Illinois Bone and Joint and we received a report that ultimately states he continues to be disabled. There are 4 more years of annual IME's. Discussed that he needs to do this every year and not give us a hard time about it in the future. Carolyn Clifford will write him a letter advising that an IME is mandatory. She will copy the Board members.

Dave Anderson made a motion to accept the IME report which concludes that he continues to qualify for the disability benefit. Seconded by Eric Burk and passed by a unanimous voice vote.

E. Spring Elections/Re-Appointments-Approvals

David Anderson advised that he, John Filantres and Catherine Williams positions are up effective 4/30/2013 and he will send a notice out to all the retirees to see if any are interested in the position.



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VI. NEW BUSINESS

A. Review and approval of Municipal Compliance Report

Kelly Brainerd handed out and explained the report and what needs to be signed and attached. This will be added to the board packets.

Dave Bradstreet made a motion to approve the municipal Compliance report as corrected to 6.75% on page 2. Seconded by Eric Burk and passed by a unanimous voice vote.

B. Tax Levy request - Village Board Meeting-John Filantres presenter
This will be presented on November 5th.

C. Training opportunities/status

Caroline Clifford brought some information regarding presentations on loss of benefits and open meetings act changes and protecting benefits. She briefly reviewed.

D. Six-month review of closed meeting minutes
This will be reviewed at the next meeting.

E. Adoption of regular meeting schedule for 2013.

Dave Bradstreet made a motion to set the dates for the 2013 meetings as January 8, April 9, July 9, October 8, 2013. Seconded by David Anderson and passed by a unanimous voice vote.

F. Approval of annual pension increases for 2013

Kelly Brainerd explained this item should be moved to the January, 2013 meeting.

Caroline Clifford asked if the fiduciary liability insurance was approved at the last meeting. Dave Bradstreet advised it should be on the agenda for today. Ms. Clifford advised of the changes that need to be done. The Board can go ahead and have it done and we will approve it in January.

VIII Adjournment

There being no more business to come before the Board, Dave Bradstreet made a motion to adjourn. Seconded by Eric Burk and passed by a unanimous voice vote. Meeting adjourned at 9:35 a.m.

Respectfully submitted:

Secretary, Board of Trustees

Minutes prepared by Diana Chesser

Approved by the Board of Trustees at a meeting held on 1-8, 2013.