



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
FEBRUARY 27, 2024**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held on Tuesday, February 27, 2024 at 9:30 a.m. in the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201, pursuant to notice.

CALL TO ORDER: Trustee Mortell called the meeting to order at 9:30 a.m.

ROLL CALL:

PRESENT: Trustees Shari Reiches, Daniel Philipaitis, Jack Conner and Jack Mortell

ABSENT: Trustee Aleks Granchalek

ALSO PRESENT: Andrew Villamin, Rom Chmara and Hitesh Desani, City of Evanston; Alexandria Michael and Amanda Roth (*via teleconference*), Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: Trustee Mortell informed the Board that he has listened to the Governor's address and he agrees that 100% Funding is ideal.

OLD BUSINESS: *Vacant Appointed Member Position – Shari Reiches:* The Board noted that Shari Reiches has been appointed to the Evanston Firefighters' Pension Fund. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to accept Trustee Reiches' appointment. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell

NAYS: None

ABSENT: Trustee Granchalek

Discussion/Possible Action – Updated Board Rules and Regulations: The Board noted that this item is still in process. Further discussion will be held at the next regular meeting.

Trustee Mortell informed the Board that the FPIF audit was received and responded to. No further action is needed by the Board at this time.

APPROVAL OF MEETING MINUTES: *November 2, 2023 Regular Meeting:* The Board reviewed the November 2, 2023 regular meeting minutes. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the November 2, 2023 regular meeting minutes as written. Motion carried unanimously by voice vote.

November 2, 2023 Closed Session Meeting: The Board reviewed the November 2, 2023 closed session meeting minutes. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the November 2, 2023 closed session meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: The Board discussed the closed session meeting minutes and will not release them at this time due to pending matters.

INVESTMENT REPORT: FPIF – Marquette Associates: The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending December 31, 2023. As of December 31, 2023, the one-month total net return is 4.8% and the year-to-date total net return is 15.5% for an ending market value of \$8,410,260,043. The current asset allocation is as follows: Equity at 66.7%, Fixed Income at 27.8%, Real Estate at 4.7% and Cash at 0.8%.

Statement of Results: The Board reviewed the Northern Trust Statement of Results for the period ending December 2023. The beginning value was \$94,807,726.79, the ending value was \$99,355,204.66 and the net return was 4.8%.

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 \$7,242,270; March \$10,026,214 and April \$10,845,657. All questions were answered by Mr. Villamin, Mr. Chmara and Mr. Desani.

Trustee Mortell questioned Treasurer Desai on why the City's 2023 Pension Fund contribution was \$47,200 less than what was stated in the 2023 City of Evanston's Pension Book. After discussion Mr. Desai assigned Mr. Chmara to look into this matter further.

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, 2023 prepared by L&A. As of December 31, 2023, the net position held in trust for pension benefits is \$114,518,972.28, for a change in position of \$15,472,936.57. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report, Quarterly Transfer Report and Quarterly Disbursement Report for the period October 1, 2023 through December 31, 2023 for total disbursements of \$70,144.63. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Quarterly Disbursement Report in the amount of \$70,144.63. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

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

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Michael Majercik and Michael McDermott:* The Board reviewed the regular retirement benefit calculation for Michael Majercik. Michael Majercik had an entry date of March 23, 1998; retirement date of July 29, 2000; effective date of combined pension of January 17, 2024; 56 years old at date of retirement; 2 years and 4 months creditable service with Evanston Fire; applicable salary of \$50,208; and an applicable pension percentage of 5.83%. The amount of originally granted annual pension from Evanston Fire is \$2,928.78 and the amount of originally granted monthly pension from Evanston Fire is \$244.07. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the regular retirement benefits for Michael Majercik calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

The Board reviewed the regular retirement benefit calculation for Michael McDermott. Michael McDermott had an entry date of December 8, 1997; retirement date of January 9, 2024; effective date of combined pension of January 10, 2024; 53 years old at date of retirement; 26 years, 1 month of creditable service with Evanston Fire; applicable salary of \$152,000.15; and an applicable pension percentage of 50%. The amount of originally granted annual pension from Evanston Fire is \$12,666.68 and the amount of originally granted monthly pension from Evanston Fire is \$8,840.30. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the regular retirement benefits for Michael McDermott calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

Disability Status – Jamil Fakhoury: The Board noted that a disability hearing has been scheduled for Jamil Fakhoury on April 10, 2024 at 9:30 a.m. in the Evanston Civic Center. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Contribution Refund – Douglas Perry:* L&A informed the Board that a contribution refund request has been submitted by Douglas Perry. Further discussion will be held at the next regular meeting.

NEW BUSINESS: *Review/Approve – Lauterbach & Amen Engagement Letter:* The Board reviewed the L&A three-year engagement letter. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to engage L&A in the annual amounts as follows: \$60,105 for the year ended December 31, 2024; \$62,420 for the year ended December 31, 2025; and \$64,800 for the year ended December 31, 2026. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

Discussion/Possible Action – Collection and Distribution of the City of Evanston's 2023 Personal Property Replacement Tax (PPRT): Trustee Mortell made a presentation of the history of PPRT and subsequent memorandums. Further discussion will be held at the next regular meeting.

Review Bank Account Flow Charts: The Board reviewed the flow chart provided by L&A. The Board discussed the changes they would like made and presented at the next regular meeting.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP (CONTINUED):

Discussion/Possible Action – Cash Management Policy: The Board discussed the current Cash Management Policy. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to update the maximum dollar amount to \$3,000,000 held in the Amalgamated account. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

The Board reviewed the three Amalgamated bank accounts. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to consolidate the three accounts into one, keeping the account with the most funds open. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

Trustee Reiches questioned the Investment Manager fees for Amalgamated in the amount of \$50,628.55 for 2023 seemed too high. Trustee Mortell said it would look into this matter further. Further discussion will be held at the next regular meeting.

NEW BUSINESS (CONTINUED): *Review/Update – Amalgamated Account Forms:* The Board directed L&A to reach out to the City to request the required forms to add a Board Trustee onto the remaining Amalgamated account. Further discussion will be held at the next regular meeting.

Approve Annual Cost of Living Adjustments for Pensioners: The Board reviewed the 2024 Cost of Living Adjustments calculated by L&A. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the 2024 Cost of Living Adjustments as required by statute and calculated by L&A. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

Review Trustee Term Expirations and Election Procedures: The Board noted that the active member term currently held by Trustee Conner is expiring in April 2024. Trustee Conner 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.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that 9 Affidavits of Continued Eligibility remain outstanding. The Board will reach out to the 9 outstanding pensioners. Further discussion will be held at the next regular meeting.

Statements of Economic Interest: The Board noted that the List of Filers was submitted to the County by the City by February 1, 2024. Statements of Economic Interest will be sent to all registered filers who will need to respond by the deadline of May 1, 2024.

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.

CLOSED SESSION, IF NEEDED: A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to enter into closed session at 11:05 a.m. to discuss possible pending litigation and a current disability under 5 ILCS 120/2 (c)(11) of the Open Meetings Act. Motion carried by roll call vote.

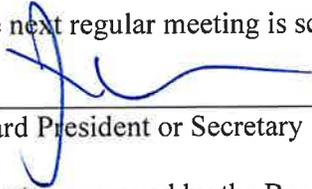
AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

A motion was made by Trustee Reiches and seconded by Trustee Philipaitis to adjourn closed session and re-enter the regular meeting at 11:33 a.m. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches and Mortell
NAYS: None
ABSENT: Trustee Granchalek

ADJOURNMENT: A motion was made by Trustee Philipaitis and seconded by Trustee Reiches to adjourn the meeting at 11:33 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for May 15, 2024 at 9:30 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on 5-15-2024

Minutes prepared by Alexandria Michael, Professional Services Administrator, Lauterbach & Amen, LLP