



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

January 10, 2023

The regular meeting of the Lake Zurich Police Pension Board was held on January 10, 2023 at 8:00 a.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 8:02 a.m.

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

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

Excused: Board members Colin Gaffney and Mike Moran; and Amy Sparkowski, Village Finance Director.

Also in attendance: Dave Anderson, Deputy Chief.

II. PUBLIC COMMENT

There was no public comment.

III. APPROVAL OF MINUTES

Motion was made by Eric Burk to approve the minutes from the regular meeting of the Lake Zurich Police Pension Fund from October 11, 2022. Motion was seconded by Andy Sieber and passed upon a voice vote.

AYES: Sieber, Burk, Bradstreet

NAYS: None

EXCUSED: Gaffney, Moran

IV. FINANCIAL/INVESTMENT REPORTS

A. Payment of bills

Andy Sieber explained the following bills have been paid: Lauterbach & Amen \$700.00, \$700.00 and \$700.00 for services, \$645.00 for the MCR report, and \$890.00 for services and the fiscal year 1099s.

Motion was made by Dave Bradstreet to approve the payment of bills as presented, seconded by Andy Sieber and passed upon a voice vote.

AYES: Sieber, Burk, Bradstreet

NAYS: None

EXCUSED: Gaffney, Moran



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B. Lauterbach & Amen: Financial Report

Derek Flessner reviewed the monthly financial report. As of November 30, 2022, the Fund's net position is \$29,655,354.53.

C. Sawyer Falduto Asset Management – Quarterly Report

John Falduto reviewed the Quarterly Investment Report in detail. As of December 31, 2022, the beginning market value was \$959,501.00 and the end market value was \$351,001.00. In quarter 4, the Fund's cumulative net investment gain was \$2,418.00. It was noted that since 2009, the Fund's investment return is \$14,830,218.00.

D. IPOPIF – Verus Advisory, Inc. Report

John Falduto briefly reviewed the Verus Investment Performance Review. As of October 31, 2022, the review shows that the Illinois Police Officers' Pension Investment Fund market value was \$6,915,000,000. Since the March 2022 inception, the investment return was -11.4%, with a benchmark of -12.2%.

E. IPOPIF – State Street Report

John Falduto advised this report shows what the Fund's share of the consolidated fund is for every month. He briefly reviewed the report with the Board. The year-to-date started with \$0 in the account. Once assets were transferred and contributions were made, there was a balance of \$28,159,252.00 in the account. After transactions, the ending value in the account was 29,124,000.00, up 5.44% for the month, 8.84% for the quarter, and since joining the fund in July, up 4.1%.

F. Village Treasurer Report

No report at this time.

G. Attorney's Report

Attorney Jim Wargo advised the firm prepared a cash management policy and handed out a copy for everyone to review for the next meeting. He also briefed the Board on the Pension Insights article that was sent out prior to the meeting and touched base on the on-going pending litigation document that was also sent out.

Motion was made by Dave Bradstreet to approve the financial report, quarterly asset management report, and attorney report as presented, seconded by Andy Sieber and passed upon a roll call vote.

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

V. UNFINISHED BUSINESS

There was no unfinished business.

VI. NEW BUSINESS

A. Six-month review of closed meeting minutes

There are no closed meeting minutes to review.



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B. Preparation for Board elections and appointment renewals

Andy Sieber advised there are three seats up for re-election: Dave Bradstreet, Colin Gaffney and Mike Moran. Dave advised he would be interested in being on the Board one more term. Andy will send out an email to retirees and patrol to see if there is any new interest, as well as reach out to Mike to see if he is interested in another term.

C. Approval of scheduled pension benefit increases for the 2023 calendar year

Derek presented a spreadsheet showing the annual benefit increases pensioners for the 2023 calendar year that Lauterbach & Amen calculated. Andy Sieber made a motion to approve the COLA's for the 2023 calendar year, seconded by Dave Bradstreet and passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet

NAYS: None

EXCUSED: Gaffney, Moran

D. Review/approve Collateralization Agreement with BMO Harris Bank N.A. and the Bank of New York Mellon

Derek advised that Bank of America was the third-party bank and is no longer in the collateralization business, and they have been replaced by the Bank of New York Mellon. The agreement remains the same; this is only a name change for the new third-party bank, Bank of New York Mellon.

A motion was made by Andy Sieber, seconded by Dave Bradstreet, to accept the revised collateralization agreement naming the Bank of New York Mellon as the new third-party bank. Motion passed on a voice vote.

AYES: Sieber, Burk, Bradstreet

NAYS: None

EXCUSED: Gaffney, Moran

E. New officer – Todd Ebbing 12/05/22

The Board received an application for membership into the Fund from the following newly hired lateral officer:

(Russell) Todd Ebbing Hire Date: 12/05/2022 Tier II

Todd started with a yearly salary of \$86,427.20. Dave Bradstreet made a motion to accept the new officer into the Lake Zurich Police Pension Fund, seconded by Andy Sieber and passed on a voice vote.

AYES: Sieber, Burk, Bradstreet

NAYS: None

EXCUSED: Gaffney, Moran

F. New officer – Trace Parlberg 12/19/22

The Board received an application for membership into the Fund from the following newly hired officer:

Trace Parlberg Hire Date: 12/19/2022 Tier II



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Trace started with a yearly salary of \$73,985.60. Dave Bradstreet made a motion to accept the new officer into the Lake Zurich Police Pension Fund, seconded by Andy Sieber and passed on a voice vote.

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

G. Officer Thiergood portability

Officer Thiergood left Lake Zurich in February, and now works for Chicago Heights. He requested his pension be transferred to his new department. Derek advised his agency completed the paperwork on their end and are awaiting to hear back from Chicago Heights.

VII. ADJOURNMENT

There being no more business to come before the Board, Dave Bradstreet motioned to adjourn the meeting at 8:53 a.m. Motion seconded by Andy Sieber and passed on a voice vote.

The next meeting will be April 11, 2023.

Respectfully submitted:



Secretary, Board of Trustees

Minutes prepared by Management Assistant Steiner

Approved by the Board of Trustees at a meeting held on 4/18/23