

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

WEDNESDAY, APRIL 26, 2017

CALL TO ORDER:

President Helgerson called the meeting to order at 5:02 p.m.

ROLL CALL:

Present: President Stan Helgerson, Vice President Brian Smith, Secretary Andrew Doles, Trustee Andrew Dykstra and Trustee Art Weber. Treasurer Michael Kumbera, Deputy Treasurer Susan Skillman, Carolyn Clifford, Fund Attorney, and Recording Secretary Adam Carson were also present. Mary Tomanek arrived shortly after the meeting started.

ADOPT AGENDA:

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

PUBLIC COMMENTS:

There were no public comments.

APPROVAL OF MINUTES:

The minutes of the meeting held January 25, 2017, were presented for approval. A motion was made by Doles and seconded by Weber to approve the minutes. Voice vote: unanimous ayes - motion carried. President Helgerson abstained from the vote.

APPOINTMENTS:

No appointments at this time.

VILLAGE TREASURER'S REPORT:

Kumbera advised the asset total ending March 31, 2017 was \$25,459,358.76. A motion was made by Dykstra and seconded by Doles to approve the financial report through March 31, 2017 . Voice vote: unanimous ayes - motion carried.

APPROVAL OF BILLS:

The total pensions check register payments January 2017 through March 2017 is \$252,253.80. The total vendor check registers January 2017 through March 2017 is \$82,818.86, with the total amount being \$335,072.66. A motion was made by Doles and seconded by Dykstra to approve the payment of bills. A roll call vote was taken with all ayes and no nays.

REQUEST FOR BENEFITS:

Helgerson advised of a request for benefits from Joy Montgomery, in the form of a retirement application. He continued and stated it would be a deferred retiree. She being only 42 years old, she will be unable to draw the pension for eight years. Helgerson requested the pension calculation be completed, but no action was required at this time.

A refund application was also received from Josh Latina. Kumbera projected an end of service date being May 12, 2017, with approximately \$65,000 being refunded. Helgerson advised Lauterbach & Amen will have the authority to complete the payout and the final amount, probably early June, would be ratified at the next meeting.

CONSULTANT REPORT:

Mary Tomanek, Graystone Consulting, provided the 2017 first quarter summary. She advised it was a great quarter overall, and things are looking up. Equities posted a strong performance, especially in the technology sector. Energy lagged with the decline of oil prices. The fund did just over 3.5% for the quarter. She continued and stated with the government increased interest rates because the economy is doing better, and expects two more increases before the end of 2017.

Fixed income came in just below the benchmark, and she said to keep an extra watch on Cohen & Steers Reality. Equities currently stand at 60% and Fixed Income is at 40% of the portfolio.

Tomanek advised of extra money from dividends and interest in the US Bank account. She recommended moving \$100,000 from US Bank to EuroPacific International Fund. A motion was made by Dykstra and seconded by Weber to invest \$100,000 from US Bank into the EuroPacific International Fund. There was no further discussion. A roll call vote was taken with all ayes and no nays. Motion passed.

A motion was made by Doles and seconded by Dykstra to accept the investment report as presented. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

CLOSED SESSION:

None at this time.

NEW BUSINESS:

Dykstra presented the trustee election results, advising Doles ran unopposed. Helgerson advised this can be ratified. Clifford stated the Board can dispense with the formal election declare the only nomination by acclimation. A motion was made by Dykstra and seconded by Smith to dispense with the formal election declare the only nomination by acclimation. A voice vote was taken with all ayes and no nays.

Doles advised of the retiree/disabled eligible election. Weber was also re-elected with Schinkel receiving one vote. Clifford advised of the majority votes went to the incumbant. A motion was made by Smith and seconded by Doles to ratify the election results for the beneficiary member. A voice vote was taken with all ayes and no nays.

Doles presented concerns about the Lauterbach & Amen agreement for affidavits of continued eligibility service. He advised he sends out information to former members and the mail is returned and he does not receive updated contact information. He continued and advised Lauterbach & Amen provides a service for \$300.00 per year to verify information of via a notary form. Helgerson stated it is a service that they provide, and ultimately payments can be stopped from being issued if updated information is not received. A motion was made by Doles and seconded by Dykstra to add the services of Lauterbach & Amen for the verification of each member receiving benefits. A roll call vote was taken with all ayes and no nays. Motion passed.

The consideration of a records retention policy was next discussed. Helgerson advised the Department of Insurance recommends that the fund have a records retention policy. A drafted policy was created, and is currently under review by Clifford. She stated it looks good at face value, with some small changes. A motion was made by Dykstra and seconded by Smith to approve the records retention policy with the minor recommended changes. A voice vote was taken with all ayes and no nays. Motion passed.

The Board received two applications for membership into the fund. David Gough, a new officer, currently at the academy, was hired March 28, 2017 with a date of birth of January 12, 1993, as a Tier II

member. A motion was made by Doles and seconded by Weber to accept him into the fund. A voice vote was taken with all ayes and no nays. Motion passed.

The second applicant, Phillip Nicholson, with a hire date of March 28, 2017 and a date of birth of July 27, 1990, also presented an application into the fund, as a Tier II member. A motion was made by Doles and seconded by Dykstra to accept him into the fund. A voice vote was taken with all ayes and no nays. Motion passed.

Helgerson next stated Lauterbach & Amen provides a Participant Board Report for the Board. He stated no action is required, just that the Board received. Helgerson advised there is good information in the report and recommended the Board review the report.

Doles presented information on a revised application for retirement benefits. Doles requested the form be simplified, as it asks for years, days, and hours of service, and the Board is concerned about whole years of service. Doles received information from the Board about the breakdown of the time of service and the need for it, regarding breaks in service and leaves of absence. He also wanted to remove the probationary period statement on the application. Clifford advised she would provide some updated forms for the Board to use.

OLD BUSINESS:

Doles asked if everyone completed their Economic Interest Statements. The Board advised everyone had completed their statements.

TRAINING:

Helgerson advised he would be attending training next week in Itasca, and that Judson College offers on-line training along with IPPFA.

NEXT QUARTERLY MEETING:

The next Police Pension Board meeting is tentatively scheduled for July 26, 2017 at 5:00 p.m.

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 5:48 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 July 26, 2017.*