



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 11, 2021**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held via videoconference in accordance with Public Act 101-0640 on Friday, February 11, 2021 at 9:30 a.m. pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:31 a.m.

ROLL CALL:

PRESENT: Trustees Daniel Philipaitis, Jack Mortell, Deron Daugherty and Aleks Granchalek

ABSENT: None

ALSO PRESENT: Mary Tomanek, Graystone Consulting; Hitesh Desai, City of Evanston; Sam Meyer and A.J. Weber, Lauterbach & Amen, LLP (L&A); Members of the Public

PUBLIC COMMENT: There was no public comment.

PENSION FUNDING COMMITTEE UPDATE: Trustee Daughtry informed the Board that there are upcoming elections for the City Council Board but hopes to meet with the new Trustee elected to discuss funding levels.

CERTIFY SPECIAL 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 73 ballots were received and 73 ballots were counted. The retired member election results are as follows 23 votes for Sean Heneghan and 50 votes for Jack Mortell. Jack Mortell was elected as the retired member on the Board of Trustees for an un-expired three-year term ending April 2022. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to certify the retired member election results. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

APPROVAL OF MEETING MINUTES: *November 13, 2020 Regular Meeting:* The Board reviewed the November 13, 2020 regular meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the November 13, 2020 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Daugherty and Granchalek

NAYS: None

ABSENT: None

ABSTAIN: Trustee Mortell

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the September 18, 2018 closed session meeting minutes and noted that the recording was eligible for destruction on March 18, 2020. A motion was made by Trustee Daughtry and second by Trustee

Granchalek to approve destruction of the September 18, 2018 closed session recording. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

TREASURER'S REPORT – CITY OF EVANSTON: Mr. Desai reviewed the Operation Cash Flow Report with the Board. The projected funds available to the Board for the upcoming months are; February \$2,814,281; March \$5,183,281; and April \$4,562,781. All questions were answered by Mr. Desai.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending December 31, 2020. As of December 31, 2020, the quarter-to-date net return is 9.04% and the ending market value is \$98,088,851. The current asset allocation is as follows: fixed income at 34% and equities at 66%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Sales or Purchases of Securities: The Board discussed liquidating \$1,000,000 from Allianz GI Convertible and reallocating the proceeds into the Fund's Money Market account to be used to remit pension payments and expenses. A motion was made by Trustee Daughery and seconded by Trustee Granchalek to rebalance the funds as discussed. Motion carried by roll call vote.

AYES: Trustees Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

ABSTAIN: Trustee Philipaitis

Ms. Tomanek recommended transferring \$2,000,000 from the Vanguard Growth Index and reallocating the proceeds into the Vanguard Value Index. A motion was made by Trustee Daughtry and seconded by Trustee Granchalek to transfer the funds as discussed. Motion carried by roll call vote.

AYES: Trustees Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

ABSTAIN: Trustee Philipaitis

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

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the one-month period ending January 31, 2021 prepared by L&A. As of January 31, 2021, the net position held in trust for pension benefits is \$99,717,827.07, for a change in position of (\$1,317,354.07). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period November 1, 2020, through January 31, 2021 for total disbursements of \$527,844.29. A motion

was made by Trustee Daughtry and seconded by Trustee Granchalek to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$527,844.29. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Surviving Spouse – Norma Pettinger:* The Board noted that surviving spouse Norma Pettinger passed away on December 25, 2020 and her pension benefit has ceased.

Deceased Surviving Spouse – Donna Hatfield: The Board noted that surviving spouse Donna Hatfield passed away December 19, 2020 and her pension benefit has ceased.

Deceased Surviving Spouse – Lorraine Hanson: The Board noted that surviving spouse Lorraine Hanson passed away December 29, 2020 and her pension benefit has ceased.

Deceased Pensioner – John Becker: The Board noted that pensioner John Becker passed away January 11, 2021 with no surviving spouse and his pension benefit has ceased.

Approve Regular Retirement Benefit – Brian Scott: The Board reviewed the regular retirement benefit calculation for Brian Scott. Chief Scott had an entry date of December 6, 1999; retirement date of January 16, 2021; effective date of pension of January 17, 2021; 53 years old at date of retirement; 21 years, 1-month creditable service with Evanston Firefighters' Pension Fund; 5 years, 8 months, 7 days creditable service with Hinsdale Firefighters' Pension Fund; final applicable salary from Evanston Fire of \$169,299.46; and an applicable pension percentage from Evanston Fire of 52.92%. The amount of originally granted annual pension from Evanston Fire is \$106,221.72 and the amount of originally granted monthly pension from Evanston Fire is \$8,851.81. A motion was made by Trustee Daughtry and seconded by Trustee Granchalek to approve the regular retirement benefits for Brian Scott calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Brandon Bass, Jack Conner, John Cvikota, Bryan Hassanov, Angela Jones, Dylan Mahoney – Muno, Douglas Perry and Jonathan Van Duch:* The Board reviewed the Applications for Membership submitted by Brandon Bass, Jack Conner, John Cvikota, Bryan Hassanov, Angela Jones, Dylan Mahoney – Muno, Douglas Perry and Jonathan Van Duch. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to accept Brandon Bass and Bryan Hassanov effective January 18, 2021, Jack Conner, John Cvikota, Douglas Perry and Jonathan Van Duch effective January 11, 2021, Angela Jones effective December 17, 2020 and Dylan Mahoney-Muno effective December 28, 2020, into the Evanston Firefighters' Pension Fund as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

OLD BUSINESS: *Discussion/Possible Action Regarding Benefit Discrepancies – Phillip Burns:* There are no updates at this time. Further discussion will be held at the next regular meeting.

Appointed Member Position: The Board is currently waiting on the Mayor of Evanston to appoint a new Trustee to the Evanston Firefighters' Pension Fund Board of Trustees. Further discussion will be held at the next regular meeting.

NEW BUSINESS: *Approve Annual Cost of Living Adjustments (COLAs) for Pensioners:* The Board reviewed the 2021 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the 2021 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Daugherty is expiring in April 2021. Trustee Daugherty expressed his interest to remain on the Board if nominated. L&A will conduct an election on behalf of the Pension Fund for one of the two active member Trustee positions.

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.

Establish Second Quarter Meeting Date: The Board discussed holding their second quarter meeting of 2021 on May 5, 2021 at 9:30 a.m. at the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201.

Creditable Service Purchase – Brian Scott: The Board noted that the balance due from Brian Scott to the Evanston Firefighters' Pension Fund to "make whole" his unpaid break in service of 10 days has been paid in full in the amount of \$680.80. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to accept Brian Scott's payment of \$680.80. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A mailed Affidavits of Continued Eligibility to all pensioners with the December payroll cycle and a due date of January 29, 2021. A status update will be provided at the next regular meeting.

2021 IRS Mileage Rate: The Board noted that the IRS standard business mileage rate used for reimbursement decreased to \$0.56 per mile effective January 1, 2021.

Statements of Economic Interest: The Board noted that the List of Filers was due to the City on February 1, 2021. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2021.

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 registration fees or reimbursable expenses presented for approval.

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

Annual Independent Medical Examinations – Sean Heneghan and Jason Perkiser: The Board noted that Sean Heneghan and Jason Perkiser attended their annual independent medical examinations and it was determined that they both remain disabled at this time. A motion was made by Trustee Daughtry and seconded by Trustee Granchalek to continue the disability benefits of Sean Heneghan and Jason Perkiser based on findings that they remain disabled and subject to further annual examinations until age 50. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

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

The Board expressed gratitude to Patrick Dillon for his years serving on the Evanston Firefighters' Pension Fund Board of Trustees.

ADJOURNMENT: A motion was made by Trustee Daughtry and seconded by Trustee Granchalek to adjourn the meeting at 10:47 a.m. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Board President or Secretary

Minutes approved by the Board of Trustees on _____

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