



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 BOARD OF TRUSTEES APRIL 21, 2021

A regular meeting of the Lake Zurich Firefighters' Pension Fund was held via videoconference on Wednesday, April 21, 2021 at 8:00 a.m. without a quorum of the public body physically present at the Board's regular meeting location because of a disaster declaration related to COVID-19 public health concerns affecting the Village of Lake Zurich. The Lake Zurich Firefighter's Pension Fund Board President has determined that an in-person meeting with all participants is not practical, prudent or feasible because of the disaster pursuant to notice.

CALL TO ORDER: Trustee Pilgard called the meeting to order at 8:02 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 & LaBardi PC (*joined at 8:13 a.m.*); 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

APPROVAL OF MEETING MINUTES: January 20, 2021 Regular Meeting: The Board reviewed the January 20, 2021 regular meeting minutes. A motion was made by Trustee Weigand and seconded by Trustee Fisk to approve January 20, 2021 regular meeting minutes as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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, 2021. As of March 31, 2021, the first quarter net return is 2.5% versus the first quarter account benchmark of 3%. The investment return for the quarter is \$1,183,779 for an ending market value of \$48,996,645. The current asset allocation is as follows: fixed income at 38.7%, equities at 60.5% 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 Fuchs and seconded by Trustee Fisk to accept the Quarterly Investment Performance Report as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the three-month period ending March 31, 2021 prepared by L&A. As of March 31, 2021, the net position held in trust for pension benefits is \$49,200,883.94 for a change in position of \$770,113.56. 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 January 1, 2021 through March 31, 2021 for total disbursements of \$96,709.01. A motion was made by Trustee Weigand and seconded by Trustee Cornell to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$96,709.01. 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 Fuchs and seconded by Trustee Cornell 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

Attorney Reimer joined the meeting at 8:13 a.m.

FINANCE DIRECTOR'S REPORT: Finance Director Thomey informed the Board the Village audit is still in the process.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A. The originals were provided to the Board for their recordkeeping.

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest are due by May 1, 2021.

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 or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Applications for Membership – Chandler Boyd and Gilberto Villa:* The Board reviewed the Applications for Membership submitted by Chandler Boyd and Gilberto Villa. A motion was made by Trustee Pilgard and seconded by Trustee Fisk to accept Chandler Boyd and Gilberto Villa into the Lake Zurich Firefighters' Pension Fund effective April 12, 2021, as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk
NAYS: None
ABSENT: None

Contribution Refund – John Malcolm: The Board reviewed the contribution refund request submitted by John Malcolm. A motion was made by Trustee Fuchs and seconded by Trustee Pilgard to approve John Malcolm's contribution refund in the amount of \$70,161.23 paid in a direct rollover issued on April 9, 2021. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

OLD BUSINESS: Review/Possible Action Regarding Excess Contributions: This item will be discussed at the next regular meeting.

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

NEW BUSINESS: Military Service Purchase – Jeremy Holden: The Board noted that Jeremy Holden completed his military service purchase to transfer 5 months of military service to the Lake Zurich Firefighters' Pension Fund in the amount of \$18,946.04. A motion was made by Trustee Cornell and seconded by Trustee Fisk to accept the payment in the amount of \$18,946.04, recognize the purchase as paid in full and acknowledge Jeremy Holden's revised date of hire from June 4, 2001 to January 4, 2001. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk
NAYS: None
ABSENT: None

Trustee Fisk left the meeting at 8:28 a.m.

FPIF – Investment, Service Provider and Signer Request and Review/Approve – Resolution to Appoint Authorized Agents in accordance with FPIF Rule 2021-01: The Board reviewed the FPIF Vendor Authorization Letter requesting authorization to share data and information from the Lake Zurich Firefighters' Pension Fund to the Firefighters' Pension Investment Fund. The Board also reviewed the FPIF Resolution to Appoint Authorized Agents. A motion was made by Trustee Cornell and seconded by Trustee Weigand to table this item until the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs and Weigand
NAYS: None
ABSENT: Trustee Fisk

Trustee Fisk re-joined the meeting at 8:30 a.m.

Certify Board Election Results – Retired Member Position: L&A conducted an election for the retired member position on the Lake Zurich Firefighters' Pension Fund Board of Trustees. Greg Fuchs ran unopposed and was reelected for a three-year term expiring April 30, 2024. A motion was made by Trustee Cornell and seconded by Trustee Weigand to certify the retired member election results. Motion carried by roll call vote.

AYES: Trustees Pilgard, Cornell, Fuchs, Weigand and Fisk
NAYS: None
ABSENT: None

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.

Appointed Member Term Expiration – Rick Fisk: The Board noted that Trustee Fisk was reappointed to the Lake Zurich Firefighters' Pension Fund Board of Trustees by the Mayor of Lake Zurich for a three-year term expiring April 30, 2024.

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: QILDRO – Jeffrey Radtke: The Board noted the QILDRO Order, Calculation Order, Consent to Issuance and \$50 processing fee for Jeffrey Radtke have been received and approved by the Board Attorney, with payments to commence with the April payroll cycle. No further action is necessary.

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

CLOSED SESSION, IF NEEDED: There was no need for closed session.

PUBLIC COMMENT: There was no public comment.

ADJOURNMENT: A motion was made by Trustee Fuchs and seconded by Trustee Fisk to adjourn the meeting at 9:27 a.m. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

The next regular Board meeting is scheduled for July 21, 2021 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