



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
AUDIT & COMPLIANCE COMMITTEE
FEBRUARY 12, 2021**

A regular meeting of the Firefighters' Pension Investment Fund of Illinois Audit and Compliance Committee was held on Friday, February 12, 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 Kink called the meeting to order at 10:00 a.m.

II. Taking of the Roll

Robina Amato of Lauterbach & Amen, LLP took the roll. Chairman Matt Kink, Trustees Greg Knoll and Jeff Rowitz were present; there were no absences.

Also present: Executive Director Bill Atwood, CFO David Zaloga, Portfolio Officer Mitchell Green, COO Steve Zahn, FPIF Staff/Board of Trustees; Robina Amato, Lauterbach & Amen, LLP; Courtney Murray, Ernst & Young, LLP (E&Y)

III. Approval of the January 21, 2021 Meeting Minutes

The Committee reviewed the January 21, 2021 audit and compliance committee meeting minutes. A motion was made by Trustee Rowitz and seconded by Trustee Knoll to approve the January 21, 2012 meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None

IV. Status of FPIF Transition Project – Ernst & Young

Courtney Murray presented a status update on the FPIF transition project including the future state strategy, RFP development and the asset transition plan. Ms. Murray reviewed the five Guiding Principles for the committee which include maximizing risk adjusted returns, providing equitable treatment, reducing costs, acting as a fiduciary and facilitating transparency. The committee also reviewed the FPIF Mission Statement to “Meet the investment objectives of the Board by delivering targeted returns with appropriate risk to achieve member fund expectations”, the short-, medium- and long-term investment strategies, the custodian RFP approach and response evaluation and finally a high-level project timeline.

Mr. Zaloga summarized the expertise being shared and the progress being made between FPIF, Ernst & Young, Marquette Associates and Lauterbach & Amen for the overall transition project. Chairman Kink expressed his gratitude for the work being done by the aforementioned firms.

V. Consideration and Approval of Key Decisions Related to FPIF Transition Project

Chairman Kink summarized the key decisions related to the FPIF transition project as the guiding principles, mission statement and investment strategy as presented by Ernst & Young. A motion was made by Trustee Rowitz and seconded by Trustee Knoll to approve the FPIF guiding principles, mission statement and investment strategy as presented. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz
NAYS: None
ABSENT: None

VI. Consideration and Approval of November and December 2020 Monthly Financial Statements

Mr. Zaloga presented the November 30, 2020 and December 31, 2020 Monthly Financial Reports to the Committee. Mr. Zaloga reviewed the statement of net position for November 30, 2020 showing a negative position of (\$701,123.68), the five-month expense report as of November 30, 2020 totaling \$417,224.35 and the Vendor Check Report for the period November 1, 2020 through November 30, 2020 for a total disbursement of \$12,429.36.

The committee also reviewed the statement of net position for December 31, 2020 showing a negative position of (\$804,243.36), the six-month expense report as of December 31, 2020 totaling \$520,144.03 and the Vendor Check Report for the period December 1, 2020 through December 31, 2020 for a total disbursement of \$38,560.94.

Mr. Zaloga recommended the two Wintrust corporate credit card accounts being utilized by FPIF staff be cancelled due to the low volume of use since being opened and the committee not having a formal credit card policy addressing the authority for their use and internal controls for expense approval. Director Atwood recommended that staff discontinue use of the credit cards until a draft policy is provided for consideration and approval by the committee.

A motion was made by Trustee Knoll and seconded by Trustee Rowitz to accept the November 30, 2020 and December 31, 2020 Monthly Financial Reports as presented. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz
NAYS: None
ABSENT: None

VII. Consideration and Approval of FPIF Financial Projection for Fiscal Year 2021

Mr. Zaloga presented FPIF FY2021 Financial Projection to the committee. Mr. Zaloga reviewed the budget to actual projections for the first and second quarter and the budget to forecast for the third and fourth quarter of FY2021. The committee reviewed the total budgeted expenses as \$3,120,266 vs. the total forecasted expenses as \$2,406,733. A motion was made by Trustee Knoll

and seconded by Trustee Rowitz to approve the FPIF financial projection for FY2021 as presented.

Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None

VIII. Consideration and Approval of Public Comment Policy

Mr. Zahn presented the draft Public Comment Policy prepared by FPIF legal counsel with policy details to notice of FPIF meetings, submittal of requests to comment and the conduct of public comment. A motion was made by Trustee Rowitz and seconded by Trustee Knoll to approve the Public comment Policy as prepared. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None

IX. Other Business

There was no other business for discussion.

X. Public Comment

There was no public comment.

XI. Adjournment

A motion was made by Trustee Knoll and seconded by Trustee Rowitz to adjourn the meeting at 10:56 a.m. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None