



## LAKE ZURICH FIREFIGHTERS' PENSION FUND

70 East Main St. ■ Lake Zurich, Illinois 60047

Brian McGill  
Trustee

Spencer Cornell  
President

Greg Fuchs  
Trustee

Pete Penkava  
Secretary

Rick Fisk  
Trustee

### MINUTES OF A REGULAR MEETING OF THE LAKE ZURICH FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES JULY 17, 2024

A regular meeting of the Lake Zurich Firefighters' Pension Fund Board of Trustees was held on Wednesday, July 17, 2024 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 8:00 a.m.

#### ROLL CALL:

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

**ABSENT:** Trustee Greg Fuchs

**ALSO PRESENT:** Attorney Rick Reimer, Reimer Dobrovolny & LaBardi PC; Tom Sawyer, Sawyer Falduto Asset Management, LLC; Lainie Grabowski, Lauterbach & Amen, LLP (L&A); Finance Director Amy Sparkowski, Village of Lake Zurich; Greg Kiesewetter, Cook Castle Associates, LLC; Heidi Andorfer, Foster & Foster

**PUBLIC COMMENT:** There was no public comment.

**APPROVAL OF MEETING MINUTES:** *April 17, 2024 Regular Meeting:* The Board reviewed the April 17, 2024 regular meeting minutes. A motion was made by Trustee Cornell and seconded by Trustee McGill to approve the April 17, 2024 regular meeting minutes as written. Motion carried unanimously by voice vote.

*Semi-Annual Review of Closed Session Meeting Minutes:* There were no closed session meeting minutes for review.

**INVESTMENT REPORTS:** *Sawyer Falduto Asset Management, LLC:* Mr. Sawyer presented the Quarterly Report for the period ending June 30, 2024. As of June 30, 2024, the beginning market value was \$386,992 with an ending market value of \$597,101. All questions were answered by Mr. Sawyer.

*Statement of Results:* The Board reviewed the Statement of Results for the period ending May 31, 2024. As of May 31, 2024, the beginning value was \$52,514,899.71 and the ending value was \$54,147,417.96. The net return was 3.19%.

*IFPIF – Marquette Associates:* The Board reviewed the IFPIF Monthly Summary prepared by Marquette Associates for the period ending May 31, 2024. As of May 31, 2024, the one-month total net return is 3.2% and the year-to-date total net return is 5.1% for an ending market value of \$8,814,004,471. The current asset allocation is as follows: Total Equity at 65.7%, Fixed Income at 29.4%, Real Estate at 4.4% and Cash 0.6%.

A motion was made by Trustee Fisk and seconded by Trustee Cornell to accept the Sawyer Falduto Asset Management, LLC Quarterly Report as presented. Motion carried unanimously by voice vote.

**ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP:** *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the five-month period ending May 31, 2024 prepared by L&A. As of May 31, 2024, the net position held in trust for pension benefits is \$54,770,579.34 for a change in position of \$1,636,020.08. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report, Quarterly Transfer Report and the Quarterly Disbursement Report for the

period March 1, 2024 through May 31, 2024 for total disbursements of \$44,244.01. A motion was made by Trustee Fisk and seconded by Trustee McGill to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Quarterly Disbursement Report in the amount of \$44,244.01. Motion carried by roll call vote.

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

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

*Discussion/Possible Action – Cash Management Policy:* The Board discussed the cash management policy. A motion was made by Trustee Cornell and Seconded by Trustee Penkava to increase the 2024 GCM recurring deposit to \$300,00 from IFPIF to start in August. Motion carried by roll call vote.

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

The Board reviewed the Cash Analysis Projection provided by L&A. A motion was made by Trustee Cornell and seconded by Trustee Fisk to set the target balance in the Charles Schwab Money Market account at \$300,000 and whenever the balance exceeds \$350,000, a transfer shall be made from the Charles Schwab Money Market account to the BMO Bank account to rebalance back to \$300,000 and be sent to IFPIF for investment purposes. Motion carried by roll call vote.

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

**FINANCE DIRECTOR'S REPORT:** Ms. Sparkowski informed the Board that the Village audit has been completed and that the Village has collected approximately 51% of the tax levy. Ms. Andorfer presented the Village of Lake Zurich's Actuarial Report prepared by Foster & Foster.

**COMMUNICATIONS AND REPORTS:** *Active Member File Maintenance:* The Board noted that L&A prepared Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

**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:** *Applications for Membership – James Sawyer and Zachary Steinhagen:* The Board reviewed the Applications for Membership submitted by James Sawyer and Zachary Steinhagen. A motion was made by Trustee Cornell and seconded by Trustee Penkava to accept James Sawyer and Zachary Steinhagen into the Lake Zurich Firefighters' Pension Fund effective June 18, 2024, as Tier II participants. Motion carried unanimously by voice vote.

**APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS:** *Approve Regular Retirement Benefits – Keith Hohns:* - The Board noted that L&A received a request to calculate the regular retirement benefit for Keith Hohns and that the calculation is in process. A motion was made by Trustee Cornell and

seconded by Trustee McGill to approve the regular retirement benefits for Keith Hohs subject to review of the calculation. Motion carried by roll call vote.

AYES: Trustees Cornell, Penkava, McGill and Fisk

NAYS: None

ABSENT: Trustee Fuchs

**OLD BUSINESS: IDOI Annual Statement:** The Board noted that the finalized report was filed prior to the June 30, 2023 deadline.

**NEW BUSSINESS: Separation of Service – Shaun Stapleton:** The Board noted that Shaun Stapleton separated services from the Lake Zurich Firefighters' Pension Fund July 8, 2024, and to date a contribution refund has not been requested. Updates will be provided as they become available.

*Discussion/Possible Action – Fiduciary Liability Insurance Renewal:* The Board reviewed the fiduciary liability insurance renewal provided by Ullico Casualty Group, LLC through Cook Castle Associates, LLC. A motion was made by Trustee Cornell and seconded by Trustee Penkava to approve payment of the fiduciary liability insurance renewal effective August 1, 2024 through August 1, 2025 in the amount of \$5175.00. Motion carried by roll call vote.

AYES: Trustees Cornell, Penkava, McGill and Fisk

NAYS: None

ABSENT: Trustee Fuchs

*Board Officer Elections – President and Secretary:* The Board discussed Board Officer Elections and nominated the slate of Officers as follows: Trustee Cornell as President and Trustee Penkava as Secretary. A motion was made by Trustee Fisk and seconded by Trustee McGill to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

*FOIA Officer and OMA Designee:* The Board discussed maintaining Trustee Cornell as the FOIA Officer and OMA Designee. A motion was made by Trustee Cornell and seconded by Trustee McGill to maintain Trustee Cornell as the FOIA Officer and OMA Designee. Motion carried unanimously by voice vote.

*Review/Approve – Actuarial Valuation and Tax Levy Request:* The Board reviewed the Actuarial Valuation prepared by Lauterbach & Amen, LLP. A motion was made by Trustee Cornell and seconded by Trustee McGill to accept the Actuarial Valuation as prepared and request a tax levy in the amount of \$3,013,176 from the Village of Lake Zurich, based on the recommended amount stated in the Actuarial Valuation. Motion carried by roll call vote.

AYES: Trustees Cornell, Penkava, McGill and Fisk

NAYS: None

ABSENT: Trustee Fuchs

*Military Service Purchase – David Santoyo:* The Board noted that L&A mailed correspondence to David Santoyo 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: QILDRO Updates – Michael Wiltgen and Brian Blaauw:** Attorney Reimer informed the Board that at the time of the alternate payee's death, the Board was awaiting QILDRO documents and that no QILDRO benefits will be remitted at this time. Updates will be provided as they become available.

The Board noted that QILDRO documentation has been received for Brian Blaauw and placed on file for execution upon his retirement.

*Annual Independent Medical Examination – Aaron O'Brien:* The Board discussed sending Aaron O'Brien for his annual independent medical examination. A motion was made by Trustee Cornell and seconded by Trustee Penkava to authorize the Board Attorney to send Aaron O'Brien for his annual IME. Further discussion will be held at the next regular meeting. Motion carried by roll call vote.

AYES: Trustees Cornell, Penkava, McGill and Fisk

NAYS: None

ABSENT: Trustee Fuchs

*Disability Status Update – Brian Blaauw:* Attorney Reimer informed the Board that he is in the process of coordinating video depositions for the three IME doctors. Updates will be provided as they become available.

*Legal Updates:* Attorney Reimer reviewed the quarterly *Legal and Legislative Update* newsletter with the Board as well as discussed recent court cases and decisions as well as general pension matters.

**NEW BUSSINESS (CONTINUED):** *Review/Adopt – Municipal Compliance Report:* The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Cornell and seconded by Trustee Penkava to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

**CLOSED SESSION, IF NEEDED:** There was no need for closed session.

**ADJOURNMENT:** A motion was made by Trustee Cornell and seconded by Trustee McGill to adjourn the meeting at 9:15 a.m. Motion carried unanimously by voice vote.

The next regular Board meeting is scheduled for October 16, 2024 at 8:00 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on \_\_\_\_\_

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