

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

WEDNESDAY, JANUARY 27, 2021

The Police Pension Board Meeting was held remotely, via a zoom call, due to the Governor's order restricting gatherings of people in an effort to minimize the potential spread of COVID-19.

CALL TO ORDER:

President Helgerson called the meeting to order at 5:04 p.m.

ROLL CALL:

Present: President Stan Helgerson, Vice President Brian Smith, Trustee Andrew Doles, Trustee Andrew Dykstra, and Trustee Art Weber. Assistant Village Manager Michael Kumbera, Mary Tomanek of Graystone Consulting and Recording Secretary Adam Carson were also present. Matthew Bajor also attended the meeting. A quorum was established.

ADOPT AGENDA:

A motion was made by Doles and seconded by Dykstra to adopt the agenda. A roll call vote was taken with all ayes and no nays. Motion carried.

PUBLIC COMMENTS:

None at this time.

APPROVAL OF MINUTES:

The meeting minutes of the meeting held November 4, 2020, were presented for approval. A motion was made by Weber and seconded by Doles to approve the minutes. A roll call vote was taken with all ayes and no nays. Motion carried.

APPOINTMENTS:

None at this time.

CONSULTANT REPORT:

Mary Tomanek then provided the 2020 fourth quarter summary. She stated there was great news that the S&P 500 was up 18%, with most sectors being positive. She highlighted the 44% increase in technology, but noted that there was a 34% decrease in energy for an 80% spread, which is very rare.

She advised the calendar year to date return was at 14.25%, and 9.25% for the fourth quarter. Fixed income calendar year to date came in at 8.5, with equities for this quarter at 14.5%. She advised that CI Financial Group was moving with the purchase of Segall Bryant, but she did not believe this would impact how the money is being managed, adding that this is good as there are more investment opportunities. She continued and advised that Invesco European Growth was struggling and that it will be monitored for the time being.

She advised of the allocation in the funds being 68% in equities and 32% in fixed income, and advised a need for rebalancing, per the investment policy. President Helgerson advised that the equities were only over by 3%, and that any rebalancing could be addressed at the April meeting when new money becomes available.

Mary formally asked for the fund to be listed as a reference for the consolidation process, and to represent the combined funds. The Board had no objection and agreed to be listed as a reference.

A motion was made by Dykstra and seconded by Doles to approve the fourth quarter financial report, through December 31, 2020 as presented. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

VILLAGE TREASURER'S REPORT:

Kumbera advised the total fund assets ending December 31, 2020 was \$41,782,115.90. A motion was made by Weber and seconded by Doles to approve the treasurer's report through December 31, 2020. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

APPROVAL OF BILLS:

The total pensions check register payments October 2020 through December 2020 is \$386,599.99. The total vendor check registers October 2020 through December 2020 is \$61,831.07 with the total amount being \$448,430.66. A motion was made by Doles and seconded by Weber to approve the payment of bills. A roll call voice vote was taken with all ayes and no nays – motion carried.

REQUEST FOR BENEFITS:

The annual annuitant increases were presented to the Board, effective January 1, 2021. President Helgersen advised this was a statutory increase. A detailed list of eligible pensioners was provided by Lauterbach & Amen (L&A), with a formal approval being needed. A final report was issued by L&A that showed no changes to the increases presented at the October meeting.

CLOSED SESSION:

None at this time.

NEW BUSINESS:

Two new officer's application for acceptance into the fund were received. Officer Brian Landreville and Officer Steven Trefilek were both hired on January 12, 2021 and are Tier II members. A motion was made by Doles and seconded by Weber to accept both of them into the fund, effective January 12, 2021. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

The Fiscal Year 2021/2022 Budget was presented to the Board for review. A motion was made by Weber and seconded by Doles to accept the Fiscal Year 2021/2022 Budget as presented. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

The Mesirov Financial Liability Insurance Policy Renewal was next presented to the Board. The Board was advised there was no changes in the premium amount of \$3993.00. A motion was made by Doles and seconded by Dykstra to make payment for the policy renewal. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

The Board was notified and reminded to be looking for the pending correspondence for the economic interest statements that are due in May.

The Attorney Engagement Letter was next presented to the Board. President Helgersen advised of a new attorney that would be representing the Board, James Wargo. He advised there were no changes in the agreement or changes in policy or hourly rates. A motion was made by Doles and seconded by Dykstra to approve the attorney engagement letter from the legal firm. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

The tax levy requested amount was next presented to the Board. The amount of money requested was \$2,279,056.00, and the amount approved was \$2,280,000.00, which was approved by the village board in December 2020.

President Helgerson advised the Board of the spring elections that need to be completed before the April meeting. Trustee Doles position is up for re-election, and he advised that he would be running for the position again. Doles continued and advised that he would have the election completed before the April meeting.

The annual servicer certification was tabled until the April meeting.

The Investment Consultant Search Disclosure was received by the Board from Morgan Stanley.

President Helgerson next presented information about the fund consolidation. He advised the police side is still in the process of hiring consultants and expects that some money will start being moved in eight months. Doles advised that correspondence had been received from a law firm, contesting the consolidation process. Discussion included the cost to the fund if joined would be \$20,000.00, for trying to save \$30,000.00. President Helgerson advised that it does not have much traction, from an unknown law firm.

OLD BUSINESS:

The service credit purchase update was provided for two members. Correspondence was received from L&A that Officer Dykstra had paid in full his purchase of two years of military time changing his hire date from March 28, 2006 to March 28, 2004. A motion was made by Doles and seconded by Weber to approve the military buy back time for Officer Dykstra. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

The transfer of creditable service for Officer Olsta was also completed. Correspondence from the Taylorville Police Pension Fund showed \$40,970.58 transferred to the Algonquin Police Pension Fund. L&A calculated the true value at \$70,423.00, leaving a balance of \$29,452.42. Officer Olsta paid the balance in full, thereby transferring all of her time in Taylorville to Algonquin. This changes her hire date from January 2, 2015 to April 21, 2010. A motion was made by Doles and seconded by Smith to approve the transfer of creditable service for Officer Olsta. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

TRAINING:

President Helgerson advised the Board of the required eight hours of training for this year. Discussion included everyone attending the IPPFA training, which covered the mandatory four-hour consolidation training mandate.

NEXT QUARTERLY MEETING:

The next scheduled meeting is set for April 28, 2021, at 5:00 p.m.

ADJOURNMENT:

There being no further business, it was moved by Doles and seconded by Weber to adjourn. A roll call vote was taken with all ayes – motion carried.

The meeting adjourned at 6:02 p.m.

Respectfully submitted,

Andrew Doles, Secretary
Algonquin Police Pension Fund

Stan Helgerson, President
Algonquin Police Pension Fund

Minutes prepared by Adam Carson, Recording Secretary.

Approved by the Board of Trustees at its meeting held on April 28, 2021.