



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**

May 18, 2022

The special meeting of the Lake Zurich Police Pension Board was held on May 18, 2022 at 1:00 p.m. in the Community Room at the Lake Zurich Police Department, 200 Mohawk Trail, Lake Zurich, Illinois.

I. CALL TO ORDER

Dave Bradstreet called the meeting to order at 1:03 p.m.

Roll call shows the following Board members were present: Dave Bradstreet, Mike Moran, Andy Sieber, Colin Gaffney, and Eric Burk.

Also present: John Falduto, Sawyer Falduto Asset Management LLC; Attorney Jim Wargo, Ottosen DiNolfo Hasenbalg & Castaldo, Ltd; Derek Flessner, Lauterbach & Amen; Stephanie Steiner, Police Department Management Assistant; and Amy Sparkowski, Village Finance Director.

Dave Anderson was also in attendance.

II. PUBLIC COMMENT

There was no public comment.

III. APPROVAL OF MINUTES

Motion was made by Andy Sieber to approve the minutes from the regular meeting of the Lake Zurich Police Pension Fund from April 12, 2022. Motion was seconded by Mike Moran and passed upon a voice vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

V. PENSION CONSOLIDATION

A. Illinois Police Officer Pension Investment Fund (IPOPIF)

i. Notice of Asset Transfer Date – June 24, 2022

Andy Sieber advised the Fund received a letter advising our tranche date would be June 24, 2022.

ii. Review of IPOPIF Checklist

Andy Sieber advised we would be going down the checklist supplied by the IPOPIF to make sure the Fund submits every letter and document that needs to be completed. The Board will not be sending the documents in for submittal until after the pending litigation on Friday.

iii. Review/Approval of Transfer Notice Letter to Investment Advisor and Custodian



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This letter gives the Fund investment advisers a notice that the funds will be transferred soon and gives approval for them to release information on the Fund.

Motion was made by Andy Sieber, seconded by Dave Bradstreet, to approve the transfer notice letter to investment advisors pending the results of the judicial decision on the *Arlington Heights PPF v. Pritzker* case. Motion passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

iv. Review/Approval of Letter of Direction to Investment Custodian

This letter asks for action from the Fund investment advisors and gives permission to start moving the money.

Motion was made by Andy Sieber, seconded by Dave Bradstreet, to approve the letter of direction to investment custodians pending the results of the judicial decision on the *Arlington Heights PPF v. Pritzker* case. Motion passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

v. Review/Approval of Amended Resolution Appointing Authorized Agents

The Board needed to update Resolution 22-02 that was previously approved in January naming Andy Sieber and Amy Sparkowski as authorized agents.

Motion was made by Andy Sieber, seconded by Dave Bradstreet, to approve the amended resolution 22-02 naming Andy Sieber and Amy Sparkowski as authorized agents of the Fund pending the results of the judicial decision on the *Arlington Heights PPF v. Pritzker* case. Motion passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

vi. Review of Cash Flow Projections

This item has been tabled to the next meeting.

vii. Review/Approval of Transition Cash Retention

John Falduto discussed that two weeks prior to the consolidation, June 10th, their firm is 'frozen' with what they can do with the investments. They will invest everything they can up until that date. The Board will need to set aside money that is not transferred to IPOPIF to cover expenses during the transition period. This money will remain invested as long as possible.

John reviewed the cash analysis report that was created by Lauterbach & Amen for the last 12 months and walked the Board through the numbers so they can understand how this report will help them decide the amount of cash to hold aside for expenses. After discussion, the Board decided to withhold



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\$800,000. A motion was made by Eric Burk, seconded by Andy Sieber, to direct Sawyer Falduto Asset Management LLC to keep \$800,000.00 in cash/money market as of the freeze date prior to consolidation. Motion passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

viii. Identification of Local Account(s) for Cash

The Board discussed allowing the Harris and Schwab accounts to stay open. John Falduto recommended keeping one investment account to hold reserve, one bank account to pay bills, and then maybe in the future once the consolidation has been in place for a while, narrow it down to only the bank account.

A motion was made by Dave Bradstreet, seconded by Eric Burk, to have the Schwab account continue to receive contributions and will fund the Harris account for monthly benefits and bills. Motion passed on a voice vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran
NAYS: None

ix. Review/Approval of Collateralization Agreement for BMO Harris Account

Derek Flessner advised the form was signed at the last meeting. As soon as he gets a copy back he will forward it to the Board. No further action is needed.

x. Amendments to and Future Termination of Investment Professional and Custodial Agreements

This item has been tabled to the next meeting.

xi. Status of *Arlington Heights PPF v. Pritzker*

Attorney Jim Wargo noted that Judge Villa will be issuing a ruling on this case on Friday morning at 9 a.m. He will send out the Zoom link to the Board members.

xii. eCFM Portal Form

Derek Flessner advised he had a copy of the enterprise cash flow module portal form that will need to be submitted to the IPOPIF, pending the results of the judicial decision on the *Arlington Heights PPF v. Pritzker* case. Once the form is submitted and the account is set up, it will hopefully streamline the process once money is ready to be deposited or needed to be requested. A resolution will need to be made for the July meeting.

A motion was made by Dave Bradstreet, seconded by Eric Burk, to approve the Resolution, making Kelly Calgaro from Lauterbach & Amen, Andy Sieber, and Amy Sparkowski authorized agents on the enterprise cash flow module portal form, and directed legal counsel to prepare a resolution for the July meeting. Motion passed on a voice vote.



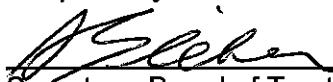
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VII. ADJOURNMENT

There being no more business to come before the Board, Andy Sieber motioned to adjourn the meeting at 2:14 p.m. Motion seconded by Dave Bradstreet and passed on a voice vote.

The next meeting will be July 12, 2022.

Respectfully submitted:

 146

Secretary, Board of Trustees

Minutes prepared by Management Assistant Steiner

Approved by the Board of Trustees at a meeting held on 7/12/2022