



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
MAY 20, 2019**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held on Monday, May 20, 2019 at 9:30 a.m. at the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201, pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:33 a.m.

ROLL CALL:

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

ABSENT: None

ALSO PRESENT: Mary Tomanek, Graystone Consulting; Andy Villamin, City of Evanston; Active Member James Trippi, Evanston Fire Department; Dawn Ratkovich, A.J Weber and Alex Michael, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *February 11, 2019 Regular Meeting:* The Board reviewed the February 11, 2019 regular meeting minutes. A motion was made by Trustee Granchalek and seconded by Trustee Dillon to approve the February 11, 2019 regular meeting minutes as written. Motion carried unanimously by voice vote.

PENSION FUNDING COMMITTEE UPDATE: The Board reviewed the draft Pension Funding Policy and various funding projections prepared by the Pension Funding Committee. The Board will present the projections to the City. Further discussion will be held at the next regular meeting.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending March 31, 2019. As of March 31, 2019, the quarter-to-date net return is 9.09% and the ending market value is \$80,798,404. The current asset allocation is as follows: fixed income at 37% and equities at 63%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Sales or Purchases of Securities: There were no recommendations at this time.

Asset Allocation Analysis: Ms. Tomanek distributed the Asset Allocation Analysis for the Board to review. The Board discussed the analysis provided and determined that no updates will be needed at this time.

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are needed at this time.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* L&A informed the Board that a current Monthly Financial Report will be available for review and approval at the next regular meeting.

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued and payment is due by June 30, 2019. A motion was made by Trustee Daugherty and seconded by Trustee Heneghan to approve payment of the IDOI Compliance Fee upon receipt of the invoice. Motion carried by roll call vote.

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

TREASURER'S REPORT – CITY OF EVANSTON: Mr. Villamin distributed copies of the Fire Pension Fund Operation Cash Flow Report to the Board. The projected funds available to the Board for the upcoming months are; May \$3,053,258; June \$2,352,622 and July \$3,028,994. All questions were answered by Mr. Villamin.

Ms. Tomanek recommended liquidating the balance of the McDonnell Intermediate Credit account and reallocating the proceeds to the Amalgamated account. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to reallocate the proceeds as discussed. Motion carried by roll call vote.

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Roger Lecey/ Approval of Surviving Spouse Benefits – Pauline Lecey:* The Board noted that Roger Lecey passed away on February 27, 2019. The Board reviewed the surviving spouse benefit calculation for Pauline Lecey with an effective date of February 28, 2019 for a monthly benefit of \$2,922.26 with no additional increases. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to approve the surviving spouse benefit of Pauline Lecey as calculated by L&A. Motion carried unanimously by voice vote.

Deceased Surviving Spouse – Dolores Morrison: The Board noted that surviving spouse Dolores Morrison passed away January 9, 2019 and her pension benefit has ceased.

Deceased Pensioner – James Edwards/Approval of Surviving Spouse Benefits – Lisa Edwards: The Board noted that James Edwards passed away on April 4, 2019. The Board reviewed the surviving spouse benefit calculation for Lisa Edwards with an effective date of April 5, 2019 for a monthly benefit of \$7,254.86 with no additional increases. A motion was made by Trustee Dillon and seconded by Trustee Daugherty to approve the surviving spouse benefit of Lisa Edwards as calculated by L&A. Motion carried unanimously by voice vote.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – James Brown and Jasmine Sandora:* The Board reviewed the Applications for Membership submitted by James Brown and Jasmine Sandora. A motion was made by Trustee Dillon and seconded by Trustee Granchalek to accept James Brown effective April 15, 2019 and Jasmine Sandora effective March 18, 2019 into the Evanston Firefighters' Pension Fund, as Tier II participants. Motion carried unanimously by voice vote.

OLD BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

Discussion/Possible Action Regarding Benefit Discrepancies – Gertrude Sanchez: The Board addressed the underpayment of Gertrude Sanchez in the amount of \$30,511.42. A motion was made by Trustee Daugherty and seconded by Trustee Dillon to remit a tax-free retro benefit payment of \$30,511.42 to Ms. Sanchez and to adjust her gross monthly benefit to the correct amount of \$1,438.19. Motion carried by roll call vote.

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

ABSENT: None

NEW BUSINESS: *Certify Board Election Results – Retired Member Position:* L&A conducted an election for the retired member position on the Evanston Firefighters' Pension Fund Board of Trustees. The Board noted that seventy ballots were received and sixty-three ballots were counted with seven ballots being spoiled. The retired member election results are as follows: fifty-five votes for Patrick Dillon and eight votes for Dean Martin. Patrick Dillon was reelected as the retired member on the Board of Trustees for a three-year term expiring April 30, 2022. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to certify the retired member election results. Motion carried unanimously by voice vote.

Appointed Member Term Expiration: The Board noted that Trustee Granchalek's appointed term expires April 30, 2019 and reappointment has been requested. Further discussion will be held at the next regular meeting.

Discussion/Possible Action – Legal Services: The Board determined they will not seek proposals for legal services at this time.

Request for Proposals – Investment Consultants: The Board discussed sending out requests for proposals for Investment Consultants. The Board requested a list of current Investment Consultants from L&A to review. Further discussion will be held at the next regular meeting.

Review/Approve Pension Reimbursement Policy for Active Duty Military Service: The Board reviewed the draft Active Military Service Pension Buyback Policy prepared by Trustee Daugherty. A motion was made by Trustee Dillon and seconded by Trustee Daugherty to approve the Active Military Service Pension Buyback Policy. Motion carried unanimously by voice vote.

Deceased Pensioner Overpayment – Dolores Morrison: The Board noted that surviving spouse Dolores Morrison passed away on January 9, 2019. L&A issued correspondence to the Estate of Dolores Morrison requesting repayment of the overpaid benefit in the amount of \$1,981.98. L&A received the repayment on April 12, 2019 and deposited the check into the Pension Fund's BMO Harris bank account. No further action is required.

Review/Approve – Pension Board Printer Expenses: Trustee Daugherty inquired about purchasing a printer/scanner and appropriate supplies for Pension Fund business to use at his personal residence. A motion was made by Trustee Dillon and seconded by Trustee Granchalek to approve the purchase of supplies needed for the Pension Fund in an amount not to exceed \$200 as requested by Trustee Daugherty. Motion carried by roll call vote.

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

Approval of Cash Fund for Pension Board Expenses: Trustee Daugherty requested reimbursement in the amount of \$200 for office expenses. A motion was made by Trustee Granchalek and seconded by Trustee Heneghan to approve the reimbursement to Trustee Daugherty as requested. Motion carried by roll call vote.

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

COMMUNICATIONS & REPORTS: *Statements of Economic Interest:* The Board was reminded that the Statements of Economic Interest were due by May 1, 2019.

Affidavits of Continued Eligibility: L&A informed the Board that second request Affidavits of Continued Eligibility were mailed to the outstanding pensioners after the April 30, 2019 due date. To date, sixteen affidavits remain outstanding. The Board authorized L&A to send third request affidavits via certified mail to the outstanding pensioners. Updates will be provided to the Board as they become available.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registrations or reimbursable expenses presented for approval.

ATTORNEY'S REPORT – BURKE, BURNS & PINELLI, LTD.: *Legal Updates:* There were no legal updates at this time.

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

ADJOURNMENT: A motion was made by Trustee Dillon and seconded by Trustee Daugherty to adjourn the meeting at 11:18 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 14, 2019 at 9:30 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on _____

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