



LAKE ZURICH FIREFIGHTERS' PENSION FUND

70 East Main St. ■ Lake Zurich, Illinois 60047

David Pilgard
President

Spencer Cornell
Secretary

Greg Fuchs
Trustee

Kenneth Weigand
Trustee

Rick Fisk
Trustee

MINUTES OF A REGULAR MEETING OF THE PENSION FUND BOARD OF TRUSTEES APRIL 15, 2020

A regular meeting of the Lake Zurich Firefighters' Pension Fund Board of Trustees was held via teleconference in accordance with Section 5 of Governor Pritzker's Executive Order 2020-18(COVID-19 Executive Order No. 16) on Wednesday, April 15, 2020 at 8:00 a.m. pursuant to notice.

CALL TO ORDER: Trustee Pilgard called the meeting to order at 8:00 a.m.

ROLL CALL:

PRESENT: Trustees David Pilgard, Spencer Cornell, Greg Fuchs, Ken Weigand and Rick Fisk

ABSENT: None

ALSO PRESENT: Attorney Rick Reimer, Reimer & Dobrovolny PC (R&D); Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Kelley Murray and Kevin Cavanaugh, Lauterbach & Amen, LLP (L&A); Finance Director Bane Thomey, Village of Lake Zurich

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *January 15, 2020 Regular Meeting and February 21 Special Meeting:* The Board reviewed the January 15, 2020 regular and February 21, 2020 special meeting minutes. A motion was made by Trustee Pilgard and seconded by Trustee Fuchs to approve the January 15, 2020 regular and February 21, 2020 special meeting minutes as written. Motion carried unanimously by voice vote.

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, 2020. As of March 31, 2020, the first quarter net return is (11.60%) versus the first quarter account benchmark (12.25%). The investment return for the quarter is (\$4,711,096) for an ending market value of \$35,953,302. The current asset allocation is as follows: fixed income at 43.8%, equities at 56% and cash equivalents at 0.2%. 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 Weigand and seconded by Trustee Fuchs to accept the Quarterly Investment Performance Report as presented. Motion carried unanimously by voice vote.

Review/Update Investment Policy: The Board reviewed the current investment policy. Mr. Falduto provided proposed language to update the policy to comply with the Illinois Sustainable Investment Act along with adjustments to allowable benchmarks. A motion was made by Trustee Fisk and seconded by Trustee Weigand to accept changes to the investment policy and allow SFAM to implement the changes immediately. An updated investment policy will be available for signature at the next regular meeting. Motion carried by roll call vote.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the two-month period ending February 29, 2019 prepared by L&A. As of February 29, 2020, the net position held in trust for pension benefits is \$41,507,749.08 for a change in position of (\$1,714,751.71). 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 December 1, 2019 through February 29, 2020 for total disbursements of \$74,043.57. A motion was made by Trustee Weigand and seconded by Trustee Fuchs to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$74,043.57. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk

NAYS: None

ABSENT: None

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 Cornell and seconded by Trustee Fuchs to approve payment of the IDOI Compliance Fee, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk

NAYS: None

ABSENT: None

FINANCE DIRECTOR'S REPORT: Mrs. Thomey apprised the Board the Village is in the process of finalizing the annual audit.

COMMUNICATIONS AND REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest are due by May 1, 2020.

TRUSTEE TRAINING UPDATES: The Board discussed upcoming training opportunities. The Board was reminded to provide any training certificates to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no registration fees and reimbursable expenses presented.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: The Board noted that they received a disability application from Lieutenant Richie. A motion was made by Trustee Fuchs and seconded by Trustee Weigand to authorize the Board Attorney to send Lieutenant Richie for his IME's upon receipt of his medical records. Motion carried unanimously by voice vote.

OLD BUSINESS: *Military Service Purchase – Jeremy Holden:* The Board noted that L&A mailed correspondence to Jeremy Holden regarding his request to calculate the amount of money due to Lake Zurich Firefighters' Pension Fund to purchase five months of military service time, but no response has been received to date. No further action is needed.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in the process and the final report will be presented to the Board for review upon completion.

NEW BUSINESS: *Review/Possible Action Excess Contributions:* The Board tabled this item until the next regular meeting.

Review Preliminary Actuarial Valuation: The Board reviewed the preliminary Actuarial Valuation prepared by L&A. The final report will be reviewed by the Board at the next regular meeting.

Certify Board Election Results – Active Member Position: The Board noted there is an ongoing election in process for one of the active member positions and a status update will be provided at the next regular meeting.

ATTORNEY'S REPORT – REIMER & DOBROVOLNY PC: *Review/Approve – Rules & Regulations:* The Board discussed tabling this item until the next regular meeting. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to table this item until the next regular meeting. Motion carried unanimously by voice vote.

Mr. Falduto left the meeting at 8:53 a.m.

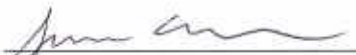
The Board discussed sending Aaron O'Brien for his annual independent medical examination (IME). A motion was made by Trustee Fuchs and seconded by Trustee Cornell to authorize the Board Attorney to send Aaron O'Brien for his annual IME. Motion carried unanimously by voice vote.

Legal Updates: Attorney Reimer reviewed the quarterly *Legal and Legislative Update* newsletter with the Board as well as recent court cases and decisions and general pension matters.

CLOSED SESSION, IF NEEDED: There were no items to discuss in closed session.

ADJOURNMENT: A motion was made by Trustee Fuchs and seconded by Trustee Weigand to adjourn the meeting at 9:07 a.m. Motion carried unanimously by voice vote.

The next Board meeting will be held on July 15, 2020 at 8:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Kelley Murray, Pension Services Administrator, Lauterbach & Amen, LLP