



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 20, 2022

A regular meeting of the Lake Zurich Firefighters' Pension Fund was held on Wednesday, April 20, 2022 at 8:00 a.m. in the Village Hall located at 70 East Main Street, Lake Zurich, Illinois 60047. Pursuant to notice.

CALL TO ORDER: Trustee Pilgard called the meeting to order at 8:02 a.m.

ROLL CALL:

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

ABSENT: None

ALSO PRESENT: Attorney Richard Reimer, Reimer Dobrovolny & LaBardi PC; Tom Sawyer and John Falduto, Sawyer Falduto Asset Management, LLC; Lainie Grabowski and Kevin Cavanaugh, Lauterbach & Amen, LLP (L&A); Finance Director Amy Sparkowski, Village of Lake Zurich; Brian McGill, Lake Zurich Firefighter's New Appointed Trustee

PUBLIC COMMENT: Trustee Pilgard informed that Board that Trustee Weigand's appointed term expires April 30, 2022, and that Brian McGill has been appointed to the Lake Zurich Firefighter's Board of Trustees effective May 1, 2022. Trustee Pilgard also informed that Board that he will be resigning from the Board at the end of April. A special election will be held to fill his active member unexpired term.

APPROVAL OF MEETING MINUTES: *January 19, 2022 Regular Meeting:* The Board reviewed the January 19, 2022 regular meeting minutes. A motion was made by Trustee Weigand and seconded by Trustee Fuchs to approve January 19, 2022 regular meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORT – SAWYER FALDUTO ASSET MANAGEMENT, LLC: *Quarterly Investment Performance Report:* Mr. Sawyer presented the Quarterly Investment Performance Report for the period ending March 31, 2022. As of March 31, 2022, the first quarter net return is (6.6%) versus the first quarter account benchmark of (5.3%). The investment return for the quarter is (\$3,580,711) for an ending market value of \$50,448,761. The current asset allocation is as follows: fixed income at 37.5%, equities at 61.8% and cash equivalents at .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, Cornell, Weigand, Fisk, Fuchs and Pilgard

NAYS: None

ABSENT: None

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 28, 2022 prepared by L&A. As of February 28, 2022, the net position held in trust for pension benefits is \$50,800,626.80 for a change in position of (\$3,907,466.56). 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 December 1, 2021 through February 28, 2022 for total disbursements of \$78,449.93. A motion was made by Trustee Weigand and seconded by Trustee Fisk to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$78,449.93. Motion carried by roll call vote.

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

Additional Bills, if any: Illinois Department of Insurance Compliance Fee: The Board noted the Illinois Department of Compliance Fee invoice will be issued. A motion was made by Trustee Pilgard 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, Cornell, Weigand, Fisk, Fuchs and Pilgard
NAYS: None
ABSENT: None

FINANCE DIRECTOR'S REPORT: Finance Director Amy Sparkowski informed the Board that the Village is finishing their Audit this week. Ms. Sparkowski also informed the Board that the last property tax disbursement made in March was just short of the budgeted amount for the Fire Pension, on April 4, 2022 the Village cut a check to true up the property tax amount.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed third request Affidavits of Continued Eligibility via certified mail to all outstanding pensioners with a due date of March 16, 2022. To date, one affidavit remains outstanding. The Board noted that they would attempt to contact the missing pensioner.

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest are due by 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 IFPIF Notice of Transfer Date, Adopt Resolution of Notice and Execute Exhibits:* The Board acknowledged the IFPIF Notice of Transfer Date as June 1, 2022. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to acknowledge the transfer date, adopt the resolution of notice and authorize Trustee Spencer to execute the associated exhibits and return them to IFPIF by April 29, 2022 on behalf of the Fund. Motion was carried by roll call vote.

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

The Board noted that a new authorized agents form is needed due to Trustee Pilgard resigning from the Board. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to designate Trustees Fuchs and Trustee Spencer as the new authorized agents. Motion carried by roll call vote.

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

Discussion/Approval – IFPIF Letter of Direction: The Board discussed the IFPIF letter of direction. A motion was made by Trustee Fisk and seconded by Trustee Weigand to authorize the signatures of Trustees Cornell and Fuchs upon receipt of the revised letter of direction and receipt of the certified asset list. Motion carried by roll call vote.

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

Acknowledge IFPIF Transfer of Assets Rule: No action was taken on this item.

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 Fisk and seconded by Trustee Cornell to approve the Resolution appointing Trustees Fuchs and Cornell, Finance Director Amy Sparkowski and Susan Hill from Lauterbach & Amen, LLP as the Account Representatives on behalf of the Lake Zurich Firefighters' Pension Fund. Motion carried by roll call vote.

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

The Board discussed authorizing the Board Attorney to prepare a resolution designating Susan Hill from Lauterbach & Amen, LLP and Finance Director Amy Sparkowski as Authorized Account Representatives on behalf of Lake Zurich Firefighters' Pension Fund. Further discussion will be held at the next regular meeting.

Discussion/Approval – Interim Cash Management Policy: The Board reviewed the cash analysis report prepared by Lauterbach and Amen, LLP. A motion was made by Trustee Fuchs and seconded by Trustee Cornell to direct Sawyer Falduto Asset Management to raise \$1,250,000 by the freeze date to be retained in the Schwab Money Market account for the purpose of remitting five-months of pension benefits and administrative expenses. 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: The Board noted that there are no additional requests requiring action at this time.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Contribution Refund – Chandler Boyd:* The Board reviewed the contribution refund request submitted by Chandler Boyd. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to approve Chandler Boyd's contribution refund in the amount of \$4,668.92 paid directly to himself issued on March 31, 2022. Motion carried by roll call vote.

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

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

OLD BUSINESS: *Review/Possible Action Regarding Excess Contributions:* This item was tabled until the next regular meeting.

NEW BUSINESS: *Certify Board Election Results –Active Member Position:* L&A conducted an election for one of the active member positions on the Lake Zurich Firefighters' Pension Fund Board of Trustees. Spencer Cornell ran unopposed and was reelected for a three-year term expiring April 30, 2025. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to certify the active member election results. Motion carried unanimously by voice vote.

Appointed Member Term Expiration – Ken Weigand: The Board noted that Trustee Weigand's appointed term expires April 30, 2022 and that Brian McGill has been appointed in his place starting May 1, 2022.

Brian McGill left the meeting at 10:15 a.m.

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.

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.

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Legal Updates:* Attorney Riemer 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 Fuchs to adjourn the meeting at 10:44 a.m. Motion carried unanimously by voice vote.

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

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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