

Evanston Firefighters Pension Board

Minutes of Regular Board Meeting February 13, 2013

Meeting called to order 9:05 am: Deron Daugherty, Patrick Dillon, Elizabeth Rorke, Joe Romano present. Sean Heneghan absent.

Reading of minutes of November 9, 2012 waived.

Investment Committee: Cash flow report from Rom Chmara. Proposal from Romano to expand report to 12 months to include annualized totals, and to track actual cash balances versus projected cash balances.

Report and quarterly review from Mary Tomanek, (attached) and recommendation to leave IMET funds in place.

Recommendation to Board to consider raising equity position to 55%, in addition to adding to corporate bond portfolio. Consider real estate diversification and liquidate Strategy Asset Managers effective 3/1/13. **Motion: Daugherty, Move approximately 2.5 million to each of Seagull Bryant and McDonnell, (unanimous). Motion: Dillon, transfer .5 million from Chase to Vanguard REIT Index Adm. (unanimous).**

Board discussion on Mayoral request of divestiture of Board assets holding weapon manufacturers held over for Board attorney for review.

New Business:

William Lynch unanimously approved effective 1/7/13.

Pension: Captain Ronald Brumbach effective 11/17/2012. Annual Salary: \$97,507.90/75% Monthly benefit \$6,094.24.

Expense report accepted and approved.

Motion: Dillon Board to purchase copier/printer in an amount not to exceed \$3,000.00. (unanimous).

Deaths: Chief Willard Thiel 1/4/2013 (no survivor). Shift Chief James Whalen 1/26/13 (no survivor).

Status report on Donald Cederberg indicates that 2 of 4 depositions have been completed with 1 scheduled for March and 1 scheduled for April. Matter continued.

Any members wishing to attend the NCPERS conference submit to the Board.

Motion: Rorke, adjourn. (unanimous) 10:40 am.

Minutes of the Regular Pension Board

Meeting 05/17/2013

At Fire Department Headquarters 909 Lake

Members Present: Mr. Deron Daugherty, Mr. Patrick Dillon, Mr. Sean Heneghan. Mr. Joseph Romano.

Present: Mr. Rom Chmara, Mr. Hitesh Desai, Mrs. Mary Tomanek, Division Chief Block. Mr. Martin Lyons.

Meeting to Called to Order at 9:40am

Roll Call and Declaration of Quorum

Minutes: Motion to accept the minutes of the meeting held February 13, 2013. Motion: Dillon. Second: Heneghan. Motion approved.

Cash Flow Report by Rom Chmara:

- Romano discusses fire pension fund operating cash flow
- Lyons thinks cash investment return column should be included (just new cash.)
- Will probably have cash to invest at the next meeting.

Investment Committee Report: Ms. Mary Tomanek, Portfolio Review and Investment Recommendations

- Great quarter for the equity market.
- More "defensive" areas went up the most.
- Didn't lose ground on the bond side.
- Japan and Ireland did very well.
- Still a lot of volatility.
- Dow still is not where it was at in 2000 when including inflation.
- Fund can now go up to 65% in equities according to state law.
- Discussion about looking into convertible securities.
- GASB impact discussion by Lyons.
- Romano discussion regarding Calamos Growth and Income.
- Mary recommends taking \$500,000 out of Golden Small Core and placing it into Allianz or an infrastructure fund. (Nuveen Global Infrastructure.)

Motion by Dillon to take \$500,000 out of Golden Small Core and place money into the Nuveen Global Infrastructure Fund. 2nd by Heneghan. Motion carries 4-0 roll call vote.

Motion by Romano to modify board's investment policy to allow for the state's maximum in equities. 2nd by Dillon. Motion carries 4-0 roll call vote.

Motion by Daugherty to liquidate Calamos and place the money into the Allianz Convertible Fund. 2nd by Heneghan. Motion carries 4-0 roll call vote.

Motion by Daugherty to move \$1,000,000 from Northern Trust Index and place \$500,000 into the Nuveen Global Infrastructure Fund, \$250,000 into Harbor International, and \$250,000 into Virtus Emerging Markets. 2nd by Heneghan. Motion carries 4-0 roll call vote.

New Business:

Application: For approval

-Luke Holthaus, hired April 8, 2013. Motion by Romano. 2nd by Dillon. Motion passes 4-0

Trustee Election Results

-Retired Member Trustee Patrick Dillon reelected for a new term (4/16/13-4/15/16).

Election of Pension Board Officers

-Motion by Dillon to nominate Deron Daugherty to the position of pension board president. 2nd by Romano. Motion passes 3-0 vote, Daugherty abstains.

-Motion by Dillon to nominate Sean Heneghan to the position of pension board secretary. 2nd by Romano. Motion passes 3-0 vote, Heneghan abstains.

Pension Expenditure report for approval

Rom Chmara

-Depositions included for Cederberg on report.

-Motion: Daugherty; Second: Dillon; Motion Carries 4-0 roll call vote

Creation of Pension Funding Policy of City

-Lyons discussion regarding GASB.

-Hope to have policy by year end.

Update on FF/PM Cederberg Hearing

-Looking into dates that work for everyone in June and July.

Motion by Dillon to reimburse Evanston FD if hirebacks are needed for board members for Cederberg hearing on July 9th. 2nd by Daugherty. Motion passes 4-0 roll call vote.

Motion to adjourn meeting made by Daugherty. 2nd by Dillon
Motion Carries.

Meeting adjourned at 11:00am

Minutes of the Regular Pension Board

Meeting 08/01/2013

At Fire Department Headquarters 909 Lake

Members Present: Mr. Deron Daugherty, Mr. Patrick Dillon, Mr. Sean Heneghan, Mr. Joseph Romano, Mrs. Rorke

Present: Mr. Rom Chmara, Mr. Hitesh Desai, Mrs. Mary Tomanek, Chief Klaiber, Mr. Tim Schoolmaster

Meeting Called to Order at 9:07am

Roll Call and Declaration of Quorum – Mr. Romano absent

Minutes: Motion to accept the minutes of the meeting held May 17, 2013. Motion: Dillon. Second: Heneghan. Motion approved.

Public Comment by Mr. Timothy Schoolmaster:

- Discusses common issues between the Fire and Police funds.
- Believes Marty Lyons has been given too many jobs.
- Wants to look into taking all accounting outside the city, but would rather work with the city and keep it in house.
- City Treasurer is required to be bonded by state law and is not.
- Believes Mayor might not be bonded either. Doesn't believe any wrongdoing just wants it made right.
- Asked Hitesh to be made 2nd signatory, City Manager did not like that idea.
- Discussion regarding Payroll not being put immediately in fund prior to 2011. Schoolmaster has asked that the city hold payroll info from 2001-2011

Mr. Joe Romano arrives at 9:20

Investment Committee Report: Ms. Mary Tomanek, Portfolio Review and Investment Recommendations

- Change over custodian account: Discussion with Tomanek discussing options if we move away from Chase. Mary states it doesn't matter to them where it goes they just need to get feeds. Rom discusses how Chase has been a hassle to deal with. Bad customer service and slow making trades.
- Tomanek will get us a few options.
- “Fedspeak” in May affected the market.
- Stocks still finished ahead this quarter. Financials did very well
- Emerging markets weak this quarter.
- Doesn't believe Fed will raise short term interest rates until 2015.

-Article handed out "Europe's Economy Will Recover."

-Discussion regarding socially responsible investment/investing theory. Mary and Daugherty will continue discussion.

Cash Flow Report by Rom Chmara:

-Rom believes we should probably wait until next meeting to invest cash in order to be safe.

New Business:

Regular Pension for approval

-Mr. Steven Ready effective May 30, 2013. 26 years 9 months 13 days service. Annual salary \$103,465.70, 66.88% benefit. \$5,769.97/month. Motion by Daugherty, 2nd by Dillon. Motion passes 5-0.

-Mr. Michael Wideman effective July 21, 2013. 25 years 3 months 6 days service. Annual salary \$90,732.53, 62.92% benefit. \$4,757.16/month. Motion by Daugherty, 2nd by Rorke. Motion passes 5-0.

Deaths

-Retired member Mr. James Keaty passed away July 25, 2013. Survivor benefit to widow Gay Keaty of \$4,254.19/month. Motion by Daugherty, 2nd by Dillon. Motion passes 5-0 vote

Pension Expenditure report for approval

Rom Chmara

-Motion: Rorke; Second: Romano; Motion Carries 5-0 roll call vote

Creation of Pension Funding Policy of City

-Lyons discussion regarding GASB.

-Hope to have policy by year end.

Final approval of letter of finding of FF/PM Donald Cederberg

-Motion by Daugherty, 2nd by Rorke. Roll call vote passes 3-0 Romano, Rorke, Daugherty.

Results of Internal Pension Survey

-Discussion by Daugherty

Reverse audit of Pension Fund advisors

-What could we improve on as a board.

2013 Actuarial Report

-City going to with recommended funding, and not the state minimum in order to try and raise pension funding %.

Presenting Data and Information Seminar

-Motion by Daugherty to reimburse members for taking the class. 2nd by Dillon.
Motion passes 4-1 with Romano the no vote.

Motion to adjourn meeting made by Daugherty. 2nd by Dillon

Motion Carries.

Meeting adjourned at 10:36am

Minutes of the Regular Pension Board

Meeting 12/05/2013

At Fire Department Headquarters 909 Lake

Members Present: Mr. Deron Daugherty, Mr. Patrick Dillon, Mr. Sean Heneghan. Mr. Joseph Romano. Mrs. Rorke

Present: Mr. Rom Chmara, Mr. Hitesh Desai, Mrs. Mary Tomanek

Meeting Called to Order at 9:08am

Roll Call and Declaration of Quorum – Mr. Romano absent

Minutes: Motion to accept the minutes of the meeting held Aug 1, 2013. Motion: Dillon. Second: Heneghan. Motion approved.

Mr. Romano arrives at 9:09

No Public Comment

Cash Flow Report by Rom Chmara:

-Rom believes we should probably wait until next meeting to invest cash in order to be safe.

Investment Committee Report: Ms. Mary Tomanek, Portfolio Review and Investment Recommendations

- Great quarter on the equity side.
- Very flat on income side.
- Internationals very strong.
- Expects positive earnings in Europe next year
- Believes Feds will wait until 2015 to raise interest rates.
- Emerging markets didn't do as well as expected.

Motion by Daugherty to move \$1,500,000 from Northern Trust into Harbor International. 2nd by Rorke. Motion passes 5-0 roll call vote.

New Business:

Regular Pension for approval

-Mr. Michael Adam effective November 18, 2013. 38 years 9 months 30 days service. Annual salary \$104,844.17, 75% benefit. \$6,552.76/month. Motion by Dillon, 2nd by Rorke. Motion passes 5-0.

-Mr. David Ellis effective November 18, 2013. 34 years 3 months 27 days service. Annual salary \$90,732.53, 75% benefit. \$5,670.78/month. Motion by Dillon, 2nd by Rorke. Motion passes 5-0.

Deaths

-Widow Mildred Fisherkeller passed away November 17, 2013. This ends the benefit

Pension Expenditure report for approval

Rom Chmara

-Motion: Daugherty; Second: Heneghan; Motion Carries 5-0 roll call vote

New Retirement Application

-Motion by Romano to put new application into use. 2nd by Heneghan, Motion carries

Results of Reverse Audit of Pension Fund Advisors

-Mary Tomanek happy with us, thinks we are always available to her.

Fire Certification Reports for Approval

-Motion to change the 2011 investment return to 10.01% by Daugherty. 2nd by Rorke. Motion passes 5-0. This was done to streamline numbers due to a change in the fiscal year in 2011(Moved from March 1st to January 1st). Added 1.91% from January and February 2011 to the 8.10% for March through December.

Response to RFP for Board Investment Advisor

-Greystone and Mitchell Vaughn are the only responses we received. Romano discusses that its important for the board to know all of the fees.

Motion by Daugherty to retain Mary Tomanek and Greystone as our Board's Investment Advisor. 2nd by Heneghan. 5-0 roll call vote.

Motion to adjourn meeting made by Daugherty. 2nd by Dillon
Motion Carries.

Meeting adjourned at 10:51am