



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 17, 2022**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held via videoconference in accordance with Public Act 101-0640 on Thursday, February 17, 2022 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; Andy Villamin, City of Evanston; Alex Michael, Jessica Foust and A.J. Weber, Lauterbach & Amen, LLP (L&A); Board Attorney Vince Pinelli (*arrived at 10:29 a.m.*), Burke, Burns & Pinelli, Ltd.; Members of the Public

PUBLIC COMMENT: There was no public comment.

PENSION FUNDING COMMITTEE UPDATE: There are no updates at this time.

APPROVAL OF MEETING MINUTES: *November 16, 2021 Regular Meeting, December 13, 2021 Special Meeting, December 13, 2021 Closed Session Meeting and December 17, 2021 Special Meeting:* The Board reviewed the November 16, 2021 regular meeting minutes, the December 13, 2021 special and closed session meeting minutes and the December 17, 2021 special meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the November 16, 2021 regular meeting minutes, the December 13, 2021 special and closed session meeting minutes and the December 17, 2021 special 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 and will not release these minutes due to pending matters.

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending December 31, 2021. As of December 31, 2021, the quarter-to-date net return is 5.10% and the ending market value is \$109,367,219. The current asset allocation is as follows: fixed income at 30% and equities at 70%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Sales or Purchases of Securities: The Board discussed rebalancing their portfolio to stay within their policy guidelines. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to liquidate \$1,000,000 from the Vanguard Growth Index Fund and \$1,000,000

from the Vanguard Large Value Fund and transfer the proceeds into cash. 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.

Ms. Tomanek left the meeting at 10:06 a.m.

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; February \$4,705,460; March \$7,115,760; and April \$6,805,860. All questions were answered by Mr. Villamin.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the twelve-month period ending December 31, 2021 prepared by L&A. As of December 31, 2021, the net position held in trust for pension benefits is \$114,556,535.54, for a change in position of \$13,522,422.09. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period October 1, 2021 through December 31, 2021 for total disbursements of \$533,285.92. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$533,285.92. 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.

Review/Update Cash Management Policy: This item was not discussed.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Surviving Spouse – Jane Neuhaus:* The Board noted that surviving spouse Jane Neuhaus passed away November 6, 2021 and her pension benefit has ceased. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to terminate Jane Neuhaus's pension benefit effective November 7, 2021. Motion carried by roll call vote.

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

Approve Regular Retirement Benefits – Michael Spillane: The Board reviewed the regular retirement benefit calculation for Michael Spillane. Michael Spillane had an entry date of May 13, 1996; retirement date of December 22, 2021; effective date of pension of December 23, 2021; 53 years old at date of retirement; 25 years, 7 months creditable service with Evanston

Fire; 3 years, 8 months, 5 days creditable service with Geneva Fire; and a combined applicable pension percentage of 73.13%. The amount of originally granted annual pension from Evanston Fire is \$92,955.49 and the amount of originally granted monthly pension from Evanston Fire is \$7,746.29. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to approve the regular retirement benefits for Michael Spillane calculated by L&A. Motion carried by roll call vote.

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

Approve Duty Disability Benefit – Jasmine Sandora: The Board reviewed the duty disability benefit calculation for Jasmine Sandora prepared by L&A. Firefighter Sandora had an entry date of March 18, 2019, disability date of November 1, 2021, effective date of pension of November 2, 2021, 27 years of age at date of disability, 2 years and 7 months of creditable service, applicable salary of \$78,258.25, applicable pension percentage of 65%, amount of originally granted monthly pension of \$4,238.99 and amount of originally granted annual pension of \$50,867.88. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve Jasmine Sandora's duty disability benefit calculated by L&A. Motion carried by roll call vote.

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

The Board noted that Jasmine Sandora is due a retroactive payment in the amount of \$6,030.79 for the period November 2, 2021 through January 31, 2022. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the retroactive payment to Jasmine Sandora in the amount of \$6,030.79 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 – Andres Rivera-Thompson and Hunter Wulf:* The Board reviewed the Applications for Membership submitted by Andres Rivera-Thompson and Hunter Wulf. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to accept Andres Rivera-Thompson effective October 4, 2021 and Hunter Wulf effective December 6, 2021 into the Evanston Firefighter's Pension Fund as Tier II participants. Motion carried by roll call vote.

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

Firefighter Resignation – Brian McKay: The Board noted that Brian McKay separated service from the Evanston Fire Department effective January 27, 2022. To date no contribution refund has been requested.

OLD BUSINESS: *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.

Attorney Pinelli joined at 10:30 a.m.

Review Proposed Settlement Agreement: Attorney Pinelli informed the Board that Phillip Burns is releasing any action he might take regarding the changes that were made to his benefit adjustments. Rolling Meadows Firefighters' Pension Fund has agreed and executed the proposed settlement agreement. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to adopt the proposed settlement agreement and have the Board President execute the document as presented. Motion carried by roll call vote.

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

Discussion/Possible Action Regarding Benefit Discrepancies – Phillip Burns: Attorney Pinelli informed that Board that they received correspondence back from Attorney Clifford who represents the Rolling Meadows Firefighters' Pension Fund stating that the Rolling Meadows Firefighters' Pension Fund will not repay the requested amount to the Evanston Firefighters' Pension Fund. Attorney Pinelli advised the Board to not continue to pursue this matter any further. No further action will be taken by the Board at this time.

Discussion – Evanston Firefighters' Pension Fund Budget: The Board noted that this item was previously discussed under *Treasurer's Report – City of Evanston*.

NEW BUSINESS: *Establish Second Quarter Meeting Date:* The Board noted that the second quarter meeting date was previously established as May 18, 2022 at 9:30 a.m.

Discussion/Possible Action – Attorney Retainer Fees: The Board reviewed the memorandum received by Burke, Burns & Pinelli, Ltd, outlining their fee schedule. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the attorney fees as outlined. Motion carried by roll call vote.

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

BMO Harris Bank Signature Cards and Resolution Update: L&A provided the Board with the necessary forms to update the signers on the BMO Harris Bank account with the current Board members and municipal representatives. The Board will obtain signatures and submit the completed forms to L&A to update the BMO Harris Bank. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to designate Trustees Daugherty and Mortell and Finance Director Hitesh Desani as signers on the BMO Harris Bank Account. Motion carried by roll call vote.

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

Approve Annual Cost of living Adjustments for Pensioners: The Board reviewed the 2022 Cost of Living Adjustments (see attached) calculated by L&A. A motion was made by Trustee

Daugherty and seconded by Trustee Mortell to approve the 2022 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 retired member term currently held by Trustee Mortell is expiring in April 2022. Trustee Mortell expressed his interest 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 member position held by Trustee Granchalek is expiring in April 2022 and he is interested in remaining on the Board. The Board will contact the City and seek reappointment of Trustee Granchalek to the Board.

Reciprocity Update – Dylan Mahoney-Muno: The Board noted that the balance due from Glencoe Police to the Evanston Firefighters' Pension Fund to combine service under Public Act 102-0063 has been received in full. A motion was made by Trustee Granchalek and seconded by Trustee Daugherty to accept this payment and recognize the purchase as paid in full and a revised hire date from January 11, 2021 to January 13, 2018. Motion carried by roll call vote.

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

FIREFIGHTERS' PENSION INVESTMENT FUND: *Review/Approval Transfer Notice Form:* The Board was informed that IFPIF received their request to be moved to a later tranche date and they were moved to the April 1, 2022 tranche. The Board directed Attorney Pinelli to send correspondence to IFPIF informing them that the Board will wait to see the court ruling prior to transferring any assets prior to June 30, 2022.

Discussion/Possible Action – Execution of all IFPIF Documents: This item was not discussed.

Discussion/Possible Action – Global Cash Movement Resolution: This item was not discussed.

Discussion/Approval – Cash Reserve Balance: This item was not discussed.

Attorney Pinelli left the meeting at 11:02 a.m.

Discussion/Possible Action – Approval Needed for Incremental Transfer Amounts: The Board discussed the possibility of additional Trustee approval for transferring money to IFPIF. Further discussion will be held at the next regular meeting.

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 31, 2021. To date 18 affidavits remain outstanding. L&A has mailed second request affidavits with a due date of March 2, 2022. Updates will be provided as they become available.

Statements of Economic Interest: The Board noted that the List of Filers was submitted to the City prior to February 1, 2022. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2022.

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 fees or reimbursable expenses presented for approval.

ATTORNEY'S REPORT – BURKE, BURNS & PINELLI, LTD.: *Legal Updates:* The Board noted that all legal updates were previously provided.

Discussion/Possible Action – Updated Rules and Regulations: Trustee Mortell will meet with each Trustee to go over updated rules and regulations. Further discussion will be held at the next regular meeting.

Review, Adopt and Publish Decision and Order – Jasmine Sandora: The Board reviewed the Decision and Order prepared by Attorney Pinelli. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve, adopt and publish the Decision and Order for Jasmine Sandora as presented. Motion carried by roll call vote.

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

Annual Independent Medical Examinations – Sean Heneghan and Jason Perkiser: The Board noted that Sean Heneghan remains disabled. Trustee Daugherty will follow up with Jason Perkiser to remind him his IME needs to be completed. Further discussion will be held at 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 Mortell to adjourn the meeting at 11:21 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 May 18, 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