

Minutes of the

Firefighters' Pension Investment Fund

Friday, January 31, 2020
1:00 P.M.

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

At approximately 1:00 PM Trustee Sullivan introduced himself to those gathered, announced that he had been appointed by Governor Pritzker as a Trustee to the Firefighters' Pension Investment Fund, and welcomed his fellow Trustees.

Trustee Sullivan invited Trustee Cole to act as Chairperson Pro Tempore for purposes of calling the meeting to order and to elect a Chairperson. Hearing no objection, Trustee Cole took the Chairperson.

I. Call to Order

Chairperson Pro Tempore Cole stated that the agenda of the first meeting of the Transition Board of Trustees of the Firefighters' Pension Investment Fund had been duly posted and called the meeting to order at 1:02 pm.

II. Taking of the Roll

Chairperson Pro Tempore Cole recognized Mr. Michael Moss, attorney with the Illinois Finance Authority, and asked Mr. Moss to take the roll for attendance.

Mr. Moss took the roll, and Trustees Bramwell, Chirico, Cole, Hunt, Kink, Rowitz, Schick, and Sullivan were in attendance.

Trustee Nichting was listening via telephone but did not participate in the meeting.

Mr. Moss noted that a quorum of members was physically present at the meeting.

III. Election of Chairperson

Chairperson Pro Tempore Cole announced that the next order of business was the election of a Chairperson. He then opened the floor for nominations.

Trustee Chirico nominated Trustee Cole

Trustee Kink nominated Trustee Sullivan

The Chairperson Pro Tempore asked if there were any other nominees, and hearing none, announced the nominations closed

Chairperson Pro Tempore Cole asked for a Motion that Trustee Sullivan be elected Chairperson; Motion by Trustee Hunt, Trustee Schick seconded. The motion passed unanimously by roll call vote.

Chairperson Sullivan took the Chair, and announced the floor was open for the election of Vice Chairperson

Chairperson Sullivan asked for nominations. Trustee Chirico nominated Trustee Cole; Trustee Rowitz seconded. The motion passed unanimously by roll call vote.

IV. Introduction to the Firefighters' Pension Investment Fund

Chairperson Sullivan recognized Mr. William Atwood, Vice President for Infrastructure and Institutional Investments for the Illinois Finance Authority, for purposes of delivering a presentation.

Mr. Atwood distributed a deck of slides entitled, "Illinois Firefighters' Pension Investment Fund" and made his presentation, which was followed by brief discussion.

V. Approval of Indemnification

Chairperson Sullivan asked Mr. Atwood to distribute draft indemnification language to the Board and provide a brief explanation. Mr. Atwood advised that statute allowed the Board to indemnify its members, its staff, and its agents. The distributed language had been prepared by the law firm Mayer Brown at the request of the Illinois Finance Authority.

Following discussion, Trustee Cole moved for adoption of the resolution to indemnify the Board; Trustee Chirico seconded. The motion passed unanimously by roll call vote.

Chairperson Sullivan then advised the Board that there would be no other action taken by the Board at this meeting, but there were a number of items for distribution and discussion.

VI. By-laws

Chairperson Sullivan distributed draft by-laws prepared by the Illinois Finance Authority. Mr. Atwood advised that the draft by-laws were based primarily on by-laws adopted by the Illinois

State Board of Investment. Discussion ensued. Trustee Chirico questioned the utility of the committees contained in the by-laws, and suggested instead that perhaps business should be conducted by Committee of the Whole, to which other Trustees agreed.

Chairperson Sullivan advised that the draft by-laws would be on the agenda for discussion and/or possible adoption at the next meeting.

VII. Executive Director Job Description

Chairperson Sullivan distributed a draft job description for an Executive Director. Trustees reviewed the document and discussed. Trustee Chirico suggested the proposed qualifications required for the position should be added to the job description. Following further discussion, Chairperson Sullivan stated the Executive Director job description would be on the agenda for discussion of possible adoption at the next meeting.

VIII. Retention of Executive Director

Chairperson Sullivan raised the next order of business, Retention of Executive Director.

The Chairperson recognized Trustee Cole, who read the following into the record, without objection:

“Since everyone knows we are just now beginning this great task and establishing an entirely new organization, it is obvious that we will need assistance from some full time staff and some contractual staff, at some point. With regard to the possible hiring of an executive director, which we are required to do within 60 days of this Board’s appointment (that appointment date being today), I would like to state the following in this public meeting and on the public record:

On behalf of the Board of Trustees, we are hereby soliciting nominations, be they self-nominations or otherwise, from individuals or other parties interested in seeking the position of executive director or chief executive officer (alternatively: legal counsel) of this Firefighters’ Pension Investment Fund.

Materials should include a letter of interest or nomination, a statement of qualifications and experience (such as a resume or portfolio), applicable references and any other documentation that might support consideration of the individual. I would request these materials be provided in hard copy to both the Chairperson and Vice Chairperson at their respective offices, those being the Associated Fire Fighters of Illinois (927 South Second Street, Springfield, Illinois 62704) and the Illinois Municipal League (500 East Capitol Avenue, Springfield, Illinois 62701), both publicly located in Springfield, Illinois. All materials should be submitted as just stated to both the Chairperson and Vice Chairperson by no later than 12:00 noon on Monday, February 10,

2020. They will then be distributed to the full Board of Trustees for review at the next meeting of the Board.”

IX. Retention of Outside Counsel

Chairperson Sullivan raised the next order of business, Retention of Outside Counsel.

The Chairperson recognized Trustee Cole, who read the following into the record, without objection:

“On behalf of the Board of Trustees, we are hereby soliciting nominations, be they self-nominations or otherwise, from individuals or other parties interested in seeking the position of outside legal counsel of this Firefighters’ Pension Investment Fund.

Materials should include a letter of interest or nomination, a statement of qualifications and experience (such as a resume or portfolio), applicable references and any other documentation that might support consideration of the individual. I would request these materials be provided in hard copy to both the Chairperson and Vice Chairperson at their respective offices, those being the Associated Fire Fighters of Illinois (927 South Second Street, Springfield, Illinois 62704) and the Illinois Municipal League (500 East Capitol Avenue, Springfield, Illinois 62701), both publicly located in Springfield, Illinois. All materials should be submitted as just stated to both the Chairperson and Vice Chairperson by no later than 12:00 noon on Monday, February 10, 2020. They will then be distributed to the full Board of Trustees for review at the next meeting of the Board.”

X. Appointment of Committees

Per the previous discussion, this item was not acted upon.

XI. FY2020 Budget

Chairperson Sullivan recognized Mr. Atwood who distributed an abbreviated draft budget, prepared by the Illinois Finance Authority. On behalf of the Authority, Mr. Atwood advised that the Authority had drafted a budget in acknowledgement that the Firefighters’ Pension Investment Fund was newly formed and had no staff, so the Illinois Finance Authority had prepared a draft budget to assist the new organization.

Discussion ensued. Trustee Chirico observed that the Trustees were in an awkward “chicken and egg” situation—there was no staff to prepare a budget, but it was difficult to retain a staff because there was no budget. He stated that this was an example of why they needed to move promptly and prudently to identify and executive director.

XII. Inter-Governmental Agreement with IFA

Chairperson Sullivan recognized Mr. Atwood who distributed a draft term sheet prepared by the Illinois Finance Authority, suggesting terms for potential financing provided to the Firefighters’ Pension Investment Fund. Mr. Atwood discussed the document, emphasizing the proposed rate

of interest of 150bps above the Fed Funds Rate, and a repayment schedule commencing at the conclusion of the thirty month transition period, with payments to be made quarterly over twenty four months.

XIII D&O/Fiduciary/Business Liability Insurance

Chairperson Sullivan advised the Board that, consistent with the indemnification of the Board, at some point in the near future the Board would hear a proposal for the provision of D&O/Fiduciary/Business Liability Insurance.

XIII. Other Business

The Trustees each introduced themselves and shared their previous experiences leading to this appointment.

XIV. Schedule of upcoming meetings

Chairperson Sullivan proposed Wednesday, February 12, 2020 as a date for the next meeting, with the meeting to be held at 1:00 PM at the same location as the January 31, 2020 meeting. There were no objections, and Trustee Cole volunteered to make the necessary arrangements.

There was discussion about possible future meetings on both February 20, at 9:00 am and February 28 at 9:00 am, locations to be determined.

XV. Public Comment

A question was raised by the public regarding where information about the Executive Director and External Counsel retention could be found. Chairperson Sullivan advised that the information would be posted on the AFFI website; Trustee Cole advised the information would be posted on the IML website.

A question was raised about whether there would be any other meetings prior to the February 12 meeting, and if so, how the public would be made aware. Chairperson Sullivan responded by saying that it was highly unlikely that there would be a meeting prior to February 12. Trustee Cole advised that, similar to the January 31 meeting, all meetings of the Firefighters' Pension Investment Fund would be publicly posted in a manner consistent with the Illinois Open Meetings Act, including at the site of the meeting, and on the websites of the AFFI, IML and IFA.

With no further business to come before the Board, a motion to adjourn was made by Trustee Chirico and seconded by Trustee Cole. The motion passed unanimously by roll call vote. The meeting was adjourned at 1:58 PM.

- I. Call to order
- II. Taking of the roll
- III. Election of Chairperson (action required)
- IV. Introduction to the Illinois Firefighters' Pension Investment Fund (discussion only)
- V. Approval of indemnification (action required)
- VI. By-Laws (discussion only)
- VII. Executive Director Job description(discussion only)
- VIII. Retention of Executive Director (discussion only)
- IX. Appointment of committees (discussion only)
- X. FY2020 Budget (discussion only)
- XI. Approval of outside counsel (discussion only)
- XII. Inter-Governmental Agreement with IFA (discussion only)
- XIII. D&O/Fiduciary/Business Liability Insurance (discussion only)
- XIV. Employee Directives Manual (discussion only)
- XV. Other Business
- XVI. Schedule of upcoming meetings
- XVII. Public Comment
- XVIII. Motion to Adjourn