

**MINUTES OF THE ALGONQUIN POLICE PENSION BOARD
KANE & McHENRY COUNTIES
WILLIAM J. GANEK MUNICIPAL CENTER
2200 HARNISH DRIVE, ALGONQUIN, IL**

WEDNESDAY, JULY 29, 2015

CALL TO ORDER:

President Helgerson called the meeting to order at 5:01 p.m.

ROLL CALL:

Present: President Stan Helgerson, Vice President Smith, Secretary Andrew Doles, Trustee Weber and Trustee Dykstra. Treasurer Michael Kumbera, Recording Secretary Adam Carson and Deputy Treasurer Susan Skillman were also present. Helgerson advised of a quorum.

ADOPT AGENDA:

A motion was made by Doles and seconded by Weber to adopt the agenda. Voice vote: unanimous ayes - motion carried.

PUBLIC COMMENTS:

There were no public comments.

APPROVAL OF MINUTES:

The minutes of the Board meeting held April 29, 2015, were presented for approval. A motion was made by Smith and seconded by Doles to approve the minutes. Helgerson commented the transfer of funds was completed, and the movement of tax money to the equity markets in \$100,000 increments was completed. Voice vote: unanimous ayes - motion carried.

CONSULTANT REPORT:

Mary Tomanek, Graystone Consulting, then provided the second quarter report.

She stated there was a lot of excitement in the market, but ended up fairly flat. She commented that Japan rallied huge and the pace of growth slowed slightly. She added interest rates went up, causing equities to go down, citing utilities. Health care was up 3%, however energy was down 2%. International had a very strong showing for the quarter and year to date. She stated the remainder of the portfolio remains stable and positive year to date.

Mary recommended adding 1% in international funds. She said Japan is doing well and the equity markets are responding favorably.

Helgerson asked Kumbera and Skillman about any new money that was available. Helgerson asked where the \$100,000 went into the equities market. Mary advised \$20,000 EuroPacific; \$32,500 Vanguard Large Growth; \$32,500 Vanguard Large Value;

\$7500 Vanguard Small Cap Value, with \$7500 into RBC. A motion was made by Weber and seconded by Dykstra to approve the transfer and allocation of funds into the equity market of \$100,000 to Mary for investment into the equities market, and the distribution as described by Mary. Voice vote: unanimous ayes - motion carried.

Helgerson advised there was no new money available at this time. Mary advised of the share class conversion letter that allows for lower rates. Helgerson stated the letter has been signed. Helgerson advised the next \$100,000, if available, would be invested into EuroPacific and the second allocation would be distributed as it previously was to keep the asset allocation within balance.

A motion was made by Doles and seconded by Weber to authorize the treasurer to move \$100,000 of new money (when funds are available) to Mary for investment into the equities market, with the first \$100,000 going to EuroPacific and the second allocation being distributed equally. Voice vote: unanimous ayes - motion carried.

VILLAGE TREASURER'S REPORT:

Helgerson wanted to highlight the asset audit total ending April 30 (end of fiscal year) was \$21,605,686. A motion was made by Smith and seconded by Doles to approve the report through April 30, 2015. There was no discussion. Voice vote: unanimous ayes - motion carried.

The Monthly Financial Report prepared by Lauterbach & Amen, LLP was presented to the Board for review, through June 30, 2015. A motion was made by Dykstra and seconded by Doles to approve the treasurer's report through June 30, 2015. There was no discussion. Voice vote: unanimous ayes - motion carried.

ATTORNEY'S REPORT:

None at this time.

APPROVAL OF BILLS:

The total bills and vendor and pension payments for April through June 2015 are as follows: \$196,203.66. The treasurer advised the details were in the report. A motion was made by Weber and seconded by Doles to approve the payment of bills, check register, and wire transfers through June 2015. A roll call vote was taken with all ayes and no nays.

REQUEST FOR BENEFITS:

None at this time.

CLOSED SESSION:

None at this time.

NEW BUSINESS:

The election of Board Officers was next presented. Helgerson advised of four positions: President, Vice President, Secretary and Assistant Secretary. Doles made a motion to

keep the same slate: Helgerson as President; Smith as Vice President; Doles as Secretary; and Dykstra as Assistant Secretary and Weber seconded the motion. There was no discussion. Voice vote: unanimous ayes - motion carried.

The draft actuarial report was next presented. Helgerson advised the final report is forthcoming and there was a dramatic increase in funding requirement, due to the actuary changing the tables that were being used. 50% increase from \$1.2 million to \$1.8 million. Helgerson advised this was information only and no action was needed at this time.

OLD BUSINESS:

The status update of transfer of creditable service was discussed for Officer Amanda Olsta. Helgerson stated she had approximately 4 years and 4 months of creditable service at Taylorville Police Department and can transfer that time based on calculations from the actuary, and true up the fund, totaling \$29,452. Olsta asked to buy back the time over a five-year period through a payroll deduction at a rate of 6% interest, per statute. Helgerson advised the attorney drafted an agreement to lock Olsta into the five-year cycle. Doles made a motion to allow Olsta to buy back 52 months of service from Taylorville, at a cost of \$29,452 and to authorize the President to and Secretary to sign the formal agreement with Olsta to buy back the time at a 6% interest with a payroll deduction for a five-year period. Dykstra seconded the motion. Discussion included when credit was given, and if she would be eligible to transfer the time at a later date. Voice vote: unanimous ayes - motion carried.

Helgerson requested a letter be sent to Taylorville requesting \$40,970.58 for the transfer amount and advise if the agreement over a five-year period. Smith made the motion and Weber seconded the motion. Voice vote: unanimous ayes - motion carried.

TRAINING:

Open Meetings Act Training was next discussed. Smith and Dykstra advised they both completed their training.

Doles asked about the training in September, and requested to attend it in St. Charles.

NEXT QUARTERLY MEETING:

The next Police Pension Board meeting is scheduled for October 28, 2015 at 5:00 p.m., however the date may be changed to November.

ADJOURNMENT:

There being no further business, it was moved by Weber and seconded by Doles to adjourn. Voice vote: unanimous ayes – motion carried.

The meeting adjourned at 5:52 p.m.

Respectfully submitted,

Andrew Doles, Secretary
Algonquin Police Pension Fund

Minutes prepared by Adam Carson, Recording Secretary.

Approved by the Board of Trustees at its meeting held on November 4, 2015.