



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
AUGUST 27, 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, August 27, 2021 at 9:30 a.m. pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:32 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; Alex Michael, Lauterbach & Amen, LLP (L&A); Board Attorney Vince Pinelli (*joined at 10:32 a.m.*), Burke, Burns & Pinelli, Ltd.; Members of the Public

PUBLIC COMMENT: Ms. Rosinski, member of the public would like the Board to ask the City to post the approved meeting minutes and agendas on the City website.

PENSION FUNDING COMMITTEE UPDATE: Trustee Daugherty informed the Board that Trustee Granchalek and himself met with the Mayor to discuss the funding level and the need for another appointed member to the Evanston Firefighters' Pension Fund Board of Trustees.

APPROVAL OF MEETING MINUTES: *March 10, 2021 Special Meeting and May 5, 2021 Regular Meeting:* The Board reviewed the March 10, 2021 special meeting and the May 5, 2021 regular meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the March 10, 2021 special meeting and the May 5, 2021 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the destruction of the audio recording from the August 14, 2019 closed session meeting. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending June 30, 2021. As of June 30, 2021, the quarter-to-date net return is 4.92% and the ending market value is \$106,460,978. The current asset allocation is as follows: fixed income at 31% and equities at 69%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Sales or Purchases of Securities: Ms. Tomanek recommended that the Board rebalance their portfolio in order to stay within compliance with state statute. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to transfer funds as follows: liquidate the Federated High Yield and Virtus funds, transfer \$600,000 from the Vanguard Small Cap fund and reallocate the proceeds into the Board's money market account and to transfer \$750,000 from Vanguard Growth to the Vanguard Value fund. Motion carried by roll call vote.

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

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

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; August \$1,817,341; September \$3,943,741; and October \$3,815,141. All questions were answered by Mr. Desai.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the seven-month period ending July 31, 2021 prepared by L&A. As of July 31, 2021, the net position held in trust for pension benefits is \$110,100,813.69, for a change in position of \$9,066,700.24. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period May 1, 2021 through July 31, 2021 for total disbursements of \$519,328.23. A motion was made by Trustee Daugherty 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 \$519,328.23. 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 – Joan Planos:* The Board noted that surviving spouse Joan Planos passed away October 3, 2020 and her pension benefit has ceased.

Attorney Pinelli joined at 10:32 a.m.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Collin Ehrlich, Reno Horton and Nicholas Vanek:* The Board reviewed the Applications for Membership submitted by Collin Ehrlich, Reno Horton and Nicholas Vanek. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to accept Collin Ehrlich, Reno Horton and Nicholas Vanek effective July 6, 2021 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

The Board noted that Reno Horton separated service effective August 19, 2021 and Colin Ehrlich separated service effective August 20, 2021 from the Evanston Fire Department.

OLD BUSINESS: *Discussion/Possible Action Regarding Benefit Discrepancies – Phillip Burns:* Attorney Pinelli informed the Board that he is currently in discussion with Mr. Burn's attorney as well as the attorney for the Rolling Meadows Firefighters' Pension Fund to draft an agreement where Mr. Burns would not pursue any action with either Fund for the previous miscalculation. Further discussion will be held at the next regular meeting.

The Board directed Attorney Pinelli to draft and send correspondence to the Rolling Meadows Firefighters' Pension Fund requesting to be made whole from the Phillip Burn's overpayment. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to send the correspondence as discussed. Motion carried by roll call vote.

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

Attorney Pinelli left the meeting at 10:42 a.m.

Appointed Member Position: The Board noted that a new appointed member has not yet been named. Further discussion will be held at the next regular meeting.

IDOI Annual Statement: The Board noted that the finalized report was filed prior to the June 30, 2021 deadline.

NEW BUSINESS: *Board Officer Elections – President and Secretary:* The Board discussed Board Officer elections and nominated Trustee Daugherty as President. A motion was made by Trustee Granchalek and seconded by Trustee Mortell to elect Trustee Daugherty as President. Motion carried by roll call vote.

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

The Board discussed Board Officer elections and nominated Trustee Philipaitis as Secretary. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to elect Trustee Philipaitis as Secretary. Motion carried by roll call vote.

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

FOIA Officer and OMA Designee: The Board discussed maintaining Trustee Daugherty as the FOIA Officer and Trustee Philipaitis as the OMA Designee.

Establish Fourth Quarter Meeting Date: The Board discussed holding their fourth quarter meeting of 2021 on November 16, 2021 at 9:30 a.m. at the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201.

Discussion – Evanston Firefighters' Pension Fund Budget: Trustee Moretll reviewed the City's past budget for the Firefighters' Pension Fund with the Board. Questions were answered by Trustee Daugherty and Mr. Hitesh. Further discussion will be held at the next regular meeting.

Review/Approve – Actuarial Valuation and Tax Levy Request: The Board discussed the Actuarial Valuation as prepared by Foster & Foster. Based on data and assumptions, the recommended municipal contribution is \$10,056,876 and the statutory minimum contribution amount is \$8,177,681. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to accept the Actuarial Valuation as prepared and to request a tax levy in the amount of \$10,056,876 from the City based on the recommended stated in the Actuarial Valuation prepared by Foster and Foster. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

Review/Approve – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility – Milton Dunbar:* The Board noted that all 2020 Affidavits of Continued Eligibility have been received by L&A. The originals will be provided to the Board for their records.

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 – Craig Brannan, Jason Perkiser and Jude Rodriguez: The Board tabled this item until the next regular meeting.

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

ADJOURNMENT: A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to adjourn the meeting at 11:12 a.m. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

The next regular meeting is scheduled for November 16, 2021 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