



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, August 20, 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, Vice Chairman Cole, Trustees George Schick, Matthew Kink, Kevin Bramwell, Herb Roach and Gregory Knoll were present, there were no absences.

Also present: Executive Director William Atwood, COO Steve Zahn, CFO David Zaloga, Portfolio Officer Mitchell Green and Member Services Officer Robina Amato, FPIF Staff; Mitch Holzrichter and Michael Scodro, Mayer Brown, LLP; Mike Piotrowski and Doug Oest, Marquette Associates; Paul Douville and Gary Guibert, The Northern Trust Company

III. Oath of Office

Chairman Sullivan administered the Oath of Office for Trustee Tom Dailly and noted the signed oath of office has been submitted to FPIF staff and legal counsel to be submitted to the Illinois Secretary of State as required by statute.

IV. Approval of the June 18, 2021 and July 8, 2021 Meeting Minutes

The Board reviewed the June 18, 2021 and July 8, 2021 regular meeting minutes. A motion was made by Trustee Bramwell and seconded by Vice Chairman Cole to approve the June 18, 2021 and July 8, 2021 meeting minutes as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

V. Report of the Chair

Chairman Sullivan informed the Board that he and Vice Chairman Cole will be conducting an evaluation of Executive Director William Atwood following the Board Meeting and a summary will be provided to the Board. Further, Chairman Sullivan acknowledged FPIF Staff for the numerous tasks being completed as the FPIF approaches the first scheduled October 1, 2021 transfer date.

VI. Report of the Executive Director

Executive Director Atwood updated the Board that FPIF Staff, Northern Trust, Marquette Associates and Ernst & Young continue to work diligently to prepare for the transfer of assets on October 1, 2021. Director Atwood provided details to the Certified Investment Asset List process and communications from FPIF Staff member funds to obtain the required documents to facilitate each transfer. Finally, Director Atwood informed the Board they will hear from Northern Trust on the Global Cash Movement portal that will facilitate cash transfers to and from member funds to the FPIF.

VII. Report of the Audit & Compliance Committee

Trustee Kink presented a summary of the Audit and Compliance Committee meeting held on August 11, 2021 including a review of the May and June 2021 monthly financial statements as well as Resolution 2021-36 – Approval of FY22 Budget Administration and Resolution 2021-37 – Approval of FY22 Budget Amendment that will be presented before the Board for consideration today.

Resolution 2021-36 – Approval of FY22 Budget Administration: The Board reviewed Resolution 2021-36 authorizing the Executive Director to transfer funds between line items within the same Budget Category so long as to total amount transferred within the Personnel Category does not exceed 5% of the total amount budget; total amount transferred within the Profession Services Category does not exceed 10% of the total amount budgeted and the total amount transferred within the Operations Category does not exceed 15% of the total amount budgeted. A motion was made by Trustee Kink and seconded by Trustee Knoll to adopt Resolution 2021-36 – Approval of FY22 Budget Administration. Motion carried by roll call vote.

AYES: Trustees Schick, Bramwell, Kink, Dailly, Knoll and Chairman Sullivan
NAYS: Trustee Roach and Vice Chairman Cole
ABSENT: None

Resolution 2021-37 – Approval of FY22 Budget Amendment: Mr. Zaloga reviewed the Accounting and Financial Reporting Manager Position with the Board and Resolutuion 2021-37 that would amend the FY22 budget to include the amount of \$60,000 in the Accountant/Client Service line item within the Personnel Category. A motion was made by Trustee Knoll and seconded by Trustee Schick to adopt Resolution 2021-37 – Approval of FY22 Budget Amendment. Motion carried by roll call vote.

AYES: Trustees Schick, Bramwell, Kink, Roach, Knoll, Dailly Vice Chairman Cole and Chairman Sullivan
NAYS: None
ABSENT: None

VIII. Report of the Investments and Operations Committee

Trustee Bramwell informed the Board the Investments and Operations Committee met via teleconference on Wednesday, August 12, 2021 with all Committee members present. The committee reviewed previous meeting minutes and voted unanimously to approve the recommendation to retain Foster and Foster as the FPIF Actuary and to retain Principal Global Investors to manage assets on behalf of FPIF in the Principal US. Property Account. Trustee Bramwell also informed the Board that Northern Trust has been selected as the transition manager for the October 1, 2021 tranche.

Resolution 2021-38 – Approval of Actuary: Mr. Zahn reviewed the FPIF Staff and Investments and Operations Committee’s recommendation to retain Foster and Foster as the FPIF Actuary. Vice Chairman Cole inquired to the supporting documentation for the retention of an actuary not being included in the current meeting materials. Chairman Sullivan requested that a summary of both the FPIF Staff and Investment and Operations Committee recommendation be provided with relevant supporting materials to the Board of Trustees. A motion was made by Trustee Schick and seconded by Trustee Bramwell to adopt Resolution 2021-38 – Approval of Actuary. Motion carried by roll call vote.

AYES: Trustees Schick, Bramwell, Kink, Roach, Knoll, Dailly Vice Chairman Cole and Chairman Sullivan
NAYS: None
ABSENT: None

Resolution 2021-39 – Approve Retention of Principal Global Investors U.S. Property Account: Chairman Sullivan presented Resolution 2021-39 recommended by the Investments and Operations Committee. A motion was made by Trustee Schick and seconded by Trustee Bramwell to adopt Resolution 2021-39 – Approve Retention of Principal Global Investors U.S. Property Account. Motion carried by roll call vote.

AYES: Trustees Schick, Bramwell, Kink, Roach, Knoll, Dailly Vice Chairman Cole and Chairman Sullivan
NAYS: None
ABSENT: None

IX. Report of the Election Panel Clerk

Steve Zahn informed the Board that the FPIF Elections Panel has met on two occasions to approve election materials and to finalize the slate of candidates for the 2021 Executive Trustee Special Election. Mayor Tom Dailly was the only qualifying candidate for the Executive Trustee term ending January 2, 2025 and was deemed elected to the FPIF Board of Trustees. There are currently two qualifying candidates for the January 3, 2023 and ballots are due September 24, 2021. The FPIF Election Panel will meet on September 30, 2021 to certify the election results.

X. Presentation by Northern Trust

Director Atwood introduced Gary Guibert and Paul Douville from Northern Trust and provided a review of the standards of fiduciary prudence and best practice provide that a secure portal be provided to member funds to securely transmit cash requests as well as banking and other relevant information. Mr. Guibert and Mr. Douville reviewed the proposal for a Member Fund Cash Management Portal for use by the member funds, FPIF and Northern Trust for all cash transactions after investment assets have been transferred to the consolidated portfolio.

Trustee Dailly requested that Northern Trust provide details to the multi-factor authentication process required for Member Funds' use of the portal and encryption details while Vice Chairman Cole inquired to certain liabilities within the agreement; Mr. Douville answered all questions.

Trustee Roach requested that FPIF gather data and provide a summary of the legacy costs to member funds; Director Atwood informed the Board this is a current project of FPIF Staff and updates will be provided as they become available.

XI. Resolution 2021-40 – Approving a Contract Modification with the FPIF Custodian

The Board reviewed Resolution 2021-40 – Approving a Contract Modification with the FPIF Custodian. A motion was made by Trustee Cole and seconded by Trustee Schick to adopt Resolution 2021-40 as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

XII. Closed Session

5 ILCS 120/2(c)(11) – Pending Litigation: Chairman Sullivan noted the Board will meet in closed session to review pending litigation. A motion was made by Vice Chairman Cole and seconded by Trustee Bramwell to enter executive session at 10:00 a.m. pursuant to section 5 ILCS 120/2 (c)(11) of the Illinois Open Meetings Act. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

The Board reconvened open session at 10:06 a.m.; Attorney Holrichter called the roll to establish a quorum was present.

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

NAYS: None

ABSENT: None

XIII. Other Business

Chairman Sullivan noted the next meeting of the FPIF Board of Trustees will be December 13, 2021 at 9:00 a.m.

XIV. Public Comment

There was no public comment.

XV. Adjournment

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

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

NAYS: None

ABSENT: None