



LAKE ZURICH FIREFIGHTERS' PENSION FUND

70 East Main St. ■ Lake Zurich, Illinois 60047

Brian McGill
Trustee

Spencer Cornell
Secretary

Greg Fuchs
Trustee

Pete Penkava
Trustee

Rick Fisk
Trustee

MINUTES OF A REGULAR MEETING OF THE LAKE ZURICH FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES APRIL 19, 2023

A regular meeting of the Lake Zurich Firefighters' Pension Fund Board of Trustees was held on Wednesday, April 19, 2023 at 8:00 a.m. in the Lake Zurich Village Hall located at 70 East Main Street, Lake Zurich, Illinois 60047, pursuant to notice.

CALL TO ORDER: Trustee Cornell called the meeting to order at 8:06 a.m.

ROLL CALL:

PRESENT: Trustees Spencer Cornell, Rick Fisk, Brian McGill, Pete Penkava and Greg Fuchs

ABSENT: None

ALSO PRESENT: Attorney Rick Reimer, Reimer Dobrovolny & LaBardi PC; 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

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *January 18, 2023 Regular Meeting*: The Board reviewed the January 18, 2023 regular meeting minutes. A motion was made by Trustee Fuchs and seconded by Trustee McGill to approve January 18, 2023 regular meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORT: *Sawyer Falduto Asset Management, LLC*: Mr. Falduto presented the Quarterly Report for the period ending March 31, 2023. As of March 31, 2023 the beginning market value is \$251,307 with an ending market value of \$335,104. All questions were answered by Mr. Falduto. A motion was made by Trustee Fisk and seconded by Trustee Fuchs to accept the Quarterly Report as presented. Motion carried unanimously by voice vote.

IFPIF – Statement of Results: The Board reviewed the IFPIF Statement of Results for the period ending February 28, 2023. The beginning value was \$47,871,245.68 and the ending value was \$46,476,870.08. The net return was (2.60%).

IFPIF – Marquette Associates: The Board reviewed the IFPIF Monthly Summary prepared by Marquette Associates for the period ending February 28, 2023. As of February 28, 2023, the one-month total net return was (2.6%) and the year-to-date total net return was 3.0% for an ending market value of \$7,474,009,308. The current asset allocation is as follows: Total Equity at 35.1%, Fixed Income at 28.9%, Real Estate at 4.9%, Cash 1.5%.

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, 2023 prepared by L&A. As of February 28, 2023, the net position held in trust for pension benefits is \$47,002,515.41 for a change in position of \$1,001,497.77. 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, 2022 through February 28, 2023 for total disbursements of \$269,925.53. A motion was made by Trustee Fuchs 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 \$269,925.53 which includes but is not limited to transfers to the consolidated fund, IRS payments and Healthcare payments. Motion carried by roll call vote.

Lake Zurich Firefighters' Pension Fund
Meeting Minutes – April 19, 2023
Page 2 of 4

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

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

Discussion/Possible Action – Cash Management Policy: The Board reviewed the GCM Recurring Withdrawal Instructions for 2023. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to increase the 2023 monthly recurring deposits to \$260,000 from FPIF effective May 14, 2023. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

The Board reviewed the Cash Analysis Projection provided by L&A. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to set the target balance in the Charles Schwab Money Market account at \$275,000 and whenever the balance exceeds \$325,000, a transfer shall be made from the Charles Schwab Money Market account to the BMO Harris Bank account to rebalance back to \$275,000 and send all excess cash to IFPIF for investment purposes. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

FINANCE DIRECTOR'S REPORT: Ms. Sparkowski informed the Board that the municipality provided Sawyer Falduto Asset Management, LLC with a check for \$4,757.83 to true up the 2022 tax levy amount requested by the Lake Zurich Firefighters' Pension Fund. She also noted that the Actuarial Valuation produced by Foster and Foster would be provided to the Board once received.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2022 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, 2023.

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.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Membership – Bryant Munoz:* The Board reviewed the Application for Membership submitted by Bryant Munoz. A motion was made by Trustee Cornell and seconded by Trustee Penkava to accept Bryant Munoz into the Lake Zurich Firefighters' Pension Fund effective January 30, 2023, as a Tier II participant. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFIT: *Approve Regular Retirement Benefits – Mickey Wenzel, Ken Mogge and Steven Norman:* The Board reviewed the regular retirement benefit calculation for Mickey Wenzel prepared by L&A. Division Chief Wenzel had an entry date of February 8, 1993, retirement date of March 3, 2023, effective date of pension of March 4, 2023, 64 years

Lake Zurich Firefighters' Pension Fund
Meeting Minutes – April 19, 2023
Page 3 of 4

of age at date of retirement, 30 years of creditable service, applicable salary of \$144,893.58, applicable pension percentage of 75%, amount of originally granted monthly pension of \$9,055.85 and amount of originally granted annual pension of \$108,670.20. A motion was made by Trustee Fuchs and seconded by Trustee Fisk to approve Mickey Wenzel's regular retirement benefit calculated by L&A and adopt and publish the Decision and Order for Mickey Wenzel. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

The Board reviewed the regular retirement benefit calculation for Ken Mogge prepared by L&A. Firefighter/Paramedic Mogge had an entry date of August 16, 1993, retirement date of August 17, 2023, effective date of pension of August 18, 2023, 54 years of age at date of retirement, 30 years of creditable service, applicable salary of \$107,161.84, applicable pension percentage of 75%, amount of originally granted monthly pension of \$6,697.62 and amount of originally granted annual pension of \$80,371.44. A motion was made by Trustee Cornell and seconded by Trustee Penkava to approve Ken Mogge's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

Post Meeting Note: The Board noted that the retirement dates submitted for Ken Mogge were incorrect and that a revised calculation will be reviewed at the next regular meeting.

The Board noted the regular retirement benefit calculation for Steven Norman is in process. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to approve the regular retirement benefit calculated by L&A upon receipt and subject to review. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

OLD BUSINESS: Reciprocity Update – Joel Fishman: The Board noted that Joel Fishman submitted a request to combine creditable service under reciprocity and that the calculation is currently in process. Further discussion will be held at the next regular meeting.

NEW BUSSINESS: Review/Approve – Northern Trust Maintenance Form – The Board reviewed the Northern Trust Maintenance form removing Trustee Fuchs and adding Trustee Penkava as an account representative on the GCM Passport Portal. A motion was made by Trustee Cornell and seconded by Trustee Fisk to approve the Northern Trust Maintenance form as stated. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

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

Discussion/Possible Action – Authorized Agents and Account Representatives for IFPIF: The Board discussed the Authorized Agents for IFPIF and noted that no changes are necessary at this time.

Review Letter of Credit: The Board reviewed the Federal Home Loan Bank of Chicago Letter of Credit for the Lake Zurich Firefighters' Pension Fund. No action is required at this time.

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.

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.

Military Service Purchase – Joel Fishman: The Board noted that L&A mailed correspondence to Joel Fishman regarding his request to calculate the amount of money due to the Lake Zurich Firefighters' Pension Fund to purchase 24 months of military service time, but no response has been received to date. Further discussion will be held at the next regular meeting.

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: Review, Adopt and Publish Decision and Order – Jeff Grant and Mickey Wenzel: The Board reviewed the Decision and Order prepared by Reimer Dobrovolny & LaBardi PC. A motion was made by Trustee Cornell and seconded by Trustee Fuchs to approve, adopt and publish the Decision and Order for Jeff Grant as presented. Motion carried by roll call vote.

AYES: Trustees Cornell, Fisk, Penkava, McGill and Fuchs
NAYS: None
ABSENT: None

The Board noted that Mickey Wenzel's Decision and Order was reviewed, adopted and published under approval of regular retirement benefits.

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.

ADJOURNMENT: A motion was made by Trustee Fisk and seconded by Trustee Cornell to adjourn the meeting at 9:23 a.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for July 19, 2023 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