



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

January 8, 2013

The special meeting of the Lake Zurich Police Pension Board was held on January 8, 2013 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 Anderson; Eric Burk, and Catherine Williams

Absent: David Bradstreet

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 October 9, 2012. Seconded by Catherine Williams and passed upon the following voice vote

AYES: Anderson, Burk, Filantres, Williams

NAYS: None

ABSENT: Bradstreet

IV. FINANCIAL/INVESTMENT REPORTS

A. Payment of bills

David Anderson explained the following bills that have been paid: The fund paid Lauterbach & Amen \$535.00 for services rendered in December; Mesirow Insurance \$4,003.00 for our liability insurance; \$1,165.50 to Ottosen Britz Kelly Cooper, Gilbert & DiNolfo, Ltd for services rendered; 2013 Membership renewal to IPPFA \$775.00; \$1,000.00 to the Village of Lake Zurich for half of the actuarial charge for Tim Sharpe. Lauterbach & Amen \$1,510.00 for Accounting services for September and the preparation of the IDOI report. Lauterbach & Amen for accounting services back in April; Ottosen Britz Kelly Cooper, Gilbert & DiNolfo,



Lake Zurich Police Pension Board

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

Ltd \$370.00; \$1950.95 to David Anderson for the IPPFA conference for 4 hotel rooms.

Motion was made by Eric Burk to approve the bills as read off. Seconded by Catherine Williams and passed by a roll call vote.

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

B. Lauterbach & Amen: Financial Report

Kelly Brainerd reviewed and explained the financial report.

C. Sawyer Falduto Quarterly Investment Performance Report/Investment Policy Review and Possible Amendment.

John Falduto confirmed that the signers for the account are up to date. He reviewed the Quarterly Investment Report as of December 31st in detail. Tom Sawyer reviewed the Equity market. He explained each page of the report in detail. David Anderson asked about interest in various municipal bonds. Tom Sawyer explained they are taxable municipal bonds so there are no taxes paid as well as a higher interest rate.

Catherine Williams 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 roll call vote.

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

V. UNFINISHED BUSINESS

A. Approval of annual pension increases for 2013

Kelly Brainerd handed out and explained the listing of Pensioners benefit and COLA increases.

Catherine Williams made a motion to approve the annual pension increases for the calendar year 2013. Seconded by David Anderson and passed by a roll call vote.

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



Lake Zurich Police Pension Board

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

B. Approval of Herb Gehrke surviving spouse application

David Anderson explained that all the paperwork had been done and everything was received and Suzanne Gehrke is receiving the surviving spouse benefit. David Anderson made a motion to approve Suzanne Gehrke's widower benefit. Seconded by Eric Burk. And passed by a roll call vote.

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

C. Approval of Fiduciary Liability Insurance

David Anderson explained the agreement with Mesirow Insurance. We have the ability to renew annually. It is \$4,000 per year..

David Anderson made a motion to approve the Fiduciary Liability Insurance agreement with Mesirow Insurance. Seconded by Catherine Williams and passed by a roll call vote.

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

D. 2013 Auditor Contract - Sikich

David Anderson explained the auditor contract proposal from Sikich. He explained he has attempted to contact Kelly Zabinski numerous times about changes needed to be made in the last audit and he has not been able to contact her. Carolyn Clifford will write her a letter if we would like her to explaining why we will be going to another auditor and that we need the changes made. David Anderson will continue to try to get in touch with her first. Possibly send her a certified letter.

Jodi Andrew explained why we should use the same auditor as the Village uses. There is a price savings if we go for 4 years. The engagement letter is for 1 year but we can lock it in for 4 years. Eric Burk is very familiar with Sikich and is comfortable locking in with them for 4 years.

Dave Anderson made a motion to go with Sikich as a new auditor for a 3-4 year period. Seconded by Eric Burk and passed by a roll call vote.

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

E. Spring Elections/Re-Appointments-Approvals

Carolyn Clifford advised that there is a retired election, active election and a re-appointment coming up. David Anderson, John Filantres and Catherine Williams positions are up effective 4/30/2013. David Anderson will begin the process.



Lake Zurich Police Pension Board

200 Mohawk Trail, Lake Zurich IL 60047

(847) 719-1690 Ext. 366

VI. NEW BUSINESS

A. Six-month review of closed meeting minutes

David Anderson advised we have none.

B. Review of Village's tax levy ordinance and contribution for 2013

Jodi Andrew explained the request went well. John Filantres presented the levy request. Carolyn Clifford explained the tax cap.

C. Review of timeline and required filings – 2012 and 2013

Caroline Clifford handed out and explained the timeline of requirements so we make sure things are done when they need to be. This will now be included in the agendas.

D. Training

All members are up to date with required training. Eric Burk asked how specific the training has to be. Carolyn Clifford explained some work related training that can be used. Sixteen hours each year is required.

E. Annual Servicer Certification for Illinois Finance Entities

Carolyn Clifford explained this is if you have any assets in any banks that are Illinois Finance Entities you have to have a certificate that they don't engage in creditory lending and that needs to be filed with the DOI by the end of February. We do not have any.

F. Statement of Economic Interest - list of required filers to county.

John Filantres explained each individual receives one of these.

G. Zak Benefits

David Anderson made all aware that retired Officer Kris Zak passed away suddenly. His wife has submitted the application for widower benefits. It has been completed and signed and he has all of the required documents and has been forwarded to Lauterbach & Amen.

John Filantres made a motion to approve the surviving spouse of Officer Zak application for benefits. Seconded by Catherine Williams and passed by a roll call vote.

AYES: Anderson, Burk, Filantres, Williams

NAYS: None

ABSENT: Bradstreet



Lake Zurich Police Pension Board

200 Mohawk Trail, Lake Zurich IL 60047

(847) 719-1690 Ext. 366

VIII Adjournment

There being no more business to come before the Board, David Anderson made a motion to adjourn. Seconded by Catherine Williams and passed by a unanimous voice vote. Meeting adjourned at 9:10 a.m.

Respectfully submitted:

Secretary, Board of Trustees

Minutes prepared by Diana Chesser

Approved by the Board of Trustees at a meeting held on 4/9/, 2013.