



**MINUTES OF A REGULAR MEETING OF THE
EVANSTON FIREFIGHTERS' PENSION FUND
BOARD OF TRUSTEES
MAY 5, 2021**

A regular meeting of the Evanston Firefighters' Pension Fund Board of Trustees was held via videoconference in accordance with Public Act 101-0640 on Wednesday, May 5, 2021 at 9:30 a.m. pursuant to notice.

CALL TO ORDER: Trustee Daugherty called the meeting to order at 9:32 a.m.

ROLL CALL:

PRESENT: Trustees Daniel Philipaitis, Jack Mortell, Deron Daugherty and Aleks Granchalek

ABSENT: None

ALSO PRESENT: Mary Tomanek, Graystone Consulting; Hitesh Desai, City of Evanston; Alex Michael and Lainie Grabowski, Lauterbach & Amen, LLP (L&A); Board Attorney Vince Pinelli, Burke, Burns & Pinelli, Ltd.; Members of the Public

PUBLIC COMMENT: There was no public comment.

PENSION FUNDING COMMITTEE UPDATE: Trustee Daugherty informed the Board that he has reached out to the Mayor's secretary to try and set up a meeting.

ATTORNEY'S REPORT – BURKE, BURNS & PINELLI, LTD.: *Legal Updates:* Attorney Pinelli discussed updates pertaining to the IFPIF Consolidated Investment Board.

Discussion/Possible Action – Kane County Circuit Court 16th Judicial District, case 21-CH-000055 Arlington Heights Police Pension Fund et. Al v. Jay Robert J.B. Pritzker et.: Attorney Pinelli discussed the pending litigation that was filed February 23, 2021 challenging the consolidation of assets. All questions were answered by Attorney Pinelli.

OLD BUSINESS: *Discussion/Possible Action Regarding Benefit Discrepancies – Phillip Burns:* Attorney Pinelli apprised the Board that the Appellate Court issued a ruling on a case regarding benefit discrepancies and reviewed the outcome of the case. Attorney Pinelli will review with additional counsel to discuss potential action that the Board may be able to take. Further discussion will be held at the next regular meeting.

Attorney Pinelli left the meeting at 10:05 a.m.

APPROVAL OF MEETING MINUTES: *November 13, 2020 Regular Meeting - Amended:* The Board reviewed the amended November 13, 2020 regular meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the November 13, 2020 minutes with the amendments made to David Lipp's retirement benefit information. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

February 11, 2021 Regular Meeting and March 10, 2021 Special Meeting: The Board reviewed the February 11, 2021 regular meeting minutes and the March 10, 2021 special meeting minutes. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to approve the February 11, 2021 regular meeting minutes and the March 10, 2021 special meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

INVESTMENT REPORT – GRAYSTONE CONSULTING: *Quarterly Investment Report:* Ms. Tomanek presented the Quarterly Investment Report for the period ending March 31, 2021. As of March 31, 2021, the quarter-to-date net return is 3.41% and the ending market value is \$101,452,897. The current asset allocation is as follows: fixed income at 33% and equities at 67%. Ms. Tomanek reviewed the recent transactions and discussed cash flow needs for the upcoming quarter.

Potential Sales or Purchases of Securities: Ms. Tomanek recommended that the Board rebalance in order to stay within compliance with state statute. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to liquidate \$725,000 from the Nuveen Global Infrastructure account and \$275,000 from the Vanguard Value Index Fund and reallocate the proceeds to the Money Market account followed by the rebalancing of the Vanguard Growth and Index Funds. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Review/Update Investment Policy: The Board discussed the Investment Policy and determined that no changes are required at this time.

TREASURER'S REPORT – CITY OF EVANSTON: Mr. Desai reviewed the Operation Cash Flow Report with the Board. The projected funds available to the Board for the upcoming months are; May \$4,321,509; June \$3,487,809; and July \$4,550,783. All questions were answered by Mr. Desai.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN, LLP: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the three-month period ending March 31, 2021 prepared by L&A. As of March 31, 2021, the net position held in trust for pension benefits is \$105,789,526.94, for a change in position of \$4,755,413.49. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal and Vendor Check Report for the period January 1, 2021, through March 31, 2021 for total disbursements of \$527,928.62. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Vendor Check Report in the amount of \$527,928.62. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Cash Analysis Report: This item was previously addressed under the *Investment Report*.

Additional Bills, if any – Illinois Department of Insurance Compliance Fee: The Board noted that the Illinois Department of Insurance Compliance Fee invoice will be issued. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to approve payment of the IDOI Compliance Fee in an amount not to exceed \$8,000, upon receipt of the invoice. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Deceased Pensioner – Michael Szostak:* The Board noted that pensioner Michael Szostak passed away February 11, 2021 with no surviving spouse and his pension benefit has ceased.

Deceased Pensioner – Donald Gschwind: The Board noted that pensioner Donald Gschwind passed away February 27, 2021 with no surviving spouse and his pension benefit has ceased.

Deceased Surviving Spouse – Donna Riley: The Board noted that surviving spouse Donna Riley passed away March 20, 2021 and her pension benefit has ceased.

The Board noted that Thomas Linkowski passed away on January 8, 2021 with no surviving spouse and his pension benefit has ceased.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Applications for Membership – Jacob Schroeder and Michael Storey:* The Board reviewed the Applications for Membership submitted by Jacob Schroeder and Michael Storey. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to accept Jacob Schroeder and Michael Storey effective March 15, 2021 into the Evanston Firefighters' Pension Fund as Tier II participants. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Terminated Member – Max Quinnett: The Board noted that Max Quinnett separated service from the Evanston Fire Department on April 7, 2021. No contribution refund has been requested to date.

OLD BUSINESS (CONTINUED): *Appointed Member Position:* The Board noted that a new appointed member has not yet been named. Further discussion will be held at the next regular meeting.

IDOI Annual Statement: The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

NEW BUSINESS: *Certify Board Election Results – Active Member Position:* L&A conducted an election for one of the active member positions on the Evanston Firefighters' Pension Fund

Board of Trustees. Deron Daugherty ran unopposed and was reelected for a three-year term expiring April 30, 2024. A motion was made by Trustee Mortell and seconded by Trustee Granchalek to certify the active member election results. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell and Granchalek
NAYS: None
ABSTAIN: Trustee Daugherty
ABSENT: None

Establish Third Quarter Meeting Date: The Board discussed holding their third quarter meeting of 2021 on August 27, 2021 at 9:30 a.m. at the Fire Department Headquarters Conference Room located at 909 Lake Street, Evanston, Illinois 60201.

Review, Adopt and Publish Decision and Order – Colleen Martin: The Board reviewed the Decision and Order prepared by Burke, Burns & Pinelli, Ltd. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to approve, adopt and publish the Decision and Order for Colleen Martin as presented. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Review/Approve – Resolution to Appoint Authorized Agents in Accordance with FPIF Rule 2021-01: The Board reviewed FPIF Rule 2021-01. A motion was made by Trustee Daugherty and seconded by Trustee Mortell to appoint Trustee Daugherty and Trustee Philipaitis as authorized agents for the Evanston Firefighters' Pension Fund in accordance with Rule 2021-01 and to authorize signatures by the Board President and Secretary. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

COMMUNICATIONS AND REPORTS: *Discussion/Possible Action – Outstanding Affidavits:* L&A informed the Board that Milton Dunbar's and Samuel Hunter's 2020 Affidavits of Continued Eligibility are still outstanding. A motion was made by Trustee Daugherty and seconded by Trustee Granchalek to direct L&A to attempt to reach out to the outstanding pensioners one additional time informing them if their completed affidavits are not received prior to May 28, 2021, beginning with the June 2021 payroll cycle, their direct deposit will be suspended and a physical check will be available for pick up at L&A's office, upon receipt of their completed affidavit. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek
NAYS: None
ABSENT: None

Statements of Economic Interest: The Board was reminded that the Statements of Economic Interest were due by May 1, 2021.

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.

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

ADJOURNMENT: A motion was made by Trustee Daugherty and seconded by Trustee Mortell to adjourn the meeting at 11:12 a.m. Motion carried by roll call vote.

AYES: Trustees Philipaitis, Mortell, Daugherty and Granchalek

NAYS: None

ABSENT: None

The next regular meeting is scheduled for August 27, 2021 at 9:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Alex Michael, Pension Services Administrator, Lauterbach & Amen, LLP