



**MINUTES OF A REGULAR MEETING
OF THE BOARD OF TRUSTEES OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
FEBRUARY 11, 2019**

The regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held on Monday, February 11, 2019 at 9:15 am at the Fire Department Headquarters Conference Room, 909 Lake Street, Evanston, Illinois, for the purpose of conducting regular business, pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:18 am.

ROLL CALL:

PRESENT: Trustees Deron Daugherty, Sean Heneghan, Patrick Dillon, Aleks Granchalek and Elisa Spain

ABSENT: None

ALSO PRESENT: Mary Tomanek, Graystone Consulting (*arrived at 9:21 am*); Andy Villamin and Hitesh Desai, City of Evanston; Retired Firefighters' Michael Anderson and Ron Gannon, Evanston Fire Department; Active Members Daniel Philipaitis and James Trippi, Evanston Fire Department; Allison Barrett (*arrived at 9:27 am*) and Alex Michael, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *November 6, 2018 Regular Meeting Minutes:* The Board reviewed the minutes from the November 6, 2018 regular meeting. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to approve the November 6, 2018 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session minutes from December 18, 2017 and September 18, 2018. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the written summaries of the audio tapes of the executive sessions held on December 18, 2017 and September 18, 2018. Motion carried unanimously by voice vote.

A motion was made by Trustee Daugherty and seconded by Trustee Dillon that the approved written summaries of the executive sessions held on December 18, 2017 and September 18, 2018 shall remain closed in accordance with the provisions of the Open Meetings Act and recommendation of Fund Counsel pending expiration of the 18-month time period. Motion carried unanimously by voice vote.

The Board discussed suspending agenda items 5a, b, and c and moving to agenda item 7a pending the arrival of Graystone Consulting. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to suspend agenda items 5a, b and c. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Jerome Czarnowski/Approval of Surviving Spouse Benefits – Mary Czarnowski:* The Board noted

that Jerome Czarnowski passed away on January 4, 2019. The Board reviewed the surviving spouse benefit calculation for Mary Czarnowski with an effective date of January 5, 2019 for a monthly benefit of \$2,250.63 with no additional increases. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to approve the surviving spouse benefit of Mary Czarnowski as calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Daugherty, Heneghan, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None

Ms. Tomanek joined the meeting at 9:21 am.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund at this time.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board discussed the 2019 Cost of Living Adjustments as calculated by the City. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to approve the 2019 Cost of Living Adjustments subject to the Board's review. Motion carried by roll call vote.

AYES: Trustees Daugherty, Heneghan, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the retired member term currently held by Trustee Dillon is expiring in April 2019. Trustee Dillon expressed his wish to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for the retired member Trustee position. The Board also noted that the appointed Trustee position held by Trustee Granchalek is expiring in April 2019 and he wishes to remain on the Board. The Board will contact the City and seek reappointment of Trustee Granchalek to the Board.

Ms. Barrett joined the meeting at 9:27 am.

Review/Approve Board Attorney Yearly Fee: The Board reviewed the letter from Board Attorney Pinelli's office outlining their 2019-2020 fees. A motion was made by Trustee Daugherty and seconded by Trustee Heneghan to approve the Board Attorney fees as discussed. Motion carried by roll call vote.

AYES: Trustees Daugherty, Heneghan, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None

IDOI Annual Statement: The Board noted that the completion of the IDOI Annual Statement is currently in process. Updates will be provided to the Board as they become available.

Discussion/Possible Action Regarding Benefit Discrepancies: The Board addressed the overpayment of QILDRO benefits in the amount of \$211.63 between Michael Anderson and

Annette Boarini. A motion was made by Trustee Daugherty and seconded by Trustee Heneghan to adjust the QILDRO deduction to the correct 2019 amount of \$2,710.62. Motion carried by roll call vote.

AYES: Trustees Daugherty, Heneghan, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None

The Board addressed the underpayment to Sean Heneghan in the amount of \$10.60. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to adjust Mr. Heneghan's gross monthly benefit to the correct amount of \$5,674.52. Motion carried by roll call vote.

AYES: Trustees Daugherty, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None
ABSTAIN: Trustee Heneghan

The Board discussed Jane Neuhaus's current pension benefit in the amount of \$5,332.49 and determined that no action is needed at this time.

The Board discussed the underpayment of Gertrude Sanchez and further discussion will be held at the next regular meeting.

Pension Funding Committee Update: Trustee Daugherty informed the Board that the Pension Funding Committee will be scheduling a meeting in March.

COMMUNICATIONS & REPORTS: *Statements of Economic Interest:* The Board noted that the List of Filers was due to the County by the City by February 1, 2019. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2019.

Review/Approve – Death Audit Service Authorization: The Board discussed the Death Audit Service offered through IPPFA and L&A and designated Trustee Daugherty as the Pension Fund Representative to communicate with L&A regarding the service. A motion was made by Trustee Daugherty and seconded by Trustee Heneghan to authorize the Death Audit Service as discussed and to execute the Death Audit Service Authorization form provided by L&A. Motion carried unanimously by voice vote.

2019 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement increased to \$0.58 per mile effective January 1, 2019.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. The Board was reminded to submit all training certificates to L&A for recordkeeping.

ATTORNEY'S REPORT: *Legal Update:* There were no updates at this time.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ACCOUNTANT'S REPORT – CITY OF EVANSTON: *Monthly Financial Report:* Mr. Desai distributed copies of the Fire Pension Fund Operating Cash Flow Report to the Board. The projected funds available to the Board for the upcoming months are; February \$186,251; March \$2,316,905 and April \$1,669,429. All questions were answered by Mr. Desai.

Presentation and Approval of Bills: There was no presentation or approval of bills at this time.

Additional Bills, if any: There were no additional bills presented.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Portfolio/Asset Allocation Review:* Ms. Tomanek presented the Portfolio/Asset Allocation Review for the period ending December 31, 2018. As of December 31, 2018, the quarter-to-date net return is (7.52%), the year-to-date return is (4.53%) and the ending market value is \$75,307,670. The current asset allocation is as follows: 40% fixed income and 60% equities and other. All questions were answered by Ms. Tomanek.

Ms. Tomanek apprised the Board that McDonnell Investment was acquired by Loomis Sayles and presented a Fixed Income Manager Analysis and informed the Board that Garcia Hamilton is a minority and woman owned business.

Mr. Desai and Mr. Villamin left the meeting at 10:38 am.

Purchase/Sale of Investment Securities: The Board discussed liquidating the balance of the McDonnell Intm Credit account and reallocate the proceeds to Garcia Hamilton Intermediate Government Credit account, based on the recommendation of Graystone Consulting. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to reallocate the proceeds as stated. Motion carried by roll call vote.

AYES: Trustees Daugherty, Heneghan, Dillon, Granchalek and Spain
NAYS: None
ABSENT: None

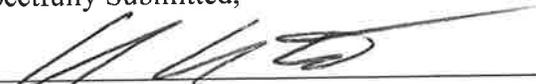
Mr. Anderson and Mr. Gannon left the meeting at 11:01 am.

Review/Update Investment Policy, if needed: There were no recommendations at this time.

ADJOURNMENT: A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to adjourn the meeting at 11:14 am. Motion carried unanimously by voice vote.

The next regular meeting of the Evanston Firefighters' Pension Fund is May 20, 2019.

Respectfully Submitted,



Deron Daugherty, President

Date

5/20/19

Minutes prepared by Alex Michael, Pension Services Administrator, Lauterbach & Amen, LLP

January 2019 3% Original Grant

NAME	TYPE	SSN	DELETE	ADD	TOTAL
Becker John	S	xxx-xx-1332	\$ 4,629.90	\$ 4,699.70	\$ 69.80
Coleman Wayne	D	xxx-xx-3287	\$ 5,840.13	\$ 5,988.61	\$ 148.48
Connor, Cleo	D	xxx-xx-0326	\$ 5,553.87	\$ 5,695.07	\$ 141.20
Dickman, Kurt	D	xxx-xx	\$ 7,200.67	\$ 7,370.76	\$ 170.09
Dillon Patrick	D	xxx-xx-5625	\$ 7,710.93	\$ 7,893.08	\$ 182.15
Foley Peter	D	xxx-xx-6435	\$ 4,773.79	\$ 4,872.89	\$ 99.10
Hargreaves Scott	D	xxx-xx-7074	\$ 6,379.04	\$ 6,545.45	\$ 166.41
Hatfield Kenneth	D	xxx-xx-3080	\$ 1,747.77	\$ 1,770.76	\$ 22.99
Hayden Robert	D	xxx-xx-8345	\$ 6,823.75	\$ 6,977.67	\$ 153.92
Kavanagh Thomas	D	xxx-xx-1880	\$ 7,191.48	\$ 7,365.47	\$ 173.99
O'Malley David	D	xxx-xx-4554	\$ 2,738.95	\$ 2,779.63	\$ 40.68
McCafferty, Brian	D	xxx-xx-7292	\$ 6,363.57	\$ 6,513.89	\$ 150.32
McGuigan, Dennis	D	xxx-xx-	\$ 7,617.42	\$ 7,811.08	\$ 193.66
McGuigan, Thomas	D	xxx-xx	\$ 6,317.93	\$ 6,467.17	\$ 149.24
Nolan, Mario	D	xxx-xx-	\$ 5,666.47	\$ 5,810.53	\$ 144.06
Swanson Gary	D	xxx-xx-8707	\$ 5,280.49	\$ 5,392.05	\$ 111.56

SERVICE	4,629.90	4,699.70	69.80
DISABILITY	87,206.26	89,254.11	2,047.85
QUILDRO	0.00	0.00	0.00
	\$ 91,836.16	\$ 93,953.81	\$ 2,117.65

