



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
JULY 18, 2024**

A regular meeting of the Firefighters' Pension Investment Fund of Illinois Audit and Compliance Committee was held on Thursday, July 18, 2024 at 3:00 p.m. at the FPIF Headquarters located at 1919 S. Highland Avenue – Building A, Suite 237, Lombard, Illinois 60148, pursuant to notice.

I. Call to Order

Chairperson Dailly called the meeting to order at 3:00 p.m.

II. Roll Call

Robina Amato took the roll. Trustees Matthew Kink, Greg Knoll and Chairperson Dailly were present, there were no absences.

Also present: Executive Director William Atwood, CFO David Zaloga, COO Steve Zahn, Member Services and Financial Reporting Manager Robina Amato, Private Markets Analyst Moshe Latif, Public Markets Portfolio Analyst Anna Simonson

III. Public Comment

There was no Public Comment.

IV. Consideration of the May 1, 2024 Meeting Minutes

The Committee reviewed the May 1, 2024 audit and compliance committee meeting minutes. A motion was made by Trustee Kink and seconded by Trustee Knoll to approve the May 1, 2024 meeting minutes as written. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None

V. Consideration of FPIF Financial Statements

Mr. Zaloga presented the March, April and May 2024 Monthly Financial Statements to the Committee. The statement of net position for March 31, 2024 had an end of period position of \$8,787,114,135, the nine-month expense report as of March 31, 2024 totaled \$2,996,470 and the Vendor Check Report for the period March 1, 2024 through March 31, 2024 totaled \$838,066.90. The statement of net position for April 30, 2024 had an end of period position of \$8,546,485,368, the ten-month expense report as of April 30, 2024 totaled \$3,511,358 and the Vendor Check Report for the period April 1, 2024 through April 30, 2024 totaled \$475,516.08. The statement of net position for May 31, 2024 had an end of period position of \$8,812,964,9985, the eleven-month expense report as of May 31, 2024 totaled \$5,157,348 and the Vendor Check Report for the period May 1, 2024 through May 31, 2024 totaled \$346,636.18.

A motion was made by Trustee Knoll and seconded by Trustee Kink to accept the March, April and May 2024 financial statements as presented. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None

VI. Consideration of FY 25 Budget

Director Atwood presented a memorandum to the Committee detailing the proposed FY25 budget. Proposed total operating expenses for FY25 are \$4,298,390 which constitutes an expense ratio of 4.8 bps; projected investment management fees for FY25 are \$9,600,000 which constitutes an expense ratio of 10.7 bps. A motion was made by Trustee Kink and seconded by Trustee Knoll to approve for recommendation to the Board of Trustees the proposed FY 25 budget as presented. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None

VII. Consideration for 2nd Public Notice – Amendment to FPIF Cash Management Rule

Steve Zahn reviewed the amendments to the FPIF Cash Management Rule regarding the guidance set forth by the Illinois Department of Insurance on the amount of cash held in local accounts for Article 4 funds. This amendment was previously posted for 1st Public Notice on July 2, 2024; Mr. Zahn informed the committee that no public comment has been received. A motion was made by Trustee Knoll and seconded by Trustee Kink to approve the amendment to the FPIF Cash Management Rule for a 2nd public notice. The amendment will then be considered for adoption before the FPIF Board of Trustees on August 2, 2024. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None

VIII. Consideration for 2nd Public Notice – Amendment to FPIF Cost Allocation Rule

Steve Zahn reviewed the amendments to the FPIF Cost Allocation Rule regarding specific costs incurred by FPIF to address or accommodate the needs of specific Participating Pension Funds. This amendment was previously posted for 1st Public Notice on July 2, 2024; Mr. Zahn informed the committee that no public comment has been received. A motion was made by Trustee Kink and seconded by Trustee Knoll to approve the amendment to the FPIF Cost Allocation Rule for a 2nd public notice. The amendment will then be considered for adoption before the FPIF Board of Trustees on August 2, 2024. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None

IX. Update on FPIF Cash Flow

Robina Amato presented an analysis of post-transition cash flow between Participating Pension Funds and FPIF for FY2024. Contributions totaled \$578,017,143 while withdrawals totaled \$533,677,705 resulting in a net \$44,339,437 cash flow for the year. Mrs. Amato informed the Committee a total of 189 Participating Pension Funds are enrolled in a recurring monthly

withdrawal which accounts for 97% of the cash withdrawals made on a monthly basis. All questions were answered by Mrs. Amato.

X. Other Business

There was no other business to come before the Committee.

XI. Adjournment

A motion was made by Trustee Kink and seconded by Trustee Knoll to adjourn the meeting at 4:01 p.m. Motion carried by roll call vote.

AYES: Trustees Knoll, Kink and Chairperson Dailly

NAYS: None

ABSENT: None