



Firefighters' Pension Investment Fund Board of Trustees

MINUTES OF MEETING

Monday, April 20, 2020
9:00 AM

Double Tree by Hilton Hotel
Board Room
3003 Corporate West Drive
Lisle, IL 60532

Teleconference:

844-992-4726 or 408-418-9388
Meeting ID: 967 318 954

WebEx:

Go to: <https://mb.webex.com>
Meeting ID: 967 318 954
Password: MRt6JpSRs88

I. Call to Order

Chairperson Chuck Sullivan called the meeting to order at 9:00 AM. He noted that in accordance with Executive Orders 2020-07 and 2020-10 issued by Governor Pritzker, and further guidance issued by the Illinois Attorney General's Office, the meeting would be conducted via teleconference and WebEx, and that to facilitate public comments, written submission of public comments would be accepted by e-mail, and any such submitted comments would be addressed in Item 14 of the Agenda.

II. Taking of the Roll

At the request of the Chairperson, the Board's counsel, Mitch Holzrichter of Mayer Brown LLP, acted as clerk for the meeting and took the roll of Trustees in attendance. Trustees Kevin Bramwell, Steve Chirico, Brad Cole, Russ Hunt, Matthew Kink, Patrick Nichting, Jeff Rowitz, George Schick, and Chuck Sullivan were present.

Mr. Holzrichter announced that a quorum of Trustees was present.

III. Approval of March 30, 2020 Minutes

The Chairperson presented the minutes of the meeting of the Board held on February 28, 2020. The Chairperson asked for any edits, additions, or corrections to the minutes; Executive Director Atwood identified a typographical error to be corrected in the final version of the minutes.



Trustee Chirico moved to approve the minutes of the meeting of the Board held on March 30, 2020, as amended with the proposed correction. The motion was seconded by Trustee Rowitz. The motion passed unanimously by voice vote.

IV. Report of the Chairperson

Chairperson Sullivan moved directly to Item V of the agenda.

V. Resolution (2020-07) to Elect a Secretary of the Board of Trustees and to Designate the Ethics and FOIA Officer

Chairperson Sullivan presented the Resolution to Elect Trustee Hunt as Secretary and to designate Trustee Hunt as Ethics and FOIA Officer, positions required by Illinois law. Trustee Bramwell moved that the Board approve the resolution, as presented (Resolution 2020-07). The motion was seconded by Trustee Schick.

The motion passed unanimously by voice vote.

VI. Resolution (2020-08) to Elect a Treasurer of the Board of Trustees

Chairperson Sullivan presented the Resolution to Elect Trustee Rowitz as Treasurer. Trustee Chirico moved that the Board approve the resolution, as presented (Resolution 2020-08). The motion was seconded by Trustee Nichting.

The motion passed unanimously by voice vote.

VII. Report of the Audit Committee

Chairperson Sullivan noted that there are two items from the Audit Committee report that require action by the Board: the adoption of the Agency Directives Manual and a modification to the Fiscal Year 2020 budget.

Trustee Hunt reported that the Audit Committee has met three times since the March 30 Board meeting and elected Trustee Hunt as the Committee's chairperson. He further reported that in these meetings, the Executive Director reported on the status of the Loan Agreement with the Illinois Finance Authority and the Fund's finances. The Loan Agreement was finalized and funds were transferred to the Fund. The Committee further discussed the adoption of an agency directives manual and bookkeeping and administrative services. The Committee recommends hiring Lauterbach & Amen, LLP for the bookkeeping and administrative services, among other actions contained in the following resolutions.

VIII. Resolution (2020-09) to Adopt an Agency Directives Manual

Chairperson Sullivan presented the resolution, describing that the first action item for Board consideration resulting from the Audit Committee Report is the adoption of the Agency Directives Manual, which contains many important policies for ensuring that the Fund is managed with the highest degree of professionalism. The manual provides guidance on topics ranging from expense reimbursement to the standards of conduct that those associated with the Fund are expected to



uphold. Every trustee has been given the opportunity to look at the Agency Directives Manual, and it is on the website.

Executive Director Atwood noted that in further reviewing the document, a few non-material typographical errors were found and will be revised in the final version.

Trustee Chirico moved that the Board approve the resolution, as presented (Resolution 2020-09), and subject to the correction of any non-material typographical errors. The motion was seconded by Trustee Kink.

The motion passed unanimously by voice vote.

IX. Resolution (2020-10) to Approve Substitution of Certain Budgeted Personnel Expenses

Chairperson Sullivan presented the resolution. The resolution reallocates \$6,000 that was budgeted in the adopted Fiscal Year 2020 budget for accounting/client service personnel to third-party bookkeeping and accounting costs. This will serve the objective of the Board discussed at the March 30 Board meeting to seek near-term opportunities to utilize third-party service providers instead of hiring personnel immediately.

Trustee Nichting moved that the Board approve the resolution, as presented (Resolution 2020-10). The motion was seconded by Trustee Rowitz.

The motion passed unanimously by voice vote.

X. Report of the Elections Committee

Trustee Schick presented the report of the elections committee. The Committee has met three times since March 30. Trustee Schick was elected the Committee's chairperson. In these meetings, Steve Zahn reported on legislative requirements, the need to adopt election rules, and the need to develop a database of electors. Mr. Zahn will move forward with starting a draft of the rules, and a notice of the rulemaking process will be available on the FPIF website.

Vice Chairperson Cole inquired into the Board's contract with Zahn Governmental Solutions, and requested that all agreements be distributed to all Board members. He further encouraged the Board to utilize the experience and processes of the Illinois Municipal Retirement Fund (IMRF) in developing the Board's election processes at no additional cost. Director Atwood confirmed that he will distribute the contract to the Board and that IMRF has been contacted and has been helpful in developing the election rules to this point. Steve Zahn further clarified the nature of these conversations with IMRF. It was confirmed that all contracts will be distributed to the Board.

XI. Report of the Ad Hoc Committee on Near-Term Operations

Chairperson Sullivan presented the Resolution 2020-11 as described below to create the Ad Hoc Committee on Near Term Operations.

Thereafter, he requested that Trustee Hunt give a report of the initial meeting of the committee. Trustee Hunt reported that the committee met once and elected Trustee Hunt as its chairperson. The committee discussed the job descriptions for a Chief Financial Officer, a Senior Portfolio Officer,



and a Chief Operating Officer. The Committee also discussed leasing office space for FPIF and instructed the landlord to move forward with negotiating a particular lease option.

XII. Resolution (2020-11) to Create the Ad Hoc Committee on Near Term Operations

Chairperson Sullivan reported that he requested Trustees Hunt, Chirico, and Bramwell to serve on an ad hoc committee to assist during the transition, but which would not necessarily constitute a permanent standing committee like the Elections and Audit Committees. Chairperson Sullivan then requested consideration of Resolution 2020-11 below. Chairperson Sullivan presented the resolution to create the Ad Hoc Committee on Near Term Operations and to appoint the aforementioned members to the committee.

Trustee Cole moved that the Board approve the resolution, as presented (Resolution 2020-11). The motion was seconded by Trustee Rowitz.

The motion passed unanimously by voice vote.

XIII. Resolution (2020-12) to Adopt Certain Job Descriptions

Chairperson Sullivan presented the resolution, which adopts job descriptions for a Chief Financial Officer, a Senior Portfolio Officer, and a Chief Operating Officer.

Vice Chairperson Cole requested clarification that the resolution approves the job descriptions for those positions to be used in recruiting, but not the hiring of individuals at this time. Director Atwood stated that this is left to the discretion of the Board, but that his plan is to proceed at the direction of the Board. Further, the Board will need to approve a benefits package before further action can be taken. Trustee Chirico echoed that for senior level positions, the hiring should come through the Board, but felt that the Executive Director could potentially be given the authority for lower level positions.

The members discussed the interpretation of the statutory provisions of the Pension Code pertaining to the hiring of employees. The members and the Executive Director concluded that a process for interviewing will be developed in coordination with the Ad Hoc Committee on Near Term Operations and the Committee will bring a recommendation to the Board for final approval. The resolution, as presented, was interpreted by the Board to only approve the job descriptions and not to authorize the completion of the hiring process for these roles.

Trustee Schick inquired about the development of the Senior Portfolio Officer position and whether the job description is duplicative of the work of an investment adviser. Executive Director Atwood explained that the Portfolio Manager will be managing the processes and relationships with external consultants and advisers and monitor the fund more closely on a day-to-day basis. The first role of this position will be to help identify a custodian for the fund. Trustee Schick expressed that this may not be a necessary daily job to staff. Executive Director Atwood noted that the Board can send the position back to committee for further consideration.

Trustee Schick moved that the Board amend Resolution 2020-11 to remove the Senior Portfolio Officer. The motion was seconded by Trustee Nichting.

The motion passed unanimously by voice vote.



Trustee Chirico moved that the Board approve the resolution, as amended (Resolution 2020-11). The motion was seconded by Trustee Nichting.

The motion passed unanimously by voice vote.

XIV. Report of the Executive Director

Executive Director Atwood presented to the Board on the Board's core responsibilities and obligations through the transition period. These included the election of a permanent board and the processes to prudently transfer the assets into the FPIF portfolio, to provide training to local pension fund trustees, and to communicate with stakeholders. He further discussed the key dates and deadlines to complete these tasks. He commended the work of the committees to date, and described shorter-term steps necessary to prudently accomplish each objective.

Trustee Cole stated that he has had conversations indicating that the Department of Insurance is developing a training package. Trustee Nichting encouraged the Board and the Executive Director to develop a roadmap to get to various key dates to communicate to stakeholders and pension funds. Director Atwood affirmed that he had also been on conversation with the Department of Insurance and that the organization of transition will be discussed with a custodian, once one is chosen.

Executive Director Atwood further recommended that the Board move forward on ethics training, to be provided by Mayer Brown LLP, before engaging in more significant procurement activity.

XV. Resolution (2020-13) to Adopt a Procurement Policy

Executive Director Atwood recommended that action on the Procurement Policy be postponed. No action was taken on Resolution 2020-13.

XVI. Other Business

Trustee Schick commented that the Board's committee structure is working well, but encouraged the Board to utilize committees of the whole when appropriate for larger decisions. Chairperson Sullivan also encouraged Trustees to attend and engage in committee meetings, whether or not they are members of those committees.

No other business was brought before the Board.

XVII. Schedule of Upcoming Meetings

The next meeting of the Board will be held on Monday, June 1, 2020, at 1:00 PM. The Board will assume that meetings will continue to be conducted in the same way this meeting was conducted unless otherwise announced.

XVIII. Public Comment

There was no comment from the public.



XIX. Adjournment

Vice Chairperson Cole moved to adjourn the meeting. The motion was seconded by Trustee Schick. The motion passed unanimously by voice vote, and the meeting was adjourned at 10:18 AM.