



FIREFIGHTERS' PENSION INVESTMENT FUND

1919 S. HIGHLAND AVE • BUILDING A, SUITE 237 • LOMBARD, IL 60148

**MINUTES OF A REGULAR MEETING OF THE
FIREFIGHTERS' PENSION INVESTMENT FUND
INVESTMENTS AND OPERATIONS COMMITTEE
FEBRUARY 11, 2021**

A regular meeting of the Firefighters' Pension Investment Fund of Illinois Investments and Operations Committee was held on Thursday, February 11, 2021 at 10:00 a.m. at the FPIF Headquarters located at 1919 S. Highland Avenue – Building A, Suite 237, Lombard, Illinois 60148 and via videoconference in accordance with Public Act 101-0640, pursuant to notice.

I. Call to Order

Chairman Bramwell called the meeting to order at 10:00 a.m.

II. Taking of the Roll

Robina Amato from Lauterbach & Amen, LLP took the roll. Chairman Kevin Bramwell, Trustees George Schick and Herb Roach were present, there were no absences.

Also present: Executive Director Bill Atwood, Chief Financial Officer David Zaloga, Portfolio Officer Mitchell Green, COO Steve Zahn, Trustees Jeff Rowitz and Greg Knoll, FPIF Staff/Board of Trustees; Doug Oest and Mike Piotrowski, Marquette Associates; Courtney Murray, Ernst & Young, LLP; Robina Amato, Lauterbach & Amen, LLP

III. Approval of the January 14, 2021 Meeting Minutes

The Committee reviewed the January 14, 2021 meeting minutes. A motion was made by Trustee Roach and seconded by Trustee Schick to approve the January 21, 2021 meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

IV. Semi-Annual Review of Closed Session Meeting Minutes

The Committee reviewed the April 10, 2020, May 5, 2020, May 26, 2020 and June 18, 2020 closed session meeting minutes. A motion was made by Trustee Schick and seconded by Trustee Roach to approve and release to the public the aforementioned closed session meeting minutes. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

V. Update Pertaining to Transition Management RFP

Mitchell Green provided an update to the outstanding RFP for a transition manager. The RFP included a total of 123 questions to establish a bench of transition managers, however no work is being awarded to any manager in particular at this time. On February 3, 2021 a Q&A document was published to the FPIF website regarding the transition manager RFP with nine total responses received from transition managers as of February 9, 2021. FPIF Staff and Marquette Associates will score the RFP responses and anticipate the selection of a transition manager will take place at the March 19, 2021 FPIF Board meeting and transition management training will be provided to the Board of Trustees. There were no questions for Mr. Green.

VI. Issuance of Passive Investment Management RFP

Mitchell Green informed the Committee that FPIF Staff anticipates publishing an RFP for a Passive Investment Manager in late February or early March. Managers should demonstrate a low tracking error and an ability to manage closely to selected benchmarks. Staff will consider ways in which the Passive Manager can be helpful in the overall transition process as well. There were no questions by Committee members.

VII. Report of FPIF Staff and Investment Consultant

Director Atwood informed the Committee that since the selection of Ernst & Young and Marquette Associates there have been regular meetings for planning purposes to move the transition project forward. Mr. Oest and Mr. Piotrowski presented the Committee with an overview of the 2020 fourth quarter market environment including inflation, credit quality, equity and fixed income overall market performance. Trustee Schick inquired to which stage the economy is in the current bull market while Mr. Oest and Mr. Piotrowski answered all questions.

VIII. Update Pertaining to Article 4 Communications

Steve Zahn provided an update to the Committee regarding the current communications project. Mr. Zahn and Robina Amato have confirmed a total of 201 local Article 4 Pension Board Presidents who have received an update to the overall transition process, rule making and have been requested to review, complete and submit back to FPIF the Vendor Authorization Form. As of today, a total of 35 completed Vendor Authorization Forms have been received by FPIF Staff and the current FPIF newsletter contact list has now reached over 1,200 recipients.

IX. Consideration and Approval of FPIF Rule Making Process

Mr. Zahn presented the memorandum describing the rule making process that was developed by FPIF Staff and legal counsel and edited according to FPIF Trustee feedback. Upon draft rules being prepared, the Executive Director will approve such a rule to be distributed to the Chairperson of the Committee responsible for the subject matter included in the rule and obtain authorization to further distribute the draft rule to the remaining Committee members and be published to the FPIF website for a 1st public notice. Upon receiving and cataloging any public comment and considering a draft rule at the corresponding Committee meeting, the rule shall be published for a 2nd public notice, additional public comment catalogued and finally considered for adoption at the next FPIF Board meeting. A motion was made by Trustee Schick and seconded by Trustee Roach to adopt the FPIF Rule Making Process as presented by Mr. Zahn. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach
NAYS: None
ABSENT: None

X. Consideration and Approval of Rule 2021-01 – Authorized Agent

Mr. Zahn presented rule 2021-01 Appointment of Authorized Agent. The rule provides that each participating pension fund, by a resolution of its Board of Trustees, shall appoint an authorized agent who shall have the powers and duties set forth by the rule. In the absence of such an appointment by any individual participating pension fund, the Board President shall be deemed the authorized agent. Mr. Zahn informed the Committee this draft rule has been posted for a 1st public notice consistent with the rule making process with one public comment being submitted. The public comment was satisfied with the response provided by FPIF Staff and did not request any amendments to the draft rule. A motion was made by Trustee Roach and seconded by Trustee Schick to post draft rule 2021-01 Authorized Agent for a 2nd public notice. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach
NAYS: None
ABSENT: None

XI. Review of Sample Resolution to Appoint Article 4 Authorized Agents

Mr. Zahn presented the sample resolution that will coincide with draft rule 2021-01. There were no questions by the Committee.

XII. Consider and Approval – Amendment to the By- Laws

Establish the Legislative Committee and Appointment of the Governmental Liaison: Mr. Zahn presented the memorandum describing an amendment to the FPIF By-Laws to establish the FPIF Legislative Committee and appointment of a Governmental Liaison. The Legislative Committee shall assist the Board in identifying ongoing needs of the FPIF for future legislative proposals, analyze legislative proposals and determine appropriate action, make recommendations to the Board on legislative matters and communications regarding legislative proposals and matters, act as the primary contact for and oversee the activity of the Governmental Liaison and receive reports for the Governmental Liaison. This amendment to the By-Laws also provides that the Executive Director appoint a member of FPIF Staff to serve as the Governmental Liaison. A motion was made by Trustee Schick and seconded by Trustee Roach to approve the amendment of the By-Laws to establish the FPIF Legislative Committee and the appointment of the Governmental Liaison. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach
NAYS: None
ABSENT: None

XIII. Consideration and Approval of Legislative Policy

Mr. Zahn presented an overview of the Legislative Policy that was created to provide FPIF with a framework that can be used as a basis for the Board to establish a procedure by which the Board can adopt an official FPIF position on legislation, identify future legislative action of FPIF, facilitate timely communication of proposed and enacted legislative changes to the Board and Staff

and provide guidance in communicating FPIF’s official legislative positions to third parties. A motion was made by Trustee Roach and seconded by Trustee Schick to approve the Legislative Policy as presented. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

XIV. Executive Session – 5 ILCS 120/2(c)(1)

A motion was made by Trustee Schick and seconded by Trustee Roach to enter into executive session at 10:45 a.m. under 5 ILCS 120/2(c)(1) to discuss personnel matters. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

A motion was made by Trustee Roach and seconded by Trustee Schick to re-enter the open session at 11:05 a.m. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

XV. OTHER BUSINESS:

Director Atwood requested that the Committee pass a resolution to amend future Committee meeting dates to accommodate the public notice timing of draft rules consistent with the rule making process and to move the next scheduled meeting date of the Investments and Operations Committee meeting to March 4, 2021 at 10:00 a.m. A motion was made by Trustee Schick and seconded by Trustee Roach to approve the aforementioned resolution and to reschedule the next Investments and Operations Committee meeting as discussed. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

XVI. Public Comment

There was no public comment.

XVII. Adjournment

A motion was made by Trustee Roach and seconded by Trustee Schick to adjourn the meeting at 11:08 a.m. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None