

**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
NOVEMBER 26, 2024**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held on Tuesday, November 26, 2024 at 9:30 a.m. in the Civic Center room 2402 located at 2100 Ridge Avenue, 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, Aleks Granchalek and Jack Mortell

ABSENT: None

ALSO PRESENT: Jess Tapia, Rom Chmara, Hitesh Desai, Kathy Brown and Clayton Black, City of Evanston; Alexandria Michael and Michael May, Lauterbach & Amen, LLP (L&A); Clare Kelly, Evanston First Ward; Bob Sidenberg, Evanston Round Table; Members of the Public; Corporation Counsel Alex Ruggie, City of Evanston Attorney

PUBLIC COMMENT: Retired Evanston Police Officer Tim Schoolmaster addressed the Board and the public to thank Rom Chmara for his service in the Finance Department. He will be retiring from the City of Evanston this year.

PRESIDENT'S COMMENT: Trustee Mortell addressed the Board and the members of the public and thanked everyone for coming to the meeting. Trustee Mortell gave a brief description of the responsibilities of the Trustees on the Evanston Firefighters' Pension Fund Board of Trustees. Trustee Mortell also reviewed pages 3-7 of the Board packet with the Board as well as the members of the public.

Trustee Reiches addressed the Board and members of the public and thanked everyone for coming and also noted that the Finance Committee is 100% committed to fully funding the Pension Fund by 2040.

APPROVAL OF MEETING MINUTES: *May 15, 2024 Closed Session Meeting:* The Board reviewed the May 15, 2024 closed session meeting minutes. A motion was made by Trustee Granchalek and seconded by Trustee Mortell to approve the May 15, 2024 closed session meeting minutes as written. Motion carried unanimously by voice vote.

August 7, 2024 Regular Meeting: The Board reviewed the August 7, 2024 regular meeting minutes. A motion was made by Trustee Reiches and seconded by Trustee Granchalek to approve the August 7, 2024 regular meeting minutes as written. Motion carried unanimously by voice vote.

INVESTMENT REPORTS: *FPIF – Marquette Associates:* The Board reviewed the FPIF Monthly Summary prepared by Marquette Associates for the period ending September 30, 2024. As of September 30, 2024, the one-month total net return was 2.1% and the year-to-date total net return was 13.5%, compared to the benchmark year-to-date total net return of 13%, for an

ending market value of \$9,689,623,457. The current asset allocation was as follows: Total Equity at 64.9%, Fixed Income at 28.6%, Total Alternatives Composite at 4.8% and Cash at 1.7%.

Statement of Results: The Board reviewed the September 2024 Statement of Results provided by FPIF. As of September 30, 2024, the ending market value was \$131,135,246.64 for a net return of 2.04%.

TREASURER'S REPORT – CITY OF EVANSTON: Mr. Chmara reviewed the Operation Cash Flow Report with the Board. The projected funds available to the Board for the upcoming months are: November 2024 \$1,860,861; December 2024 \$959,861 and January 2025 \$29,361. All questions were answered by Mr. Chmara.

Mr. Chmara recommend the Board withdraw an additional \$1,000,000 from FPIF in January 2025 to pay benefits and expenses for February 2025. A motion was made by Trustee Granchalek and seconded by Trustee Reiches to withdraw \$1,000,000 from FPIF to pay benefits and expenses in February 2025. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches, Granchalek and Mortell

NAYS: None

ABSENT: None

Activity from 1/1/2024 – 9/30/2024 and 9/30/2024 Balance of: Personal Property Replacement Tax, Unrestricted Revenues, Net of Expenses Available in General Fund and General Fund Reserves in Excess of General Fund Required Fund Balance: Trustee Mortell thanked Mr. Desai for providing the requested documents for the Board meeting packet. Moving forward Mr. Mortell requested a general ledger and a breakout of the quarterly balances.

Excess Fund Balances in Other Unrestricted City Fund: Trustee Mortell reviewed the guidelines and responsibilities quoted in the State Statue for the Municipal Treasurer.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the nine-month period ending September 30, 2024 prepared by L&A. As of September 30, 2024, the net position held in trust for pension benefits was \$134,698,547.95, for a change in position of \$19,912,348.51. 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 July 1, 2024 through September 30, 2024 for total disbursements of \$86,125.96. A motion was made by Trustee Mortell and seconded by Trustee Reiches to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Quarterly Disbursement Report in the amount of \$86,125.96. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches, Granchalek and Mortell

NAYS: None

ABSENT: None

Additional Bills, if any – Fiduciary Liability Insurance: The Board reviewed the fiduciary liability invoice in the amount of \$13,065 effective September 15, 2024 to September 15, 2025 and noted that this was previously approved in the Disbursement Report.

Discussion/Possible Action – Cash Management Policy: The Board discussed the Cash Management Policy and determined no changes are needed at this time.

GCM Recurring Withdrawal Instructions for 2025: The Board discussed the recurring withdrawal instructions for 2025. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approve Regular Retirement Benefits – Douglas Lindstrom and Anthony Yee:* The Board reviewed the regular retirement benefit calculation for Douglas Lindstrom. Mr. Lindstrom had an entry date of May 6, 2002; retirement date of September 7, 2024; effective date of pension of September 8, 2024; 52 years old at date of retirement; 22 years, 4 months creditable service with Evanston Fire; 5 years and 1-month, creditable service with North Chicago Fire; combined applicable salary of \$154,776.41, the amount of originally granted annual pension from Evanston Fire is \$100,359.51 and the amount of originally granted monthly pension from Evanston Fire is \$8,363.29. A motion was made by Trustee Mortell and seconded by Trustee Granchalek to approve the regular retirement benefits for Douglas Lindstrom calculated by L&A. Motion carried by roll call vote.

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

The Board also reviewed the regular retirement benefit calculation for Anthony Yee prepared by L&A. Captain Yee had an entry date of May 30, 2000, retirement date of October 31, 2024, effective date of pension of November 1, 2024, 55 years of age at date of retirement, 24 years and 5 months of creditable service, applicable salary of \$158,376.41, applicable pension percentage of 61.04%, amount of originally granted monthly pension of \$8,056.30 and amount of originally granted annual pension of \$96,675.60. A motion was made by Trustee Mortell and seconded by Trustee Granchalek to approve Anthony Yee's regular retirement benefit calculated by L&A. Motion carried by roll call vote.

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

Deceased Pensioner – Peter Foley/Approval of Surviving Spouse Benefit – Barb Foley: The Board noted that Peter Foley passed away on October 9, 2024. The Board reviewed the surviving spouse benefit calculation for Barb Foley with an effective date of October 10, 2024 for a monthly benefit of \$5,330.30 with no additional increases. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to approve the surviving spouse benefit of Barb Foley calculated by L&A. Motion carried by roll call vote.

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

Deceased Surviving Spouse – Sue Melzer: The Board noted that surviving spouse Sue Melzer passed away October 5, 2024 and her pension benefit has ceased.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: There were no applications for membership or withdrawals from the Fund.

OLD BUSINESS: *Discussion/Possible Action – Updated Board Rules and Regulations:* The Board noted that the updated Rules and Regulations are still in process. Further discussion will be held at the next regular meeting.

Discussion/Possible Action – Money Market Account: The Board discussed the original Northern Trust Account #2639081. A motion was made by Trustee Reiches and seconded by Trustee Mortell to liquidate the remaining balance in the Northern Trust Money Market account and transfer the proceeds to the BMO Bank account. Motion carried by roll call vote.

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

Discussion/Possible Action – Concerns Regarding Evanston's City Finance Department's Handling of Fund Accounting: The Board requested an overview of the accounts the City is using to fund the Fire and Police Pension Funds. The Board also discussed hosting an education session with City representatives and representatives from the Finance committee.

Review/Approve – Actuarial Valuation and Tax Levy Request: The Board reviewed the Actuarial Valuation prepared by Foster and Foster. Based on data and assumptions, the recommended municipal contribution is \$13,810,918 and the statutory minimum contribution amount is \$9,988,071. A motion was made by Trustee Mortell and seconded by Trustee Reiches to request a tax levy in the amount of \$13,810,918 from the City of Evanston. Motion carried by roll call vote.

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

A motion was made by Trustee Mortell and seconded by Trustee Granchalek to accept the Actuarial Valuation as prepared by Foster and Foster. Motion carried by roll call vote.

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

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

NEW BUSINESS: *Discussion/Possible Action – Bank Account Access for Rom Chmura's Replacement Ms. Tapia:* The Board discussed the bank account access for Ms. Tapia. A motion

was made by Trustee Mortell and seconded by Trustee Reiches to grant access to the Evanston Firefighters' Pension Fund bank accounts to Ms. Tapia. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches, Granchalek and Mortell

NAYS: None

ABSENT: None

Discussion/Possible Action – Payment of 2023 GASB to Foster and Foster – CoE or Firefighter Pension Fund: The Board discussed payment of the 2023 GASB report provided by Foster and Foster. The Board noted that the City should have paid the \$3,602 invoice not the Pension Fund. Mr. Desai informed the Board that the City will reimburse the Pension Fund in the amount of \$3,602.

Post Meeting Note: Ms. Tapia informed the Board and L&A that the City also paid the invoice in the amount of \$3,602 for the 2023 GASB report. She has informed Foster & Foster to reimburse the Pension Fund.

Discussion/Possible Action – FOIA Evanston City Clerk Email Regarding Destruction of Records Stored at Evanston Civic Center: Trustee Mortell informed the Board he would like to work with Board Attorney Pinelli and FOIA the City for the following agenda items: *Discussion/Possible Action – FOIA Evanston City Clerk Email Regarding Destruction of Records Stored at Evanston Civic Center, Discussion/Possible Action – FOIA Content and Subject of March 28 Email Exchanges Between Sikich Auditor Ms. Martha Trotter and Rom Chmura and Hitesh Desai Regarding Transfer of Cook County Property Tax Collections for FY2024 of \$1,143,381.71 for FY2023, Discussion/Possible Action – FOIA GL Activity of Items i., ii., iii., IV. Itemized in Agenda Item 7 Treasurers Report and Discussion/Possible Action – Independent Forensic Audit of Evanston Firefighters' Pension Fund and Funding Sources:* A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to direct Trustee Mortell to work with Attorney Pinelli to draft a FOIA request as discussed.

Trustee Reiches expressed her reasoning for not approving Trustee Mortell working with Attorney Pinelli in order to move forward with the FOIA requests.

Mr. Desani addressed the Board and the members of the public regarding discussion that has been held at this Board meeting.

Mr. Schoolmaster advised the Board on how they can move forward with a FOIA request without engaging the Board Attorney.

After discussion Trustee Mortell withdrew his previous motion.

The Board discussed holding a special meeting regarding agenda items 12 c-f. A motion was made by Trustee Mortell and seconded by Trustee Philipaitis to hold a special meeting on a date yet to be determined to address agenda items 12 c-f. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Conner, Reiches, Granchalek and Mortell

NAYS: None

ABSENT: None

Ms. Tapia, Mr. Chmara and Mr. Desai left the meeting at 11:34 a.m.

Establish 2025 Board Meeting Dates: The Board established the 2025 Board meeting dates as February 12, 2025; May 22, 2025; August 20, 2025; and November 24, 2025 at 9:30 a.m. in the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that L&A will mail Affidavits of Continued Eligibility to all pensioners in December. Further discussion will be held at the next regular meeting.

Outstanding 2023 Affidavits of Continued Eligibility: The Board noted that the 2023 Affidavit of Continued Eligibility has been received from the outstanding pensioner. No further action is needed by the Board.

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

AYES: Trustees Philipaitis, Conner, Reiches, Granchalek and Mortell

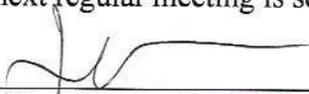
NAYS: None

ABSENT: None

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

ADJOURNMENT: A motion was made by Trustee Reiches and seconded by Trustee Philipaitis to adjourn the meeting at 11:41 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for February 12, 2025 at 9:30 a.m.



Board President or Secretary

Minutes approved by the Board of Trustees on

2/12/25

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