



FIREFIGHTERS' PENSION INVESTMENT FUND

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**MINUTES OF A REGULAR MEETING OF THE
FIREFIGHTERS' PENSION INVESTMENT FUND
INVESTMENTS AND OPERATIONS COMMITTEE
MARCH 4, 2021**

A regular meeting of the Firefighters' Pension Investment Fund of Illinois Investments and Operations Committee was held on Thursday, March 4, 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 Bramwell called the meeting to order at 10:02 a.m.

II. Taking of the Roll

Robina Amato from Lauterbach & Amen, LLP took the roll. Chairman Kevin Bramwell, Trustees George Schick and Herb Roach were present, there were no absences.

Also present: Executive Director William Atwood, Chief Financial Officer David Zaloga, Portfolio Officer Mitchell Green, COO Steve Zahn, Trustee Greg Knoll, FPIF Staff/Board of Trustees; Doug Oest and Mike Piotrowski, Marquette Associates; Courtney Murray, Ernst & Young, LLP; Robina Amato, Lauterbach & Amen, LLP; Kevin Byrne and Paul McGee, Macquarie Portfolio Solutions (*joined the meeting at 10:10 a.m.*); Travis Bagley and Graham Seagraves, Russell Investments Implementation Services, LLC (RIIS) (*joined the meeting at 10:24 a.m.*); Adam Esposito, Jim Amorella, Joe Hernandez, Steve Bringardner and Steven Feldman, BlackRock (*joined the meeting at 10:42 a.m.*); Julie Gonsch, Chris Honold, Mike Terzich and Amanda Williams, Northern Trust (*joined the meeting at 10:55 a.m.*); Jason Parks and Will Green, Loop Capital Markets (*joined the meeting at 11:12 a.m.*)

III. Approval of the February 11, 2021 Meeting Minutes

The Committee reviewed the February 11, 2021 meeting minutes. A motion was made by Trustee Roach and seconded by Trustee Schick to approve the February 11, 2021 meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

IV. Presentation of Transition Management Bench RFP Finalists

Mitchell Green provided an overview of the Transition Management Bench RFP process including the RFP timeline and the scoring process in which the finalists were selected for today's presentation.

Mike Piotrowski reviewed Marquette Associates' recommendation for the Transition Management Bench and informed the Board that Marquette Associates is in agreement with the FPIF Staff recommendation for a proposed bench.

Kevin Byrne and Paul McGee joined the meeting at 10:10 a.m.

Mr. Byrne introduced himself and his colleagues with Macquarie Portfolio Solutions. Mr. Byrne reviewed the Macquarie Portfolio Solutions' specialties, experience, locations and the plan consolidation award received by the group. Mr. McGee presented the overall support team to the committee including middle and back-office operations and specific event types that Macquarie Portfolio Solutions has provided transition management services for.

Trustee Schick inquired to whether or not Macquarie Portfolio Solutions would act as a fiduciary while Mr. Byrne confirmed that according to the specific contract held by the client, they may be a fiduciary and they provide a fiduciary standard of care. Trustee Schick also inquired as to how Macquarie Portfolio Solutions may handle any conflicts of interest that may arise; Mr. Byrne described the separation of offices, the Pilot system that separates servers and explicit trade instructions that the organization is obliged to adhere to.

Kevin Byrne and Paul McGee left the meeting at 10:24 a.m.

Travis Bagley and Graham Seagraves joined the meeting at 10:24 a.m.

Mr. Seagraves provided a history of Russell Investments Implementations Services, LLC and the overall team experience. Mr. Seagraves described the senior level team that would be assigned to the Firefighters' Pension Investment Fund. Mr. Bagley presented the primary components as alignment of interests, experience and commitment, extensive platform and seamless integration and Russell Investments' strong track record.

Trustee Schick inquired whether or not RIIS is a fiduciary to which Mr. Seagraves confirmed. Trustee Schick also asked how RIIS handles any potential conflicts of interest that may arise. Mr. Seagraves informed the Committee that RIIS is dually registered as a manager and broker dealer to allow for zero conflicts of interest.

Travis Bagley and Graham Seagraves left the meeting at 10:40 a.m.

Adam Esposito, Jim Amorella, Joe Hernandez, Steve Bringardner and Steven Feldman joined the meeting at 10:42 a.m.

Mr. Esposito reviewed the BlackRock operating model, presented the organizational structure, described the transition management team and the global platform to the Committee. Finally, Mr. Esposito reviewed the current track record and service offering provided by BlackRock.

Adam Esposito, Jim Amorella, Joe Hernandez, Steve Bringardner and Steven Feldman left at 10:53 a.m.

Julie Gonsch, Chris Honold, Mike Terzich and Amanda Williams joined the meeting at 10:55 a.m.

Trustee Bramwell noted that Northern Trust is a Chicago based firm.

Mr. Terzich introduced himself and colleagues at Northern Trust and described the agency only and conflict free environment. Ms. Williams presented the business and client focused model including a strong focus on service, expertise and integrity.

Trustee Schick inquired as to how Northern Trust handles conflict of interest. Ms. Williams provided clarification on the due diligence questionnaire that would be completed to manage any potential conflict of interest.

Julie Gonsch, Chris Honold, Mike Terzich and Amanda Williams left the meeting at 11:10 a.m.

Jason Parks and Will Greene joined the meeting at 11:12 a.m.

Mr. Parks provided a high-level overview of Loop Capital's services as an investment bank, brokerage and advisory firm, analytical services and financial consulting and also provided strong detail to the transition management services. Mr. Greene presented an overview of the transition management team at Loop Capital and discussed both the philosophy and process including the day-to-day operations in transition management.

Trustee Schick asked for confirmation that Loop Capital would act as a fiduciary, Mr. Greene confirmed Loop Capital is indeed a fiduciary.

Jason Parks and Will Green left the meeting at 11:25 a.m.

V. Consideration and Approval of Transition Management Bench

Chairman Bramwell informed the Committee that BlackRock, Northern Trust, RIIS, Loop Capital and Macquarie Group are recommended by both FPIF Staff and Marquette Associates to be retained for the FPIF Transition Management Bench.

Trustee Schick asked if Marquette Associates or FPIF Staff have prior experience in working with any combination of the transition management finalists. Mr. Green and Marquette Associates described their experience with the five firms for the Committee.

Trustee Bramwell noted a total of nine respondents were narrowed down to five finalists during the overall RFP process and discussed a recommendation of the five finalists be approved for consideration by the FPIF Board of Trustees. A motion was made by Trustee Schick and seconded by Trustee Roach to recommend to the Board of Trustees that FPIF retain BlackRock, Loop Capital Markets, Northern Trust, Russell Investments Implementation Services, LLC and Macquarie Portfolio Solutions for the Transition Management Bench. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

VI. Consideration and Approval of FPIF Staff Job Descriptions

Steve Zahn presented the job descriptions for both an Accounting and Financial Reporting Manager and Member Services Officer and Office Manager. Mr. Zahn confirmed that both positions are category two positions under the FPIF hiring policy and require that the Investments and Operations Committee approve each job description. A motion was made by Trustee Roach and seconded by Trustee Schick to approve the job descriptions for both the Accounting and Financial Reporting Manager as well as the Member Services Officer and Office Manager. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None

VII. Communications Update

Steve Zahn updated the Committee that as of today's date, a total of 262 Board Presidents have been confirmed and outreach continues to the remaining Pension Boards. Mr. Zahn also provided an update to the Vendor Authorization forms that have been received and the follow up that will be performed by FPIF Staff to obtain any missing information for incomplete responses.

VIII. Rule 2021-01 Authorized Agent Rule Update

Mr. Zahn updated the Committee that since Rule 2021-01 was approved for second public notice no public comment has been submitted as of today's date. Any public comment received between today's date and the Board meeting scheduled for March 19, 2021 will be distributed to the Committee for consideration before being adopted.

IX. Other Business

Trustee Bramwell noted the next scheduled meeting of the Investments and Operations Committee will be held on March 31, 2021 at 10:00 a.m.

X. Public Comment

There was no public comment.

XI. Adjournment

A motion was made by Trustee Roach and seconded by Trustee Schick to adjourn the meeting at 11:37 a.m. Motion carried by roll call vote.

AYES: Chairman Bramwell, Trustees Schick and Roach

NAYS: None

ABSENT: None