

**MINUTES OF THE QUARTERLY MEETING OF THE
EVANSTON POLICE PENSION FUND
27 JULY 2017**

I. CALL TO ORDER

This quarterly meeting of the Evanston Police Pension Fund of Trustees was called to order at 2:00 p.m. on 27 July 2017. This meeting was held at the Evanston Police Department, 1454 Elmwood Avenue, Evanston, Illinois.

II. ROLL CALL OF TRUSTEES

Trustees Present

Ryan Glew
Timothy Schoolmaster
Mark Vaughan
Mark Weisberg
Aaron Wernick

Trustees Absent

None

Also present: Carolyn Clifford (Fund Attorney); Dave Wall (Investment Advisor); Andrew Villamin (Accounting COE)

III. PUBLIC COMMENT

There was no public comment.

IV. APPROVAL OF MINUTES

A motion was made to approve the minutes from regular quarterly meeting held on April 27th, 2017, by Schoolmaster and seconded by Glew. The motion passed unanimously by a voice vote.

The Board conducted its six-month review of closed meeting minutes. The creation of a comprehensive spreadsheet of the written closed meeting minutes and audio tapes is in progress. A motion was made to continue to hold closed minutes closed by Schoolmaster and seconded by Wernick. The motion passed unanimously by voice vote.

V. POLICE PENSION PAYROLL

The monthly pension benefits paid out by the Fund for the following months were reviewed by the Board; copies of the individual monthly payroll reports were available for review:

- A. April 2017 - \$934,217.84
- B. May 2017 - \$938,896.62
- C. June 2017 - \$941,179.60

AW

A motion to accept the pension payroll figures was made by Schoolmaster, seconded by Wernick. The motion passed unanimously by roll call vote:

AYES: Glew, Schoolmaster, Vaughan, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: None

VI. EXPENSES/PAYMENT OF BILLS

Expenses were listed on a Disbursement Warrant and reviewed by the Board. A motion was made to approve the Disbursement Warrant by Schoolmaster, and seconded by Wernick. The motion passed unanimously by roll call vote:

AYES: Glew, Schoolmaster, Vaughan, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: None

VII. TREASURER'S/INVESTMENT REPORT

A. Review of Investment Report – Wall and Associates

Dave Wall of Wall and Associates provided the Board with updates on the investments and returns for 2nd quarter of 2017. Assets under management total \$112,799,051.04 as of June 30, 2017. For the three-month period ending June 30, 2017, the Fund's overall portfolio return was 2.55%, net of investment expenses. This compares to the benchmark which returned 2.55% during the same period. Year to date, the portfolio has returned 6.47%

B. Treasurer's Report

The Board was provided the treasurer's report by Andrew Villamin. The Treasurer's operating cash flow projections were reviewed with the Board by Andrew Villamin.

C. DOI Annual Statement, Actuarial Valuation, & Audit Process

The DOI Annual Statement has been filed, but the DOI has some questions regarding some of the data which President Schoolmaster has handled so that the amended statement could be filed. The actuarial valuation has been completed and will be distributed to the Board. The City's audit has been completed and will be filed with the DOI.

A motion to accept the Treasurer's and Investment Consultant's reports was made by Schoolmaster, seconded by Glew. It was unanimously passed by a voice vote.

VIII. COMMUNICATIONS AND SPECIAL REPORTS/PRESENTATIONS

President Schoolmaster reported that several FOIA requests were received during the quarter, and he has responded to them in a timely fashion. The requests and responses will be kept on file.

IX. NEW OFFICER APPOINTMENTS

There were no new hires during the last quarter.

X. RETIREMENTS

Detective John Schmidt retired on 07/05/2017 with 30+ years of service and a parting salary of \$94,363.42 with 5.5% longevity. The Board has received his retirement application. Detective Schmidt will collect 75% of his salary totaling \$70,772.57 or \$5,897.71 per month.

Officer Thomas Devine retired on 05/12/2017 with 41+ years of service and a parting salary of \$94,363.42 with 5.5% longevity. The Board has received his retirement application. Officer Devine will collect 75% of his salary totaling \$70,772.57, or \$5,897.71 per month.

Officer Joseph Panek's TTD benefits ended 06/11/2017 so there is no longer an off-set to the monthly pension benefit.

XI. DEATHS

There were no deaths during the last quarter.

XII. RESIGNATIONS

Sean Mangas resigned from the Evanston Police Department on May 5, 2017. No paperwork has been given to the Pension Fund, seeking a refund as of this date.

A motion to approve the applications for retirements was made by Schoolmaster, seconded by Glew. The motion passed unanimously by a roll call vote:

- AYES: Glew, Schoolmaster, Vaughan, Weisberg, and Wernick
- NAYS: None
- ABSTAIN: None
- ABSENT: None

XIII. PREVIOUS AGENDA ITEMS/OLD BUSINESS

A. Status of Campbell Litigation

Appeal by Campbell is still on-going. The Appellate Court has received the docketing statement from

Campbell's attorney; however, the record on appeal has still not been filed.

B. Status of DeFranceschi Disability

Attorney Clifford reported that we are still waiting on IMEs to be completed and reports to be submitted. She projected that the Board would be looking for late September / early October 2017 to conduct the disability hearing.

C. Board Rules and Forms

The Board's attorney has provided an updated draft set of Board rules and forms for the Board members' review. This will be tabled to a future Board meeting for review and possible approval.

D. Status of Annual Affidavits of Eligibility (Elliott)

Attorney Clifford provided an update on this matter by memorandum. Upon a thorough review of the issues by the Board, it was the consensus that Elliott continues to meet the eligibility requirements for his disability benefit. Board Attorney did secure and review Elliott's current job description, as well as case law involving similar circumstances, and it was determined he continues to be in compliance.

E. Status of Annual IME's of Disabled Members

Shydrowski and Jackson remain disabled according to Dr. Samo, who performed an IME on each member. Dr. Samo's IME reports will be retained in the Fund's files.

XIV. NEW BUSINESS

A. Election of Officers

The Board conducted its annual election for Board officers. The proposed slate for officers for the year was as follows:

President - Schoolmaster
Vice-President - Glew
Secretary - Wernick
Assistant Secretary - Weisberg

A motion to accept the slate of Board officers as presented was made by Schoolmaster, seconded by Glew. The motion passed unanimously by a voice vote.

XVI. TRUSTEE TRAINING/EDUCATION

A motion to approve registration costs and affiliated travel expenses for the NCEPRS Public Safety Conference and NCPERS Modules 3 & 4 pension training for Schoolmaster not to exceed \$3,000.00 was made by Glew, seconded by Wernick. The motion passed unanimously by roll call vote:

AYES: Glew, Schoolmaster, Vaughan, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: None

XVII. CLOSED SESSION

There was no closed session at this meeting.

XVIII. ADJOURNMENT

A motion was made by Schoolmaster to adjourn this meeting. This motion was seconded by Wernick. The motion passed unanimously by voice vote. The meeting was adjourned at 3:53 p.m.

Respectfully submitted,



Aaron Wernick, Trustee

Approved by the Board of Trustees at its October 26th, 2017, quarterly meeting.

AW

**MINUTES OF THE QUARTERLY MEETING OF THE
EVANSTON POLICE PENSION FUND
26 OCTOBER 2017**

I. CALL TO ORDER

This quarterly meeting of the Evanston Police Pension Fund of Trustees was called to order at 2:04 p.m. on 26 October 2017. This meeting was held at the Evanston Police Department, 1454 Elmwood Avenue, Evanston, Illinois.

II. ROLL CALL OF TRUSTEES

Trustees Present

Ryan Glew
Timothy Schoolmaster
Mark Weisberg
Aaron Wernick

Trustees Absent

Mark Vaughan

Also present: Carolyn Clifford (Fund Attorney); John Motylinski (Fund Attorney); Dave Wall (Investment Advisor); Marty Lyons (Fund Treasurer); Andrew Villamin (Accounting COE); Bob Gustafson (City of Evanston HR).

III. PUBLIC COMMENT

There was no public comment.

IV. APPROVAL OF MINUTES

A motion was made to approve the minutes from regular quarterly meeting held on July 27th, 2017, by Schoolmaster and seconded by Glew. The motion passed unanimously by a voice vote.

V. POLICE PENSION PAYROLL

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

- A. July 2017 - \$951,935.51
- B. August 2017 - \$957,435.74
- C. September 2017 - \$956,524.47

A motion to accept the pension payroll figures was made by Schoolmaster, seconded by Glew. The motion passed unanimously by roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

VI. EXPENSES/PAYMENT OF BILLS

Expenses were listed on a Disbursement Warrant and reviewed by the Board. A motion was made to approve the Disbursement warrant by Schoolmaster, and seconded by Glew. The motion passed unanimously by roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

VII. TREASURER'S/INVESTMENT REPORT

A. Review of Investment Report – Wall and Associates

Dave Wall of Wall and Associates provided the Board with updates on the investments and returns for third quarter of 2017. Ending market value of the Fund's portfolio as of September 30, 2017, was \$119,075,656.04. For the three-month period ending September 30, 2017, the portfolio return was 3.35% net of investment fees, compared to the benchmark at 3.01%. Calendar and fiscal year to date, the portfolio return is 9.95% net of investment fees, compared to the benchmark at 9.71%.

B. Discussion of Fund bill payments – City bills list and statutory reporting requirements

No update on this issue at this time.

C. Treasurer's Report

The Board was provided the treasurer's report by Marty Lyons. The Treasurer's operating cash flow projections were reviewed with the Board by Marty Lyons.

A motion to accept the Treasurer's/Investment report was made by Schoolmaster, seconded by Glew. It was unanimously passed by a voice vote.

D. DOI Annual Statement, Actuarial Valuation, & Audit Process

The DOI annual statement has been filed, and the City's audit has been completed.

VIII. COMMUNICATIONS AND SPECIAL REPORTS/PRESENTATIONS

None.

IX. NEW OFFICER APPOINTMENTS

Officer William A. Brown, Jr. was hired and application to the Fund made on August 4th, 2017. Officer Brown, Jr. is a Tier 2 member.

Officer Brian Patrick Rowell was hired and application to the Fund made on August 4th, 2017. Officer Rowell is a Tier 2 member.

X. RETIREMENTS

Commander Thomas Moore retired on 08/04/2017 with 27 years of service and a parting salary of \$132,379.16. The Board has received his retirement application. Commander Moore will collect 67.5% of his salary totaling \$89,355.93 or \$7,446.33 per month.

XI. DEATHS

Surviving spouse Bette White, widow of Sergeant Henry White (retired), died on 09/18/2017. The benefit has ceased, and the account is closed.

XII. RESIGNATIONS

There were no resignations during the last quarter.

A motion to accept new hire applications, retirement and cessation of survivor benefits was made by Schoolmaster, seconded by Glew. The motion passed unanimously by a roll call vote:

AYES:	Glew, Schoolmaster, Weisberg, and Wernick
NAYS:	None
ABSTAIN:	None
ABSENT:	Vaughan

XIII. PREVIOUS AGENDA ITEMS/OLD BUSINESS

A. DeFranceschi Disability Hearing

The Board conducted the hearing for Officer Cathy DeFranceschi's disability application. Present at the hearing were Officer DeFranceschi and her attorney, Jerry Marconi. Schoolmaster made a motion to appoint Board attorney, John Motylinski, as the hearing officer for the Board, seconded by Glew. The motion passed unanimously by voice vote.

Attorney Motylinski conducted the hearing, and it was transcribed by a court reporter. Admitted into evidence were Board Exhibit Nos. 1 through 19. Attorney Marconi presented Officer DeFranceschi's disability application to the Board, and called Officer DeFranceschi as a witness. Officer DeFranceschi testified in support of her application for benefits, and answered questions from the Board.

After receiving closing remarks from Attorney Marconi, Schoolmaster moved to go into closed session to deliberate over the evidence and testimony received in open session pursuant to Section 2(c)(4) of the Open Meetings Act (5 ILCS 120/2(c)(4)), seconded by Glew. The motion was passed pursuant to a roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

After deliberations, the Board returned to open session pursuant to a motion by Schoolmaster, seconded by Glew, and passed pursuant to a roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

Schoolmaster presented a motion to approve Officer DeFranceschi's application for line-of-duty disability pension benefit, which was seconded by Glew. The motion passed pursuant to a roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

Schoolmaster moved to direct the Board's hearing officer, Attorney Motylinski, to prepare the Board's Findings and Decision in this matter, to be approved by the Board at a later date, which was seconded by Glew. The motion passed unanimously pursuant to a voice vote.

The Board closed the hearing and returned to the regular meeting agenda.

B. Status of Campbell litigation

The Board's attorneys submitted the response brief to the First District Appellate Court on October 6, 2017. The Board was provided copies of the brief for review. The Plaintiff's reply brief is due on October 26, 2017. The Board will be kept apprised of the status of the appeal.

C. Status of Worshill litigation

The Board was subpoenaed for records from the Worshill disability matter in connection with outside litigation Worshill initiated against Church Street LLC. The Board's attorney responded to the subpoena.

D. Review/Approval of Board Rules & Forms

The Board tabled the review of the Board rules and forms until January 2018.

E. Council Tax Levy Request and Certification of Municipal Compliance report

The Board reviewed the draft tax levy request letter to the City, in which the Board will request a levy of \$11,083,443, based on Foster & Foster's actuarial valuation, using an investment return assumption of 6.25%.

A motion to request a levy of \$11,083,443 from the City of Evanston and direct Schoolmaster to submit the request letter to the City was made by Schoolmaster, seconded by Glew. It was unanimously passed by a roll call vote:

AYES: Glew, Schoolmaster, Weisberg, and Wernick
NAYS: None
ABSTAIN: None
ABSENT: Vaughan

F. Regular meeting dates for 2018

The Board reviewed the dates for the quarterly regular meetings in 2018 at 1400 hours at the Evanston Police Headquarters: January 25, April 26, July 26, and October 25. A motion was made by Schoolmaster, seconded by Glew, to set the regular quarterly meeting dates as set forth. Upon a voice vote, the motion carried.

G. Six Month Review of Closed Meeting Minutes

Secretary Wernick is working on preparing a comprehensive list of the Board's closed meeting minutes. At the recommendation of the Board's attorney, Schoolmaster made a motion to keep the closed meeting minutes closed, seconded by Glew. Upon a voice vote, the motion carried.

XIV. NEW BUSINESS

None.

XVI. TRUSTEE TRAINING/EDUCATION

The Board's attorney provided a review of the proposals from the Illinois Municipal League to consolidate downstate pension funds.

XVII. CLOSED SESSION

There was no closed session at this meeting.

XVIII. ADJOURNMENT

A motion was made by Schoolmaster to adjourn this meeting. This motion was seconded by Wernick. The motion passed unanimously by voice vote. The meeting was adjourned at 3:57 p.m.

Respectfully submitted,



Aaron Wernick, Secretary

Approved by the Board of Trustees at its January 25th, 2018, quarterly meeting.

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