



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
MARCH 12, 2021**

A regular meeting of the Firefighters' Pension Investment Fund of Illinois Audit and Compliance Committee was held on Friday, March 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, Trustees George Schick, Kevin Bramwell, Herb Roach FPIF Staff/Board of Trustees; Robina Amato, Lauterbach & Amen, LLP; Courtney Murray, Keith Caplan and Emile Galatas, Ernst & Young, LLP (E&Y); Mike Piotrowski and Doug Oest, Marquette Associates; Todd Rossignol, Eoin Gill and Jessica Strub, BNY Mellon (*joined the meeting at 10:21 a.m.*); Dan Houlihan, Gary Guibert, Greg Johnson and Brian McNamara, Northern Trust (*joined the meeting at 10:50 a.m.*)

III. Approval of the January 21, 2021 Meeting Minutes

The Committee reviewed the February 12, 2021 audit and compliance committee meeting minutes. A motion was made by Trustee Rowitz and seconded by Trustee Knoll to approve the February 12, 2021 meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None

IV. Consideration and Approval of January 2021 Monthly Financial Statements

Mr. Zaloga presented the January 31, 2021 Monthly Financial Reports to the Committee. Mr. Zaloga reviewed the statement of net position for January 31, 2021 showing a negative position of (\$906,990.26), the seven-month expense report as of January 31 2021 totaling \$102,746.90 and the Vendor Check Report for the period January 1, 2021 through January 31, 2021 for a total disbursement of \$35,134.33. A motion was made by Trustee Knoll and seconded by Trustee Rowitz to accept the January 31, 2021 Monthly Financial Report as presented. Motion carried by roll call vote.

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

V. FPIF Transition Project Plan – Ernst & Young

Chairman Kink introduced Courtney Murray with Ernst & Young who reviewed the meeting objectives, asset transition plan executive summary, the transition scenario analysis overview, transition options and valuation criteria, transition key components and components timeline, controls and the overall transition governance.

Trustee Rowitz inquired to whether or not Ernst & Young felt the proposed transition timeline is realistic or aggressive. Ms. Murray confirmed that with the amount of work already accomplished in the transition plan, the timing presented in the transition plan for approval is realistically attainable and manageable.

A motion was made by Trustee Rowitz and seconded by Trustee Knoll to approve the FPIF Transition plan as presented by E&Y. Motion carried by roll call vote.

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

Ms. Murray continued in her presentation and reviewed the custodian selection approach, custodian selection timeline and the vendor evaluation overview.

VI. FPIF Custody RFP Respondent Presentations

Eoin Gill, Jessica Strub and Todd Rosignol joined the meeting at 10:21 a.m.

Eoin Gill with BNY Mellon introduced his colleagues Jessica Strub and Todd Rosignol and provided an overview of BNY Mellon to the Committee. Ms. Strub reviewed the onboarding process for new clients and presented the implementation lifecycle process.

Mr. Rosignol presented a sample schematic of the transition process between constituents and FPIF, reviewed the integrated service and level of experience within the BNY Mellon Team, global institutional accounts, differentiators, regulatory reporting and support. Mr. Gill concluded the BNY Mellon presentation and thanked the Committee and Staff for the opportunity to present.

Eoin Gill, Jessica Strub and Todd Rosignol left the meeting at 10:48 a.m.

Dan Houlihan, Gary Guibert, Greg Johnson and Brian McNamara joined the meeting at 10:50

Mr. Houlihan reviewed the overall business model and philosophy for Northern Trust including servicing and administration and presented to total assets under custody and management. Mr. Houlihan also presented the Northern Trust Whole Office modular approach to the Committee.

Mr. Guibert apprised the Committee on his prior and current experience with Northern Trust and reviewed the proposed transition stages and final configuration of the FPIF. Mr. Guibert reviewed

the expectations of FPIF and provided insight to Northern Trust’s approach to align with those of FPIF and its constituents. Further, Mr. Guibert reviewed the onboarding dashboard, reviewed the client servicing Team dedicated to FPIF.

Mr. Johnson presented the whole office platform approach designed for FPIF and core custody services such as automation, timeliness, cost minimization and transparency.

Finally, Mr. McNamara presented the front office solutions, reporting and personnel expertise, front office solutions and the approach to reconciliation reporting. Mr. Houlihan concluded the presentation and asked for any questions, there were none.

Dan Houlihan, Gary Guibert, Greg Johnson and Brian McNamara left 10:50

VII. Consideration and Approval of Custody RFP Recommendation

Mr. Zaloga presented the memorandum to recommend FPIF’s custody and related services request for competitive proposals. Mr. Zaloga reviewed the process in which FPIF staff issued the RFP, received proposals, evaluated all proposals and concluded with the staff recommendation to retain Northern Trust to provide custody and related services to the FPIF.

Trustee Knoll inquired to the number of years in which both Mr. Zaloga and Mr. Green worked with custodians in their prior positions, both Mr. Zaloga and Mr. Green confirmed that there is a combined number of 7 years between them with experience working with custodians.

Trustee Rowitz requested additional time for the Committee to review the recommendation materials provided by FPIF Staff and Marquette Associates.

VIII. Schedule of Upcoming Meetings

Chairman Kink recommended a special meeting to be held on Tuesday, March 16, 2021 at 1:00 p.m., there was no objection.

IX. Public Comment

There was no public comment.

X. Adjournment

A motion was made by Trustee Knoll and seconded by Trustee Rowitz to adjourn the meeting at 11:40 a.m. Motion carried by roll call vote.

AYES: Chairman Kink, Trustees Knoll and Rowitz

NAYS: None

ABSENT: None