



FIREFIGHTERS' PENSION INVESTMENT FUND

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

Firefighters' Pension Investment Fund
Board of Trustees

MINUTES OF MEETING

Friday, March 19, 2021
9:00 a.m.

Videoconference:

<https://us02web.zoom.us/j/87454168180?pwd=NXc4VUZPR0YvczE3NIRLWVBNMjRhZz09>

Meeting ID: 874 5416 8180
Password: 380307

Audio Only:

Dial In: 1 (312) 626 6799
Meeting ID: 847 5416 8180

In-Person Meeting Location

1919 S. Highland Avenue
Building A, Suite 237
Lombard, IL 60148

I. Call to Order

Chairman Sullivan called the meeting to order at 9:00 a.m. and noted that in accordance with Executive Orders 2020-07 and 2020-05 issued by Governor Pritzker, guidance issued by the Illinois Attorney General's Office, and Public Act 101-0640, the meeting was conducted in person as well as via teleconference and Zoom, 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 later in the meeting.

II. Taking of the Roll

At the request of Chairman Sullivan, Heather Weiner from Mayer Brown took the roll of Trustees in attendance. Chairman Chuck Sullivan, Trustees George Schick, Jeff Rowitz, Matthew Kink, Kevin Bramwell, Herb Roach and Gregory Knoll were present. Vice Chairman Cole and Trustee Patrick Nichting were absent at the time of roll call, a quorum was present.

Also present: Executive Director William Atwood, COO Steve Zahn, CFO David Zaloga and Portfolio Officer Mitchell Green, FPIF Staff; Heather Weiner and Mitch Holzrichter, Mayer Brown; Robina Amato, Lauterbach & Amen, LLP; Mike Piotrowski and Doug Oest, Marquette Associates; Courtney Murray, Ernst & Young; Gary Guibert, Tom Eichenberger and Dan Houlihan, Northern Trust

Trustee Nichting joined the meeting at 9:03 a.m.

III. Approval of the February 19, 2021 Meeting Minutes

The Board reviewed the February 19, 2021 regular meeting minutes. A motion was made by Trustee Bramwell and Trustee and seconded by Trustee Kink to approve the February 19, 2021 meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Sullivan, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: Vice Chairman Cole

IV. Report of the Chairperson

There was no report of the Chairperson provided.

V. Report of the Executive Director

Director Atwood informed the Board that the Board, FPIF staff and service providers have continued to work diligently to remain on time with the proposed transition plan. Director Atwood apprised the Board on the action items presented for Board approval including the Authorized Agent Rule, approval of the overall transition plan and selection of a custodian of assets. Director Atwood commented on the importance the aforementioned items will have on the ability for the Board of Trustees and staff to continue their efforts in delivering the overall transition and commended the custodian finalists on their presentations to the Committee for consideration.

VI. Report of the Investments and Operations Committee

Trustee Bramwell reviewed the FPIF Investments & Operations Committee meeting held on March 4, 2021 including approval of the prior meeting minutes, presentations provided by the finalists for the transition management bench, approval of the Member Services Officer and Accounting and Financial Reporting Manager positions, a communications update and a status update to the current draft Authorized Agent Rule.

Resolution 2021-08 Approving Selection of Transition Management Bench: The Board reviewed Resolution 2021-08 Approving Selection of Transition Management Bench. A motion was made by Trustee Bramwell and seconded by Trustee Knoll to approve Resolution 2021-08, as prepared. Motion carried by roll call vote.

AYES: Chairman Sullivan, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: Vice Chairman Cole

Resolution 2021-09 Approving the Authorized Agent Rule: The Board reviewed Resolution 2021-09 Approving the Authorized Agent Rule. A motion was made by Trustee Roach and seconded by Trustee Kink to approve Resolution 2021-09 as prepared and provided in the supplemental meeting packet provided to the Board. Motion carried by roll call vote.

AYES: Chairman Sullivan, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: Vice Chairman Cole

VII. Report of the Audit and Compliance Committee

Trustee Kink provided a summary of the FPIF Audit & Compliance Committee meeting held on March 12, 2021 including a review of the monthly financials by CFO David Zaloga, an FPIF asset transition plan presentation and custody RFP presentation by Ernst & Young and presentations by BNY Mellon and Northern Trust. Trustee Kink apprised the Board that a follow up meeting of the FPIF Audit & Compliance Committee was held on March 16, 2021 to approve a recommendation of a custodian to the FPIF Board of Trustees.

Vice Chairman Cole joined the meeting at 9:17 a.m.

Courtney Murray reviewed the meeting objectives, transition plan executive summary, project governance, scenario analysis, transition key components, transition components timeline and transition controls with the Board. The Board reviewed Resolution 2021-10 Approving a Transition Project Plan. A motion was made by Trustee Kink and seconded by Trustee Schick to approve Resolution 2021-10 as prepared. Motion carried by roll call vote.

AYES: Chairman Sullivan, Vice Chairman Cole, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: None

Courtney Murray then reviewed the custodian selection approach including the custody RFP timeline, presented demos and the vendor evaluation overview.

Presentation from Custodian Finalist: Dan Houlihan presented the focused business model of Northern Trust to the Board and reviewed the current assets under custody. Mr. Guibert reviewed the research conducted on behalf of Northern Trust throughout the legislative process of SB1300 as it was first introduced and considered in Illinois. Mr. Guibert also reviewed the transition stages, final configuration and conversion management to the Board.

Resolution 2021-11 – Approval of Custodian: The Board reviewed Resolution 2021-11 Approving the Selection of a Custodian. A motion was made by Trustee Rowitz and seconded by Trustee Kink to approve Resolution 2021-11 as prepared. Motion carried by roll call vote.

AYES: Chairman Sullivan, Vice Chairman Cole, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: None

A motion was made by Vice Chairman Cole and seconded by Trustee Shick to approve the report of the FPIF Audit & Compliance Committee. Motion carried by roll call vote.

AYES: Chairman Sullivan, Vice Chairman Cole, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: None

VIII. Resolution 2021-12 Legislative Committee Appointment

The Board reviewed Resolution 2021-12 Legislative Committee Appointment. Under this resolution, Trustee Bramwell is appointed by Chairman Sullivan to the Legislative Committee.

A motion was made by Trustee Schick and seconded by Trustee Kink to approve Resolution 2021-12 as prepared. Motion carried by roll call vote.

AYES: Chairman Sullivan, Vice Chairman Cole, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: None

IX. Report of the Investment Consultant

Mr. Oest provided asset allocation education to the Board including the FPIF portfolio construction process, asset allocation controls risk, short- and long-term risk/return tradeoff, asset correlation, mean variance optimization, outcome distribution, stress testing and asset allocation best practices.

X. Executive Session

5 ILCS 120/2.06 (d) – Review of Prior Closed Session Minutes; 5 ILCS 120/2 (c)(11) and 5 ILCS 120/2 (c)(1): A motion was made by Trustee Roach and seconded by Trustee Bramwell to enter into executive session at 9:55 a.m. Motion carried by roll call vote.

AYES: Chairman Sullivan, Vice Chairman Cole, Trustees Schick, Bramwell, Kink, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: None

Vice Chairman Cole left the meeting during the Executive Session.

The Board reconvened open session at 10:35 a.m.

Attorney Holzrichter noted that the Board reviewed the closed session meeting minutes of February 12, 2020; February 28, 2020 and July 27, 2020. The Board determined that there is no continued basis of confidentiality for the February 12, 2020 and February 28, 2020 closed session meeting minutes and as such those will be made available to the public.

The Board noted that the July 27, 2020 closed session meeting minutes will remain closed due to pending matters.

XI. Other Business

There was no other business presented for discussion.

XII. Public Comment

There was no public comment.

XIII. Adjournment

A motion was made by Trustee Kink and seconded by Trustee Rowitz to adjourn the meeting at 10:39 a.m. Motion carried by roll call vote.

AYES: Chairman Sullivan, Trustees Schick, Bramwell, Rowitz, Nichting, Roach and Knoll

NAYS: None

ABSENT: Vice Chairman Cole