



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**

April 18, 2023

The regular meeting of the Lake Zurich Police Pension Board was held on April 18, 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 8:03 a.m.

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

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

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 January 10, 2023. Motion was seconded by Colin Gaffney and passed upon a voice vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran

NAYS: None

IV. FINANCIAL/INVESTMENT REPORTS

A. Payment of bills

Andy Sieber explained the following bills have been paid: Lauterbach & Amen \$700.00 for services, Lauterbach & Amen another \$700.00 for services, and Lauterbach & Amen \$215.00 for the fiscal year 1099s; \$5090.00 to Alliant Insurance Services for fiduciary liability insurance coverage; and \$255,198.46 to Chicago Heights pension fund for Officer Thiergood's portability transfer.

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

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran

NAYS: None



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B. Lauterbach & Amen: Financial Report

Derek Flessner reviewed the monthly financial report. As of February 28, 2023, the Fund's net position is \$29,401,321.61.

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

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

C. Sawyer Falduto Asset Management – Quarterly Report

John Falduto reviewed the Quarterly Investment Report in detail. As of March 31, 2023, the beginning market value was \$351,001.00 and the ending market value was \$269,361.00. It was noted that since 2009, the Fund's investment return is \$14,830,822.00.

Motion was made by Dave Bradstreet to approve the quarterly asset management report, seconded by Andy Sieber and passed upon a voice vote.

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

D. IPOPIF – Verus Advisory, Inc. Report

John Falduto briefly reviewed the Verus Investment Performance Review. As of January 31, 2023, the review shows that the Illinois Police Officers' Pension Investment Fund market value was \$8,963,102,728. Since the March 2022 inception, the investment return was -4.1%, with a benchmark of -4.5%.

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 February 28, 2023 report with the Board. The year-to-date started with \$28,347,163.55 in the account. After transactions, the ending value in the account was 29,141,138.58, down 2.22% for the month, up 2.87% for the quarter and year-to-date, and since joining the fund in July 2022, up 5.11%.

The Board acknowledged receipt of the IPOPIF reports.

F. Village Treasurer Report

Amy Sparkowski advised the village received their last property tax distribution recently and made their last payment to true up to the tax levy. The actuarial report was just received electronically, so she will email that out to the Board for review. She noted one change with the assumption, as they are continuing to bring the payroll growth down to stabilize the annual increase and to be in line with the 2.75% statuary valuation.

Andy Sieber made a motion to accept the village treasurer report as presented, seconded by Dave Bradstreet and passed on a voice vote.

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



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G. Attorney's Report

Attorney Meganne Trela introduced herself to the board members, as she is taking over for Jim Wargo. She passed out the firm's quarterly pension insights article for review, and briefly mentioned there is some new IPOPIF information shared in there. She also discussed a presentation that Carolyn Clifford did recently on administrative proceedings for Illinois fire and police funds. She then touched on the petition for leave to appeal that was filed with the Illinois Supreme Court in regards to the consolidated lawsuit.

There was a discussion on possibly removing the DOI fee for the consolidated funds. It is unknown at this time if IPOPIF will be covering the fee when they audit funds like the fire side may be doing. Due to not knowing what may change with the DOI fee and audits, it was recommended to pay the fee when the invoice comes in, as this will occur before any final decisions are made.

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

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran

NAYS: None

V. UNFINISHED BUSINESS

A. Cash Management Policy

The Board reviewed their current financial policy and would not like to make any changes at this time.

B. Officer Thiergood Portability

Officer Thiergood applied for the Chicago Heights pension fund. The paperwork was completed and the portability transfer was \$255,198.46.

VI. NEW BUSINESS

A. Resolution Appointing Authorized Agents

Meganne Trela discussed a packet that was sent out from IPOPIF. Two board members need to be the authorized agents for the Fund. After some discussion, it was decided to elect the president and secretary as the two authorized agents. A motion was made by Colin Gaffney to select Dave Bradstreet and Andy Sieber as the authorized agents to IPOPIF, seconded by Eric Burk, and passed on a roll call vote.

AYES: Sieber, Burk, Bradstreet, Gaffney, Moran

NAYS: None

B. IPOPIF Roster

This roster was requested by IPOPIF to know who was on the board. This information will be kept internally through IPOPIF. The form will be submitted to IPOPIF.

C. IMRF to Downstate Pension Transfer Availability

Andy Sieber advised that board members received a question regarding a dispatcher transferring their IMRF money to the police pension. Meganne will look into it and get back to the board.

D. Status of DOI Annual Statement



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Derek Flessner noted that a draft of the report is being prepared and will be sent out. The information will need to be verified with the Village audit before it is submitted at the end of June.

A motion to approve the payment of the DOI fee once the invoice comes in, upon review of advice from legal counsel and as long as the payment does not exceed \$8000, was made by Eric Burk. Motion was seconded by Dave Bradstreet and passed on a roll call vote.

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

E. Statement of Economic Interests

All of the board members should have received an email to complete their form. Andy Sieber asked for all Board members to e-mail the completion notices to him if they have not already so he can add them to the files.

F. Trustee Elections and Appointments

Trustee Mike Moran's term has expired and needs to be re-appointed by Mayor Poynton for another term. His term will run from 5/01/2023 through 4/30/2025.

Sergeant Colin Gaffney was the only nominee for the active member position on the Board. The Board therefore dispensed with the formal election and declared him re-elected by acclamation. His term will run from 5/01/2023 through 4/30/2025.

Dave Bradstreet was the only nominee for the retiree member position on the Board. The Board therefore dispensed with the formal election and declared him re-elected by acclamation. His term will run from 5/01/2023 through 4/30/2025.

Motion to accept the election results made by Dave Bradstreet, seconded by Colin Gaffney and passed on a voice vote.

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

G. Training Options for 2023

There was a brief discussion on training options for 2023. There are virtual options available, and the in-person October conference will be in Lincolnshire this year, so accommodations will not be needed. Colin and Andy would like to attend in person this year.

H. Spouse Benefits

Andy Sieber advised there is a new law that was passed that states that retirees that get married after retirement and remain married for 5+ years are eligible for a surviving spouse benefit, as long as the spouse is at least 62 years old.

VII. ADJOURNMENT

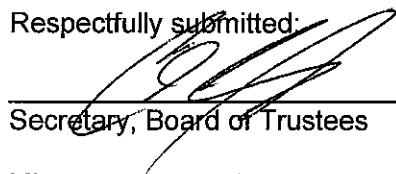
There being no more business to come before the Board, Dave Bradstreet motioned to adjourn the meeting at 9:12 a.m. Motion seconded by Andy Sieber and passed on a voice vote.



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The next meeting will be July 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 7/11/23