



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**

October 10, 2023

The regular meeting of the Lake Zurich Police Pension Board was held on October 10, 2023 at 8:00 a.m. at the Lake Zurich Police Department, 200 Mohawk Trail, Lake Zurich, Illinois.

I. CALL TO ORDER

Andy Sieber called the meeting to order at 8:12 a.m.

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

Also present: John Falduto, Sawyer Falduto Asset Management LLC; Attorney Meganne Trela, Ottosen DiNolfo Hasenbalg & Castaldo, Ltd; Derek Flessner, Lauterbach & Amen; Stephanie Steiner, Police Department Management Assistant; 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 Colin Gaffney to approve the minutes from the regular meeting of the Lake Zurich Police Pension Fund from July 11, 2023. Motion was seconded by Mike Moran and passed upon a voice vote.

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

IV. FINANCIAL/INVESTMENT REPORTS

A. Payment of bills

Andy Sieber explained the following bills have been paid: Lauterbach & Amen \$720.00, 720.00, 720.00 for services, and \$1975.00 for services and the fiscal year 2022 IDOI report; \$376.00, \$470.00, and \$423.00 to Ottosen DiNolfo Hasenbalg & Castaldo, Ltd retainer and general fees; \$550.00 and \$795.00 to IPPFA for conference registration and dues; and \$7,060.00 to the Village of Lake Zurich for the Fund's portion of the 2022 actuarial report.

Motion was made by Mike Moran, seconded by Colin Gaffney, to approve the financial report as presented and passed upon a roll call vote.

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



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B. Lauterbach & Amen: Financial Report

Derek Flessner reviewed the monthly financial report. As of August 31, 2023, the Fund's net position is \$30,530,276.81.

C. Sawyer Falduto Asset Management – Quarterly Report

John Falduto reviewed the Quarterly Investment Report in detail. As of September 30, 2023, the beginning 2023 cash balance market value was \$351,001 and the ending market value was \$550,020. It was noted that since 2009, the Fund's investment return is \$14,834,432.

Motion was made by Colin Gaffney to approve the financial report and quarterly asset management report, seconded by Mike Moran and passed upon a roll call vote.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

D. IPOPIF – Verus Advisory, Inc. Report

No report available at this time.

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 August 31, 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 30,220,682.50, down 2.02% for the month, up 0.49% for the quarter -to-date and up 7.67% year-to-date, and since inception, up 8.37%.

The Board acknowledged receipt of the IPOPIF State Street report.

F. Village Treasurer Report

Amy Sparkowski advised the payroll contributions have been moved to direct deposit. Three more property tax distributions are still scheduled, but 85 percent have been collected already for the police pension.

Amy asked that a board member come to the October 16th meeting instead of the November 6th meeting for the tax levy request. Andy Sieber will attend.

G. Attorney's Report

Attorney Meganne Trela passed out the Pension Insights article for the quarter. She also provided a summary of new legislation that may have an impact on the Fund.

Briefs have been filed on the pending court case and it has been labeled as a high public interest case. She doesn't anticipate any ruling until after the new year, but that could always change.

V. UNFINISHED BUSINESS

A. Cash Management Policy



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

B. IMRF to Downstate Pension Transfer Availability

Andy advised two members requested calculations for their IMRF transfer. The paperwork was completed and the money was received. It took an additional 7 days to receive the money, so there is \$15-20 of interest that wasn't covered. The Board noted that the paperwork was requested in time by the officers, but the checks were dated after the month the financial calculations were made. After a short discussion, it was determined to accept both IMRF transfers paid in full.

A motion to accept both IMRF transfers paid in full for Officer Lonski and Officer Alber was made by Colin Gaffney, seconded by Mike Moran and passed on a roll call vote.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

C. Review of Actuarial Valuation and Tax Recommendation to Village

This item was discussed at the July meeting.

VI. NEW BUSINESS

A. Pension Levy Request Letter to the Village

Attorney Meganne Trela provided a draft tax levy request letter for the Board's review. Colin Gaffney motioned to approve the tax levy request from the Fund as presented in the amount of \$2,305,938.00, seconded by Mike Moran, and approved on a roll call vote. Andy Sieber will present this at the Village Board meeting on October 16, 2023.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

B. Review/Approval of the MCR

Derek Flessner provided a copy of municipal compliance report for review. He noted the recommended municipal contribution of \$2,305,938.00.

Motion was made by Mike Moran to approve the Municipal Compliance Report as presented, seconded by Colin Gaffney and passed on a roll call vote.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

C. Repeat withdrawal from IPOPIF

The Board needs to plan for at least one, if not two retirements in early 2024, plus the 2024 COLAs. It was discussed to set the repeat withdrawal starting November 15th, 2023 at \$225,000 a month for November 2023 and December 2023, and then to \$235,000 a month starting in January 2024.



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Motion was made by Colin Gaffney to approve the revised withdrawals as presented, seconded by Mike Moran and passed upon a roll call vote.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

D. Training

Mike Moran received his training at the recent IPPFA conference. Colin and Andy will be doing the IML training by the end of the year. He will follow up with the other two board members to make sure they complete their required training.

E. Regular Meeting Dates for 2024

The Board approved the following meeting dates for 2024 at 8 a.m. at the Police Department: January 9th, April 9th, July 9th, and October 8th.

Colin Gaffney made a motion to approve the meeting dates as presented, seconded by Mike Moran passed by a voice vote.

AYES: Gaffney, Sieber, Moran

NAYS: None

EXCUSED: Burk, Bradstreet

VII. ADJOURNMENT

There being no more business to come before the Board, Colin Gaffney motioned to adjourn the meeting at 8:57 a.m. Motion seconded by Mike Moran and passed on a voice vote.

The next meeting will be January 9, 2024.

Respectfully submitted:


Secretary, Board of Trustees

Minutes prepared by Management Assistant Steiner

Approved by the Board of Trustees at a meeting held on 01/09/24