

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

**WEDNESDAY, JULY 31, 2019**

**CALL TO ORDER:**

President Smith called the meeting to order at 5:00 p.m.

**ROLL CALL:**

President Stan Helgerson, Vice President Brian Smith, Trustee Andrew Doles, Trustee Art Weber, and Trustee Andrew Dykstra. Village Treasurer Michael Kumbera, Deputy Treasurer Susan Skillman, Investment Consultant Mary Tomanek, and Actuary Todd Schroeder were also present.

**ADOPT AGENDA:**

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

**PUBLIC COMMENTS:**

None at this time.

**APPROVAL OF MINUTES:**

The meeting minutes of the meeting held April 24, 2019, were presented for approval. A motion was made by Doles and seconded by Dykstra to approve the minutes. Voice vote: unanimous ayes - motion carried.

**APPOINTMENTS:**

Treasurer Kumbera reported that Stan Helgerson was re-appointed to the Police Pension Board by the Village Board at their meeting on May 7, 2019. The appointment will run to May 2021.

**CONSULTANT REPORT:**

Mary Tomanek then provided the 2019 second quarter summary advising that the markets continued their recent strong performance in the second quarter. Overall, the fund was up at a return of 3.88 percent for the second quarter and 13.47 percent year-to-date.

Discussion involved new money availability for the upcoming property tax distribution. A motion was made by Doles and seconded by Dykstra to authorize the Village Treasurer to invest new money in \$100,000 increments based on the following fund allocation: 35% Segal Bryant; 21% Vanguard Growth Index; 21% Vanguard Value Index; 7% RBC Small Growth; 7% Vanguard Small Value; and 9% Europacific. There was no further discussion. A roll call vote was taken with all ayes and no nays - motion carried.

A motion was made by Doles and seconded by Weber to approve the consultant's report as presented. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

Todd Schroeder of Lauterbach and Amen presented a draft version of the actuarial funding report for the contribution year of May 1, 2019 to April 30, 2020. The recommended contribution for the upcoming period will be \$2,067,570, which is an increase of \$83,033 from the current period. This was calculated using the Fund's new layered funding model, which has a target of 100 percent funding by 2033. The funded status for the police pension fund is 67.8% on an actuarial value of assets basis, which is up 2.22% from last year. The Fund added 6 new active Members in the current year through hiring, 1 of whom terminated employment within the current year. There was 1 member of the Fund who retired during the year. There were 2 non-vested Members of the Fund who terminated employment during the year, 1 of whom was hired within the current year. One Member took a refund. The total market value of assets for the Fund is \$31,767,438.

President Helgerson advised the Board that a final version of the report will be presented on October for formal approval at which time the Board will submit a formal letter to the Algonquin Village Board with a recommended contribution of 2,067,570 for tax levy purposes.

**VILLAGE TREASURER'S REPORT:**

Kumbera advised the asset total ending June 30, 2019 was approximately \$33.0 million, adding this was up from March at the end of last quarter. A motion was made by Doles and seconded by Weber to approve the financial report through June 30, 2019. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

**APPROVAL OF BILLS:**

The total pension check register payments April 2019 through June 2019 is \$303,636.59. The total vendor check registers April 2019 through June 2019 is \$55,444.88, with the total amount being \$359,081.47. A motion was made by Doles and seconded by Weber to approve the payment of bills. A roll call vote was taken with all ayes and no nays – motion carried.

**REQUEST FOR BENEFITS:**

Robert Eicherl, over age 50 and Tier I, submitted a request for benefits, with 26 years, equaling a 65.0% pension. The retirement date will be effective June 21, 2019. His current annual salary is \$103,092.72 with \$67,010.28 annual projected pension. A motion was made by Doles and seconded by Weber to award a pension in the amount of \$67,010.28, effective June 22, 2019, pending any adjustments. A roll call vote was taken with all ayes and no nays.

Anthony Falbo, over age 50 and Tier I, submitted a request for benefits, with 30 years, equaling a 75.0% pension. The retirement date will be effective August 1, 2019. His current annual salary is \$103,092.72 with \$77,319.60 annual projected pension. A motion was made by Doles and seconded by Weber to award a pension in the amount of \$77,319.60, effective August 2, 2019, pending any adjustments. A roll call vote was taken with all ayes and no nays.

President Helgerson advised the Board the Kimberly Montgomery is a deferred pensioner and will not receive a retroactive payment due to the approval of the collective bargaining agreement for Police Officers, however, a new benefit calculation will occur to reflect the deferred pensioner's actual final salary at the date of retirement.

Nathaniel Stenger received a temporary non-duty disability payment between February 8, 2018 and March 14, 2018 in the amount of \$4,816.43. This amount was recalculated to reflect his actual salary during this period due to the approval of a collective bargaining agreement for Police Officers. Accordingly, his new benefit total for this period was \$4,924.77 and Stenger is due a \$108.34 retroactive payment for this time. A motion was made by Doles and seconded by Weber for a retroactive payment of \$108.34 to be paid to Nathaniel Stenger. A roll call vote was taken with all ayes and no nays.

**CLOSED SESSION:**

None at this time.

**NEW BUSINESS:**

The Board discussed the Election of Officers. A motion was made by Doles and seconded by Weber to keep the same slate of officers: President Helgerson, Vice President Smith, Secretary Trustee Doles, and Assistant Secretary Trustee Dykstra. A voice vote was taken with all ayes and no nays. Motion passed.

President Helgerson advised that Lauterbach and Amen has requested the Board to revise its service agreement with the firm that was originally approved in 2017. The changes are not substantive in nature. A motion was made by Doles and seconded by Dykstra for approval. A roll call vote was taken with all ayes and no nays.

The acceptance of three new members were presented to the Board:

Officer Adrian Vergara, hire date May 7, 2019, a tier 2 employee. His date of birth is June 14, 1990. A motion was made by Doles and seconded by Weber to accept Adrian Vergara into the fund. A roll call vote was taken with all ayes and no nays. Motion passed.

Officer Joseph Cisneros, hire date May 7, 2019, a tier 2 employee. His date of birth is February 28, 1995. A motion was made by Doles and seconded by Weber to accept Joseph Cisneros into the fund. A roll call vote was taken with all ayes and no nays. Motion passed.

Officer Cassandra Velazquez, hire date May 21, 2019, a tier 2 employee. Her date of birth is December 8, 1992. A motion was made by Dykstra and seconded by Doles to accept Cassandra Velazquez into the fund. A roll call vote was taken with all ayes and no nays. Motion passed.

**OLD BUSINESS:**

Treasurer Kumbera advised the Board that the pension attorney's office and Graystone Consultant have come to terms with an investment consultant agreement. There were some substantial edits that warranted another review and approval by the Board. Once the agreement is approved and countersigned, it will be filed with the Illinois Department of Insurance. A motion was made by Dykstra and seconded by Doles for approval. A roll call vote was taken with all ayes and no nays.

President Helgerson advised the Board that the pension attorney's office has prepared a revised rules and regulations packet for the Police Pension Board which will be sent to all members for review and consideration at their October meeting.

**TRAINING:**

The Board discussed upcoming training events and were reminded to submit their certificates upon completion.

**NEXT QUARTERLY MEETING:**

The next Police Pension Board meeting is scheduled for October 23, 2019 at 5:00 p.m.

**ADJOURNMENT:**

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

The meeting adjourned at 6:03 p.m.

Respectfully submitted,

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Andrew Doles, Secretary

Algonquin Police Pension Fund

*Minutes prepared by Michael Kumbera, Village Treasurer.*

*Approved by the Board of Trustees at its meeting held on October 23, 2019.*