

**MINUTES OF THE QUARTERLY MEETING OF THE
EVANSTON POLICE PENSION FUND
27 OCTOBER 2022**

I. CALL TO ORDER

The October 2022 quarterly meeting of the Evanston Police Pension Fund of Trustees was called to order at 2:02 p.m. on 27 October 2022, via video and teleconference in accordance with Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)), as the result of the State's disaster declaration regarding the COVID-19 pandemic and the Board President's determination that an in-person meeting was not practical or prudent.

II. ROLL CALL OF TRUSTEES

Trustees Present

Timothy Schoolmaster
Ted Schienbein
Mark Vaughan
Aaron Wernick

Trustees Absent

Also present: Carolyn Clifford (Fund Attorney) Dave Wall (Investment Advisor); Hitesh Desai (Fund Treasurer); Andrew Villamin (City Accountant)

III. PUBLIC COMMENT

There was no public comment.

IV. APPROVAL OF MINUTES

Regular meeting minutes 4/22/2022 -- A motion was made to approve the minutes from the regular quarterly meeting held April 22, 2022, pending attorney review, by Vaughan, seconded by Schienbein. The motion passed unanimously by a roll call vote:

AYES: Schoolmaster, Wernick, Schienbein, and Vaughan

NAYS: None

ABSTAIN: None

ABSENT: None

Regular meeting minutes 7/28/2022 -- A review and approval of the 7/28/2022 minutes was tabled until the January 2023 regular meeting.

Six-month review of closed session minutes -- Closed session minutes review held for the next quarterly meeting.

V. POLICE PENSION PAYROLL

The monthly pension benefits paid out by the pension fund for the following months were reviewed by the Board. Individual monthly payroll reports are a part of these minutes by reference:

A. July 2022 (revised)	\$1,241,678.36
B. August 2022	\$1,225,190.73
C. September 2022	\$1,227,606.90
D. October 2022- pending	

A motion was made to approve the Payroll by Schienbein, seconded by Wermick and passed unanimously by roll call vote:

AYES: Schoolmaster, Wermick, Schienbein, and Vaughan
NAYS: None
ABSTAIN: None
ABSENT: None

VI. PAYMENT OF BILLS

Expenses were listed on a Disbursement Warrant dated 10/27/2022 for \$37,110.02 and reviewed by the Board. A motion was made to approve the Disbursement Warrant by Schoolmaster, seconded by Schienbein and passed unanimously by roll call vote:

AYES: Schoolmaster, Wermick, Schienbein, and Vaughan
NAYS: None
ABSTAIN: None
ABSENT: None

VII. TREASURER'S/INVESTMENT REPORT

Review of Investment Report – Wall and Associates – Dave Wall of Wall Capital Group provided the Board with updates on the investments and returns for the third quarter of 2022. Total Fund value as of 9/30/2022 at \$141,235,289, down (19.99%) net YTD and down (4.84%) net in the third quarter.

A motion was made to authorize Dave Wall to liquidate \$1,500,000 from the Passive Total Market Fund by Schoolmaster, seconded by Wermick, and passed unanimously by roll call vote:

AYES: Schoolmaster, Wermick, Schienbein, and Vaughan
NAYS: None
ABSTAIN: None
ABSENT: None

Treasurer's Report -- The Board was provided the treasurer's report by Hitesh Desai. The Treasurer's operating cash flow projections were reviewed with the Board by Hitesh Desai and Andrew Villamin. Cook County property tax collection is still delayed for the second installment.

A motion to accept the Treasurer's/Investment report was made by Schoolmaster, seconded by Wernick and passed unanimously by roll call vote:

AYES: Schoolmaster, Wernick, Schienbein, and Vaughan

NAYS: None

ABSTAIN: None

ABSENT: None

VIII. NEW OFFICER APPOINTMENTS / SERVICE TRANSFERS

IMRF to Article 3 transfers -- This topic is tabled to be revisited in January 2023.

Evanston Police Pension Fund fund transfers outgoing -- Schoolmaster is working on compiling a list of creditable service transfers out of the fund during the last several years. This is tied to the experience study conducted by Foster & Foster.

New Hires -- Justin Winston, 10/24/2022 Tier 2, application for Fund membership submitted; and Vernell Bentley, 10/17/2022 Tier 2, application for Fund membership submitted.

IX. RETIREMENTS/DEATH & OTHER BENEFIT CHANGES

Death -- Retired member Chester Markiewicz reported deceased 7/22/22. Check for \$992.19 received for refund due to EPPF in addition to the death certificate.

Deferred Benefit -- Deferred beneficiary Gus Horemis turned 60 on 9/4/22 after having employment terminated 3/21/2008 with 16 years of creditable service and a final pensionable salary of \$77,375.57; benefit percentage of 40%; monthly benefit of \$2,579.19.

A motion was made to approve the new appointments, changes to deferred benefits, and termination of benefits due to death, by Schoolmaster, seconded by Schienbein, and passed unanimously by roll call vote:

AYES: Schoolmaster, Wernick, Schienbein, and Vaughan

NAYS: None

ABSTAIN: None

ABSENT: None

X. COMMUNICATIONS/REPORTS

President's report-- President Schoolmaster updated the Board on various issues involving contact with current and former officers regarding service purchases, service transfers, and retirement options. He also updated the Board on pending litigation matters involving securities litigation and consolidation.

IPOPIF transfer status-- The Fund transfer status is still on hold pending the resolution of the motion to stay.

XI. OLD BUSINESS

Status of City Audit – The City’s audit is completed and available on the City’s website.

DOI Annual Statement (due 6/30/2022) – The Fund’s DOI Annual Statement has been completed and was filed on time.

Actuarial Valuations – Foster & Foster still recommends a 6.25% return assumption after the experience study. The DOI actuarial valuation was also available for the Board’s review, which is based on statutory minimum approach and assumes 6.5% return.

City Tax Levy Request – The Board reviewed the draft tax levy request letter which recommends the current number calculated by Foster & Foster. Discussion ensued regarding the City Council’s possible consideration of a revised actuarial valuation that would change the funding goal from 90% to 100%. President Schoolmaster reported that he has provided information to City council members, as requested, on funding history and recommendations on future funding levels, as well as spoken at recent meetings on these issues. The Board determined to table final recommendations on the tax levy for the Fund until any updated valuation is available for review. President Schoolmaster will continue to monitor any developments on this issue ahead of the City’s decision on the tax levy ordinance.

Status of Nawotka Disability – The matter is still pending the completion of required IME psychologist and psychiatrist evaluations.

XII. NEW BUSINESS

The Board reviewed the proposed 2023 regular quarterly meeting dates of 1/26, 04/27, 07/27, 10/26 at 2 p.m. A motion to accept the 2023 meeting dates was made by Schoolmaster, seconded by Vaughan, and unanimously passed by a roll call vote:

AYES: Schoolmaster, Wernick, Schienbein, and Vaughan

NAYS: None

ABSTAIN: None

ABSENT: None

XIII. TRUSTEE TRAINING

The Board was provided with legal updates from Board counsel (4th Quarter Legal Insights), as well as upcoming training opportunities.

XIV. CLOSED SESSION

None

XV. ADJOURNMENT

Motion to adjourn by Wernick, seconded by Vaughan, unanimously approved and adjourned at 3:15 p.m. by roll call vote:

AYES: Schoolmaster, Wernick, Schienbein, and Vaughan

NAYS: None

ABSTAIN: None

ABSENT: None

Respectfully submitted,



Ted Schienbein, Secretary

Approved by the Board of Trustees at its January 26, 2023, quarterly meeting.