



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 JANUARY 19, 2022

A regular meeting of the Lake Zurich Firefighters' Pension Fund was held on Wednesday, January 19, 2022 at 8:00 a.m. via video conference 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 Firefighters' Pension Fund Board President has determined that an in-person meeting with all participants is not practical, prudent or feasible because of the disaster. The regular meeting is set for the purposes in the following agenda:

CALL TO ORDER: Trustee Pilgard called the meeting to order at 8:10 a.m.

ROLL CALL:

PRESENT: Trustees David Pilgard, Ken Weigand, Spencer Cornell (*arrived at 8:35a.m.*), Rick Fisk and Greg Fuchs

ABSENT: None

ALSO PRESENT: Attorney Vince Mancini, Reimer Dobrovolny & LaBardi PC; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Lainie Grabowski, Lauterbach & Amen, LLP (L&A); Finance Director Amy Sparkowski, Village of Lake Zurich

PUBLIC COMMENT: There was no public comment.

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

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

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending December 31, 2021. As of December 31, 2021, the fourth quarter net return is 4.0% versus the fourth quarter account benchmark of 4.9%. The investment return for the quarter is \$2,118,073 for an ending market value of \$54,444,431. The current asset allocation is as follows: fixed income at 37.6%, equities at 62.1% 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 by roll call vote.

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

Trustee Cornell arrived at 8:35 a.m.

Post Consolidation Services Proposal: Mr. Sawyer presented an overview of post-consolidation services offered by Sawyer Falduto Asset Management, LLC. A motion was made by Trustee Fuchs and seconded by Trustee Weigand to retain Sawyer Falduto Asset Management, LLC for post-consolidation services at the monthly rate of \$500 on a month-to-month basis once the transfer happens.

Motion carried by roll call vote.

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the eleven-month period ending November 30, 2021 prepared by L&A. As of November 30, 2021, the net position held in trust for pension benefits is \$53,812,694.21 for a change in position of \$5,381,923.83. 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 September 1, 2021 through November 30, 2021 for total disbursements of \$132,220.61. A motion was made by Trustee Fisk and seconded by Trustee Weigand to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$132,220.61. Motion carried by roll call vote.

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

Additional Bills, if any: There were no additional bills presented for approval.

FINANCE DIRECTOR'S REPORT: Finance Director Amy Sparkowski informed the Board that to date 93% of the 2021 tax levy has been received. The Board noted that the tax levy proceeds will continue to be deposited into the Schwab account.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility* – The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the December payroll cycle and a due date of January 31, 2022. A status update will be provided at the next regular meeting.

Statements of Economic Interest: The Board noted that the List of Filers must be submitted to the County by the Village by February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registration fees or reimbursable expenses presented for approval.

IFPIF UPDATES: *Acknowledge FPIF Notice of Transfer Date, Adopt Resolution of Notice and Execute Exhibits:* The Board discussed being moved to the April 1, 2022 tranche for consolidation. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to table this item until the next regular meeting. Motion carried by roll call vote.

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

Review/Approve – Resolution to Appoint Authorized Agents in accordance with FPIF Rule 2021-01: The Board reviewed FPIF Rule 2021-01. A motion was made by Trustee Pilgard and seconded by Trustee

Cornell to appoint Trustees Cornell and Pilgard as authorized agents for the Lake Zurich Firefighters' Pension Fund in accordance with Rule 2021-01 and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

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

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: Attorney Mancini updated the Board on the ongoing consolidation court case. All questions were answered by Attorney Mancini.

IFPIF UPDATES (CONTINUED): *Discussion/Approval – FPIF Letter of Direction:* The Board discussed the IFPIF letter of direction, and the two-step letter of direction created by Reimer Dobrovolny & LaBardi PC. A motion was made by Trustee Fuchs and seconded by Trustee Weigand to table this item until the next regular meeting. Motion carried by roll call vote.

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

Acknowledge IFPIF Transfer of Assets Rule: The Board reviewed the transfer of assets rule provided by IFPIF. A motion was made by Trustee Fuchs and seconded by Trustee Cornell to table this item until the next regular meeting. Motion carried by roll call vote.

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

Review/Approve – FPIF Global Cash Movement New Setup Authorization Form: The Board reviewed the Resolution Authorizing Account Representatives for the Northern Trust Global Cash Management Portal. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to table this item until the next regular meeting. Motion carried by roll call vote.

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

Discussion/Approval – Interim Cash Management Policy: The Board discussed the interim cash management policy and the cash retention dollar amount that was previously set. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to direct Sawyer Falduto Asset Management, LLC to suspend the cash retention previously approved in the amount of \$900,000 until further notice by. Motion carried by roll call vote.

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

IFPIF Status Update and Discussion/Possible Action to be Taken on all IFPIF Requests Pertaining to Consolidation: There were no additional updates or action.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – Daniel Frano, Anthony Kinsley and Nathan Welter:* The Board reviewed the Application for Membership submitted by Daniel Frano, Anthony Kinsley and Nathan Welter. A motion was made by Trustee Pilgard and seconded by Trustee Fisk to accept Daniel Frano effective October 11, 2021, Anthony Kinsley effective October 18, 2021 and Nathan Welter effective October 18, 2021 into the Lake Zurich Firefighters' Pension Fund as a Tier II participants. Motion carried by roll call vote.

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

Separation of Service – Gilberto Villa: The Board reviewed the contribution refund request submitted by Gilberto Villa. A motion was made by Trustee Pilgard and seconded by Trustee Cornell to approve Gilberto Villa's contribution refund in the amount of \$3,115.69 to be paid directly to himself. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFIT: Attorney Mancini informed the Board that Aaron O'Brian and Evert Gerritsen will need to be added to the July Agenda for their 2022 Independent medical evaluations.

OLD BUSINESS: *Review/Possible Action Regarding Excess Contributions:* The Board noted that excess contributions need to be discussed. A motion was made by Trustee Fisk and seconded by Trustee Fuchs to table this item until the next regular meeting. Motion carried by roll call vote.

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

NEW BUSINESS: *Approve Annual Cost of Living Adjustments for Pensioners:* The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Pilgard and seconded by Trustee Fuchs to approve the 2022 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

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

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Cornell is expiring in April 2022. Trustee Cornell expressed his interest to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for active member Trustee position. The Board also noted that the appointed member position held by Trustee Weigand is expiring in April 2022 and he no longer is interested in remaining on the Board. The Board will contact the Village and seek appointment of the vacant position.

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC (CONTINUED): *Legal Updates:* Attorney Mancini 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 Fisk and seconded by Trustee Cornell to adjourn the meeting at 10:02 a.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for April 20, 2022 at 8:00 a.m.

Minutes approved by the Board of Trustees on _____

Minutes prepared by Lainie Grabowski, Pension Services Administrator, Lauterbach & Amen, LLP

Lake Zurich Firefighters' Pension Fund
Annual Benefit Increases (COLA)
Effective as of January 1, 2022

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Bachler, Robert B.	Duty Disability		5,954.70	0.00	5,954.70	71,456.40
Bajor, Mark J.	Duty Disability		4,858.21	0.00	4,858.21	58,298.52
Bartoli, David R.	Service		5,924.02	226.65	6,150.67	73,808.04
Bartoli, David R. - QILDRO	QILDRO		1,631.00	0.00	1,631.00	19,572.00
Borst, David R.	Service		6,385.09	0.00	6,385.09	76,621.08
Brendle, Gregory E.	Service		5,882.93	176.49	6,059.42	72,713.04
Cappitelli, Philip C.	Service		4,065.86	0.00	4,065.86	48,790.32
Carlson, David F.	Duty Disability		4,022.31	0.00	4,022.31	48,267.72
Farning, George J.	Service		5,360.13	160.80	5,520.93	66,251.16
Fuchs, Gregory S.	Duty Disability		5,676.72	137.34	5,814.06	69,768.72
Fuchs-Combs, Aubree L. - Dep. #	Duty Disability		25.36	0.76	26.12	313.44
Gallas, Gregory R.	Duty Disability		5,223.20	105.88	5,329.08	63,948.96
Garcia, Daren	Service		7,156.29	214.69	7,370.98	88,451.76
Garris, Steven G.	Duty Disability		5,399.15	1,295.80	6,694.95	80,339.40
Garris, Madelyn - Dep. # 2	Duty Disability		25.36	0.76	26.12	313.44
Gerritsen, Evert J.	Non-Duty Disability		3,274.92	0.00	3,274.92	39,299.04
Golubski, Donald L.	Service		6,986.20	0.00	6,986.20	83,834.40
Gonzalez, Pamela J.	Spouse		3,879.33	0.00	3,879.33	46,551.96
Hutton, Patricia L.	Service		3,591.97	0.00	3,591.97	43,103.64
Johnson, Richard S.	Service		8,439.71	253.19	8,692.90	104,314.80
Johnston, Terry L.	Service		8,134.88	0.00	8,134.88	97,618.56
Lorr, Edward A.	Service		4,796.78	143.90	4,940.68	59,288.16
Loyal, Robert J. Jr.	Service		7,156.07	0.00	7,156.07	85,872.84
Mastandrea, Terrence P.	Service		11,047.01	331.41	11,378.42	136,541.04
O'Brien, Aaron M.	Duty Disability		4,858.21	0.00	4,858.21	58,298.52
O'Brien, Kennedy M. - Dep. # 2	Duty Disability		23.90	0.72	24.62	295.44
Osel, Scott D.	Service		6,781.89	0.00	6,781.89	81,382.68
Peterson, Thomas J.	Service		6,388.59	191.66	6,580.25	78,963.00
Polakow, Robert P.	Duty Disability		4,488.23	0.00	4,488.23	53,858.76
Przybysz, Peter S.	Service		5,521.65	0.00	5,521.65	66,259.80
Puckhaber, Kevin T.	Non-Duty Disability		3,521.54	0.00	3,521.54	42,258.48
Radtke, Jeffrey P.	Service		6,117.06	0.00	6,117.06	73,404.72
Radtke, Jeffrey P. - QILDRO	QILDRO		2,017.79	0.00	2,017.79	24,213.48
Ritchie, Samuel J.	Duty Disability		6,356.97	0.00	6,356.97	76,283.64
Szydelko, Michael G. Sr.	Service		6,846.31	205.39	7,051.70	84,620.40
Weidner, Bonnie E.	Service		4,254.69	127.64	4,382.33	52,587.96
Wheelock, David P.	Service		5,959.33	192.12	6,151.45	73,817.40
Wheelock, David P. - QILDRO #	QILDRO		2,318.54	69.56	2,388.10	28,657.20
Wheelock, David P. - QILDRO #	QILDRO		444.79	0.00	444.79	5,337.48

Lake Zurich Firefighters' Pension Fund
Annual Benefit Increases (COLA)
Effective as of January 1, 2022

Pensioner	Type of Pension	Notes	Prior Benefit	COLA Increase	Current Benefit	Annualized Benefit
Totals			190,796.69	3,834.76	194,631.45	2,335,577.40

Lake Zurich Firefighters' Pension Fund
Summary of Benefit Changes and Notes
Effective as of January 1, 2022

Pensioner	Reason	Date	Amount of Change	New Monthly Benefit
Garris, Steven G.	Initial Increase	1/1/2022	1,295.80	6,694.95
Radtke, Jeffrey P.	Initial Increase	2/1/2022	183.52	6,300.58
Radtke, Jeffrey P. - QILDRO	Initial Increase	2/1/2022	60.53	2,078.32
Hutton, Patricia L.	Initial Increase	6/1/2022	538.80	4,130.77
Johnston, Terry L.	Initial Increase	9/1/2022	244.05	8,378.93
O'Brien, Kennedy M. - Dep. # 2 - (Benefits Cease Pro Rata	12/1/2022	(2.38)	22.24
Przybysz, Peter S.	Initial Increase	12/1/2022	828.25	6,349.90
O'Brien, Kennedy M. - Dep. # 2	Benefits Cease 1st Full Month	1/1/2023	(22.24)	0.00
Osel, Scott D.	Initial Increase	1/1/2023	983.37	7,765.26
Cappitelli, Philip C.	Initial Increase	2/1/2023	609.88	4,675.74
Borst, David R.	Initial Increase	5/1/2023	893.91	7,279.00
Garris, Madelyn - Dep. # 2 - Cease	Benefits Cease Pro Rata	7/25/2023	(5.21)	21.69
Garris, Madelyn - Dep. # 2	Benefits Cease 1st Full Month	8/1/2023	(21.69)	0.00
Loyal, Robert J. Jr.	Initial Increase	1/1/2024	1,037.63	8,193.70
Polakow, Robert P.	Initial Increase	1/1/2024	1,615.76	6,103.99
Golubski, Donald L.	Initial Increase	8/1/2024	1,047.93	8,034.13
Puckhaber, Kevin T.	Initial Increase	1/1/2026	1,267.75	4,789.29
Carlson, David F.	Initial Increase	1/1/2028	2,413.39	6,435.70
Bachler, Robert B.	Initial Increase	1/1/2029	2,679.62	8,634.32
Bajor, Mark J.	Initial Increase	1/1/2030	2,040.45	6,898.66
Ritchie, Samuel J.	Initial Increase	1/1/2030	1,716.38	8,073.35
Fuchs-Combs, Aubree L. - Dep. #	Benefits Cease Pro Rata	9/1/2031	(27.26)	6.82
Fuchs-Combs, Aubree L. - Dep. #	Benefits Cease 1st Full Month	10/1/2031	(6.82)	0.00
Gerritsen, Evert J.	Initial Increase	1/1/2034	2,357.94	5,632.86
O'Brien, Aaron M.	Initial Increase	1/1/2036	2,914.93	7,773.14

Notes

1. None