

Galesburg Police Pension Fund Board of Trustees Regular Meeting
Erickson Conference Room, City Hall
55 West Tompkins Street, Galesburg, Illinois
April 29, 2025
9:00 a.m.

Call to order by President Chris Hootman at 9:00 a.m.

Roll Call #1: Present: Kelli Bennewitz, Dave Christensen, Chris Hootman, and Curt Kramer. Also Present: Alex Courtney, City Manager Eric Hanson, Finance Director Jen O'Hern, and Phyllis Gau (via Google Meet). Absent: Mike Ingles.

Dave Christensen moved, seconded by Curt Kramer, to approve the minutes from the January 28, 2025, meeting.

Roll Call #2:

Ayes: Bennewitz, Christensen, Hootman, and Kramer, 4.

Nays: None

Absent: Ingles, 1.

Chairman declared the motion carried.

Curt Kramer moved, seconded by Kelli Bennewitz, to approve the following slate of officers:

Chris Hootman — President

Mike Ingles — Vice President

Kelli Bennewitz — Secretary

Dave Christensen — Assistant Secretary

Roll Call #3:

Ayes: Bennewitz, Christensen, Hootman, and Kramer, 4.

Nays: None

Absent: Ingles, 1.

Chairman declared the motion carried.

David Murciano, Lauterbach & Amen, presented the Police Pension Fund Report for the fiscal year ending December 31, 2024. Highlights included:

- Recommended contribution is \$4,085,339, an increase of 4.16% or \$163,305
- 54.12% funded
- Three members were hired during the year, which increased the Recommended Contribution by approximately \$24,200.
- One member retired during the year, decreasing the Recommended Contribution by approximately \$5,000.
- Three members terminated employment during the year, which decreased the Recommended Contribution by approximately \$27,700.

- One retiree passed away during the year, who had an eligible surviving spouse. Also, there was one surviving spouse who passed away during the year. There were 60 inactive members who continued to collect benefits. This decreased the Recommended Contribution by approximately \$45,600.
- Benefit payments are anticipated to increase 27% in the next five years and 43% in the next 10 years.
- Total Active Members — 53
- Total Inactive Members — 82
- The Rate of Return on investments was approximately 14.13% net of administrative expense with the expected rate of return on investments at 6.75%.

Mr. Murciano explained the following Assumption Changes:

- In the current valuation, the following assumptions were changed:
 - Inflation Rate (CPI-U)
 - Individual Pay Increases
 - Retirement Rates
 - Termination Rates
 - Disability Rates
 - Mortality Rates
 - Mortality Improvement Rates
 - Duty Death Probability

He added that in the current valuation, the individual pay increases assumption has been updated based on a review of the wage schedule between the City and the PSEO for the period of January 1, 2025, through December 31, 2025. He also noted that this report and Recommended Contribution will change and be updated when the fund receives an extra \$1,000,456 from the City.

Mike Ingles entered the meeting at 9:16 p.m.

Alex Courtney, Courtney & Aldrich, LLC, presented a final financial statement for the fund ending December 31, 2024. At the time it was presented, he had noted that it was a draft due to the fact that after review and confirmation from the City's external audit firm, there would be an additional payment coming from the General Fund. He added that this payment is noted on the Statement of Fiduciary Net Position report as due from the City of Galesburg. The payment will be \$1,000,456.

Courtney presented the statement as of March 31, 2025, with total assets at \$37,963,609 and total liabilities of \$323,322. The net position-restricted pension benefits is \$37,640,287. He also provided the secretary a transaction report for the period of January–March 2025.

Curt Kramer moved, seconded by Dave Christensen, to receive the quarterly report.

Roll Call #4:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Phyllis Gau presented the Galesburg Police Variable Annuities as of March 31, 2025, showing an ending value of \$25,735,160 and a total death benefit of \$29,965,401. A copy of the portfolio review has been attached to this official record.

Dave Christensen moved, seconded by Curt Kramer, to receive the Portfolio Review from Morgan Stanley.

Roll Call #5:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

New Business:

Dave Christensen moved, seconded by Curt Kramer, to approve the retirement of Police Chief Russell Idle as of March 24, 2025. His monthly annuity will be \$10,113.45 until his 55th birthdate in 2027.

Roll Call #6:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Kelli Bennewitz moved, seconded by Dave Christensen, to approve the admission of new Police Officers Aaron Carl, and Steven Hall, both Tier II, into the Pension Fund.

Roll Call #7:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Mike Ingles moved, seconded by Dave Christensen, to approve the request for refund of pension contributions from former Police Officer Jorge Perez in the amount of \$3,705.02.

Roll Call #8:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Kelli Bennewitz moved, seconded by Dave Christensen, to approve a one-year contract with Courtney & Aldrich, LLC, to provide account services for the pension fund.

Roll Call #9:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Curt Kramer moved, seconded by Mike Ingles, to receive the Independent Accountant's Report on applying agreed-upon procedures conducted by Lauterbach & Amen, LLP.

Roll Call #10:

Ayes: Bennewitz, Christensen, Hootman, Ingles, and Kramer, 5.

Nays: None

Absent: None

Chairman declared the motion carried.

Certified Trustee Training

Public Comment

None.

There being no further business, the meeting adjourned at 10:00 a.m.

Chris Hootman, President

Kelli R. Bennewitz, Secretary