



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
NOVEMBER 16, 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 Tuesday, November 16, 2021 at 9:30 a.m. pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:35 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 and Andy Villamin, City of Evanston; Alex Michael and Jacqueline Ondras, Lauterbach & Amen, LLP (L&A); Board Attorney Vince Pinelli (*joined at 10:15 a.m.*), Burke, Burns & Pinelli, Ltd.; Members of the Public

PUBLIC COMMENT: There was no public comment.

PENSION FUNDING COMMITTEE UPDATE: No updates were provided.

APPROVAL OF MEETING MINUTES: *August 27, 2021 Regular Meeting:* The Board reviewed the August 27, 2021 regular meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the August 27, 2021 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

October 27, 2021 Special Meeting: The Board reviewed the October 27, 2021 special meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the October 27, 2021 special meeting minutes as written. 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 September 30, 2021. As of September 30, 2021, the quarter-to-date net return is (0.13%) and the ending market value is \$104,036,586. 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.

Trustee Mortell noted that in the last 34 months the net position for pension benefits has increased by over \$38,000,000 and wanted to express his gratitude to those involved.

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 \$600,000 from both the Vanguard Large Growth and the Vanguard Large Value Funds and reallocate the proceeds into the Segall Bryant & Hamill fixed income account. Motion carried by roll call vote.

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

TREASURER'S REPORT – CITY OF EVANSTON: Mr. Villamin reviewed the Operation Cash Flow Report with the Board. The projected funds available to the Board for the upcoming months are; November \$5,926,239; December \$5,108,694; and January, 2022 \$4,267,094. All questions were answered by Mr. Villamin.

Trustee Daugherty, Mr. Villamin and Mr. Desai confirmed that the City levies a flat amount regardless of whether the Fund is over or under their projected budget.

INVESTMENT REPORT (CONTINUED) *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 ten-month period ending October 31, 2021 prepared by L&A. As of October 31, 2021, the net position held in trust for pension benefits is \$114,767,433.23, for a change in position of \$13,733,319.78. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period August 1, 2021 through October 31, 2021 for total disbursements of \$536,489.92. 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 \$536,489.92. 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 Pensioner – Max Sheaffer/Approval of Surviving Spouse Benefits – Glenna Sheaffer:* The Board noted that Max Sheaffer passed away on October 8, 2021. The Board reviewed the surviving spouse benefit calculation for Glenna Sheaffer with an effective date of October 9, 2021 for a monthly benefit of \$3,510.40 with no additional increases. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the surviving spouse benefit of Glenna Sheaffer calculated by L&A. Motion carried by roll call vote.

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

Deceased Pensioner – Kenneth Semrow/Approval of Surviving Spouse Benefit – Mary Semrow: The Board noted that Kenneth Semrow passed away on October 27, 2021. The Board reviewed the surviving spouse benefit calculation for Mary Semrow with an effective date of October 28, 2021 for a monthly benefit of \$5,610.36 with no additional increases. A motion was made by Trustee Granchalek and seconded by Trustee Daugherty to approve the surviving spouse benefit of Mary Semrow 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: There were no applications for membership or withdrawals from the Fund.

Attorney Pinelli joined the meeting at 10:15 a.m.

ATTORNEY'S REPORT – BURKE, BURNS & PINELLI, LTD.: *Legal Updates:* Attorney Pinelli discussed the status of the consolidation lawsuit. All questions were answered by Attorney Pinelli.

OLD BUSINESS: *Discussion/Possible Action Regarding Benefit Discrepancies – Phillip Burns:* Attorney Pinelli informed the Board that he spoke with Mr. Burn's attorney as well as the attorney for the Rolling Meadows Firefighters' Pension Fund and he should have a finalized agreement ready to present and the next regular meeting.

The Board noted that Attorney Pinelli sent correspondence to the Rolling Meadows Firefighters' Pension Fund requesting repayment of Phillip Burns's overpaid benefits.

Further discussion will be held at the next regular meeting.

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.

Discussion – Evanston Firefighters' Pension Fund Budget: The Board noted that this item was previously discussed.

NEW BUSINESS: *Establish First Quarter Meeting Date:* The Board established their first two meeting dates as February 17, 2022 and May 18, 2022 at 9:30 a.m. in the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201.

FIREFIGHTERS' PENSION INVESTMENT FUND: *Discussion/Approval – Interim Cash Management Policy:* The Board reviewed the cash analysis projection prepared by L&A and discussed interim cash requisite for the purpose of remitting pension benefits and expenses for December payroll and the sixty-day period subsequent to the January 4, 2022 tranche date. The Board discussed maintaining a five-month interim transition cash balance in the Funds Almagamated account.

Discussion/Approval – Cash Reserve Balance: The Board discussed the recommendation set forth by FPIF and will retain four months' worth of expenses in their Almagamated account.

Review/Possible Action – Local Account Collateralization: The Board reviewed the memorandum prepared by L&A regarding the opportunity to collateralize the BMO Harris Bank operating account in excess of the standard \$250,000 FDIC insurance coverage.

Discussion/Possible Action – Designation of Additional FPIF Account Representative – Global Cash Movement Authorization: The Board reviewed the Global Cash Movement New Setup Authorization Form. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to appoint Trustees Daugherty and Philipaitis, municipal representative Hitesh Desai and a representative from Lauterbach and Amen, LLP as the Account Representatives on behalf of the Evanston Firefighters' Pension Fund. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

Attorney Pinelli left the meeting at 10:49 a.m.

COMMUNICATIONS AND REPORTS: *Active Member File Maintenance:* The Board noted that L&A prepared Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

Affidavits of Continued Eligibility: The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners with the December payroll cycle. Further discussion will be held at the next regular meeting.

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: The Board discussed the 2021 trustee training requirements. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the registration fees for Trustees Daugherty, Granchalek and Philipaitis to complete the necessary training for 2021. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

ATTORNEY'S REPORT – BURKE, BURNS & PINELLI, LTD. (CONTINUED): *Annual Independent Medical Examinations – Craig Brannan, Jason Perkiser and Jude Rodriguez:* The Board noted that Craig Brannan is over the age of 50 and no longer needs to attend an Annual Independent Medical Examination and that Jude Rodriguez attended his Annual Independent Medical Examination and remains disabled.

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

ADJOURNMENT: A motion was made by Trustee Daugherty and seconded by Trustee Mortell to adjourn the meeting at 10:56 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 February 17, 2022 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