

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

WEDNESDAY, JULY 27, 2022

CALL TO ORDER:

President Helgerson called the meeting to order at 5:00 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, Amanda Lichtenberger, Deputy Treasurer, and Recording Secretary Adam Carson were also present. Kevin Cavanaugh, Lautherbach & Amen (L&A) attended via Zoom. A quorum was established.

ADOPT AGENDA:

A motion was made by Doles and seconded by Weber to adopt the agenda as presented. A voice 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 April 27, 2022, were presented for approval. A motion was made by Doles and seconded by Smith to approve the minutes. A voice vote was taken with all ayes and no nays - motion carried.

APPOINTMENTS:

Vice President Smith's re-appointment was confirmed with the Board from May 2022 through May 2024.

CONSULTANT REPORT:

Kevin Cavanaugh from L&A provided a review of the draft actuarial report. He noted there has been a year over year reduction in unfunded liability, and presented tax levy request amounts. The tax levy request will be presented at the next meeting as the report is still in draft form.

VILLAGE TREASURER'S REPORT:

Kumbera advised the total fund assets ending May 31, 2021 was \$42,787,032.00, a decrease of \$2,502,930.20 from last quarter. A motion was made by Doles and seconded by Weber to approve the treasurer's report through May 31, 2021. There was no further discussion. A voice vote was taken with all ayes and no nays - motion carried.

A review of the 12-month cash flow projection was next discussed. The Board was advised that L&A had approximately \$900,000.00 available to be moved to IPOPIF. Helgerson advised that the Board needed to control and maintain enough cash flow to make the necessary benefit payments. He continued and stated that at this time, the contributions being received were enough and there was not a need to request additional funds.

The complete transfer of funds was completed on June 1, with the exception of the cash position of the fund. Helgerson advised there has been some complications in completing this. He advised there was approximately \$2.25 million that needs to be transferred to the Illinois Funds account.

A motion was made by Helgerson and seconded by Doles to authorize the Village Treasurer to work with Mary Tomanek (Graystone Consulting) to gather the required paperwork to close the safe keeping account and transfer the funds from US Bank to the Illinois Funds account. Doles inquired if all the money needed to be moved and Helgerson advised that the money was above the necessary cash flow need. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

Helgerson advised that once the money is moved, he wanted to authorize the Village Treasurer to move that money over the course of three months in \$750,000.00 increments with the balance of the funds in the last month to IPOPIF. A motion was made by Weber and seconded by Doles to authorize the Village Treasurer to move the money in \$750,000.00 increments over the course of three months with the balance of the fund on the third transfer to the IPOPIF, when able to do so. Helgerson added that once this money is moved, 100% of the portfolio will be moved over IPOPIF. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

Helgerson revisited the cash flow discussion, requesting to move \$305,000.00 per month over a three-month period to the IPOPIF, once able to do this, with the caveat if there is a need to retain money for benefit payments, to stop and hold off making the monthly transfer. A motion was made by Doles and seconded by Dykstra to move \$305,000.00 per month over a three-month period to the IPOPIF, once able to do this, with the caveat if there is a need to retain money for benefit payments, to stop and hold off making the monthly transfer. There was no further discussion. A roll call voice vote was taken with all ayes and no nays - motion carried.

APPROVAL OF BILLS:

The total pensions check register payments April 2022 through June 2022 is \$382,872.30. The total vendor check registers for April and May 2022 (June 2022 was not available) are \$68,971.70 with the total amount being \$451,844.00. A motion was made by Weber and seconded by Dykstra to approve the payment of bills. A roll call voice vote was taken with all ayes and no nays – motion carried.

REQUEST FOR BENEFITS:

None at this time.

CLOSED SESSION:

None at this time.

NEW BUSINESS:

The election of officers was presented for discussion. A motion was made by Doles and seconded by Dykstra to keep the same slate of officers. A voice vote was taken with all ayes and no nays – motion carried.

The tax levy request for 2022 was put on hold until the October meeting, due to waiting on the final Actuarial Report.

The village treasurers annual statement ending April 30, 2022 was next presented. Village Treasurer Kumbera advised this document reporting was statutorily required, which shows that all monies were received for pensions from the village. Helgerson advised receipt of the documentation.

The transfer of the IPOPIF transfer of assets was discussed earlier in the meeting.

The review and approval of the resolution appointing account representatives for Enterprise Cash Flow model for the fund, allowing three authorized people for this model, Michael Kumbera, Susan Skillman, and Amanda Lichtenberger. Helgerson advised that the list will include staff at this time, however, money transfers will need approval from the Board President or the Vice President. A motion was made by Dykstra and seconded by Weber

to approve the three staff members as account representatives. A voice vote was taken with all ayes and no nays – motion carried.

The review of the Enterprise Cash Flow Module for the State Street access form, with the same three staff members. A motion was made by Doles and seconded by Weber to approve the three staff members as account representatives. A voice vote was taken with all ayes and no nays – motion carried.

The Board was provided with a brief update on the pension litigation. Helgerson advised that the judge advised it was constitutional and that the money will need to be moved. He continued and advised that there has not been any new movement and that the decision had been appealed, however that could take between six and eight months.

OLD BUSINESS:

The Board was advised about rescinding the investment policy from the Board’s Rules and Regulations, as the Board no longer has any control over the investments, and adding language about the cash management policy. A motion was made by Helgerson and seconded by Doles to rescind the investment policy from the Board’s Rules and Regulations, and add language about the cash management policy. A voice vote was taken with all ayes and no nays – motion carried.

The amendments and termination of the investment professional contracts was next presented. Helgerson advised that all contracts with Graystone Consulting and the fixed income manager have been completed, and there were no longer any contracts with these investment groups.

TRAINING:

Board members advised they were all caught up on training, and being advised of additional training in October in Oak Brook, and more training planned for the spring in Galena. Helgerson reminded the Board of the required eight hours of training needed.

NEXT QUARTERLY MEETING:

The next scheduled meeting is set for October 26, 2022, all at 5:00 p.m.

ADJOURNMENT:

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

The meeting adjourned at 5:47 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 October 26, 2022.*