

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND
SPECIAL MEETING MINUTES – AUGUST 28, 2020

A special meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was held on Friday, August 28, 2020 at 9:00 a.m. through the Zoom Digital Platform.

TRUSTEES PRESENT: Dan Hopkins
Elizabeth Holleb
Andrea DiGiacinto
Brian Prochaska
Mark Polous
Michael Inman
Phil Suess
Brad Cole

TRUSTEES ABSENT: Shawn Curry

OTHERS PRESENT: Richard White, Executive Director
Rick Reimer, General Counsel, Reimer & Dobrovolny, PC
Steve Earnhardt, Accountant/CFO, Lauterbach & Amen, LLP
Allie Rysell, Plan Administrator, Foster & Foster, Inc.
John Westerhaus, Account Manager, Survey & Ballot Systems
Bill Czajkowski, President, Palos Heights Police Pension Fund
Members of the Public

CALL TO ORDER: Vice-Chairperson Hopkins called the meeting to order at 9:01 a.m.

ROLL CALL: All Trustees were present except for Chairperson Curry.

TREASURER'S REPORT: *Budget:* Treasurer Holleb reviewed a memorandum she prepared dated August 25, 2020 regarding the "Treasurer's Report – IPOPIF Board Meeting August 28, 2020" with the Board. She informed the Board that she held a meeting with Mr. White, Mr. Earnhardt, AJ Weber, and Allie Rysell to discuss the financial process moving forward earlier this week. She reviewed an overview of what the Trustees should expect to appear on future board meeting agendas, beginning with the September 11, 2020 meeting. Treasurer Holleb informed the Board that several of the items included in her memorandum will be discussed later in the meeting.

Mr. White reviewed a memorandum he prepared dated August 28, 2020 regarding "Illinois Finance Authority Legal Expenses" with the Board. The requested amendment to the fiscal year 2021 budget is in the amount of \$20,726.56 to pay the legal expenses incurred by the Illinois Finance Authority (IFA) in connection with the preparation, negotiation, and execution of the loan documents between the IFA and the IPOPIF. Mr. White reviewed the adopted fiscal year 2021

budget, correspondence from Mayer Brown, LLP, an invoice from the IFA, Resolution 2020-11, and the board's revised budget. A motion was made by Trustee Inman and seconded by Trustee Prochaska to add the Illinois Finance Authority as a Vendor. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

A motion was made by Trustee Poulos and seconded by Trustee Holleb to authorize the payment of legal fees to the IFA. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

Review/Adopt – Resolution 2020-11 to Amend Fiscal Year 2021 Budget: A motion was made by Trustee Inman and seconded by Trustee Poulos to adopt Resolution 2020-11 to amend the fiscal year 2021 budget. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

Review Revised Municipality Reimbursement Form: Mr. White informed the Board that he worked with Trustee Cole to prepare the revised Municipality Reimbursement Form and thanked Trustee Cole for his input. A copy of the form was included in the agenda packet for Board review.

Status Update – Chief Financial Officer and the IFA: Mr. White stated that one of the conditions of the loan agreement between the IFA and the Fund was that the Board needed to hire a Chief Financial Officer (CFO). Mr. White relayed to the IFA that Lauterbach & Amen, LLP will serve as the interim CFO for the Fund.

Status Update – Vendor Payment Errors: Mr. White reviewed a memorandum he prepared dated August 28, 2020 regarding the “Vendor Payment Error” with the Board. He noted that the Fund's accountant, Lauterbach & Amen, LLP, incorrectly processed vendor payments earlier this month. On August 19, 2020, Mr. White was notified by Foster & Foster, Inc. that payment for their invoices were incorrectly processed which resulted in the Fund's bank account deducting the invoices from their account instead of depositing the amount. Mr. White confirmed that their firm, along with four other service providers were affected. Mr. White worked with Lauterbach & Amen, LLP to have this error corrected and all vendors were paid. Mr. White is working with Mr. Earnhardt to ensure this error does not occur again.

Status Update – Request for Proposal for Audit Services: Mr. White provided a status update to the Board regarding the Request for Proposal (RFP) for auditing services. The RFP was finalized by Mr. White and Treasurer Holleb and published on August 21, 2020 with a due date of

September 18, 2020 by 4:30 p.m. Central Daylight Time. Further discussion will be held at the September 11, 2020 Board meeting.

Review/Adopt – Resolution 2020-11 to Amend Fiscal Year 2021 Budget (Continued): Treasurer Holleb noted that she noticed an error in Resolution 2020-11, amending the fiscal year 2021 budget. She recommended an amendment to Paragraph 2 to reflect a budget for the fiscal year 2021 totaling \$40,127. A motion was made by Trustee Holleb and seconded by Trustee Inman to amend Resolution 2020-11 amending the budget for the 2021 fiscal year, revising the amount under Paragraph 2 to \$40,127. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

ELECTION COMMITTEE UPDATES: *Status Update – Request for Proposal for Third-Party Election Services Provider to Conduct Trustee Elections:* Committee Chairperson Prochaska reviewed a memorandum dated August 28, 2020 regarding the “Election Process Update” with the Board. The RFP responses for a third-party election services provider were due on August 21, 2020 and no bids were received. Mr. White obtained contact information for Survey & Ballot Systems (SBS) from Mr. Bill Atwood, Interim Executive Director for the Illinois Firefighters’ Pension Investment Fund. Mr. White contacted SBS and Mr. Westerhaus prepared a cost estimate for the election committee to review at their August 25, 2020 meeting. The election committee discussed the cost estimate at their meeting and recommended the Board hire SBS as the Fund’s election services provider.

Presentation by Survey & Ballot Systems: Mr. Westerhaus reviewed SBS’s proposal for third-party election services with the Board. Mr. Westerhaus reviewed the company background, project team, references, services, preliminary project timeline, and fee proposal with the Board. All questions were answered by Mr. Westerhaus. A motion was made by Trustee Cole and seconded by Trustee Poulos to waive the August 21, 2020 submission deadline as required in the RFP for Survey & Ballot Systems so the Board can consider their proposal. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

Discussion/Possible Action – Selection of Election Services Vendor: A motion was made by Trustee Poulos and seconded by Trustee Inman to approve Survey & Ballot Systems as the Fund’s election services vendor. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

A motion was made by Trustee Prochaska and seconded by Trustee Poulos to approve the compensation and payment schedule as provided in SBS's RFP response. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

A motion was made by Trustee Poulos and seconded by Trustee Cole to approve SBS as a vendor. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

A motion was made by Trustee Prochaska and seconded by Trustee Poulos to authorize the Executive Director and General Legal Counsel to negotiate and execute a contract for services with SBS. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

Status Update – Nomination Process: Committee Chairperson Prochaska noted that the nomination process for candidates closes today, August 28, 2020 at 4:30 p.m. Central Daylight time. A status update will be provided at the next meeting.

Status Update – Voter Database: Mr. White and Ms. Rysell provided a status update on the voter database project. Approximately half of all Article 3 Illinois pension funds have responded to the Fund's request for voter information. The voter database project is still in process, and another update will be provided at the next meeting.

EXECUTIVE DIRECTOR'S REPORT: *Review/Possible Action – Strategic Plan: Goals and Objectives Worksheet:* Mr. White reviewed the Goals and Objectives Worksheet with the Board. Mr. White requested that Trustees provide all feedback to his attention via email regarding the proposed Goals and Objectives Worksheet. Further discussion will be held at a future meeting.

Review – July Update: Mr. White's August 28, 2020 memorandum regarding the "July Activities Update" was provided in the agenda packet for the Trustees to review.

GENERAL COUNSEL'S REPORT: *Resolution 2020-08 to Adopt IPPFA as Provider of 401(a) Retirement Benefit Account:* Attorney Reimer reviewed the draft Resolution 2020-08 to adopt IPPFA as a provider of Executive Director White's 401(a) retirement benefit account. All questions were answered by Attorney Reimer. A motion was made by Trustee Suess and seconded by Trustee Poulos to adopt Resolution 2020-08 to adopt IPPFA as a provider of Executive Director White's 401(a) retirement benefit account. Motion carried by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, and Suess
NAYS: Trustee Cole
ABSENT: Trustee Curry

Resolution 2020-09 to Adopt IPPFA as Provider of 115 Heath Care Trust: Attorney Reimer reviewed the draft Resolution 2020-09 to adopt IPPFA as a provider of Executive Director White's 115 Health Care Trust. A motion was made by Trustee DiGiacinto and seconded by Trustee Prochaska to approve and adopt Resolution 2020-09 to adopt IPPFA as a provider of Executive Director White's 115 Heath Care Trust. Motion carried by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, and Suess
NAYS: Trustee Cole
ABSENT: Trustee Curry

Review/Adopt – Amended Resolution 2020-10 to Indemnify Members of the Board of Trustees and Officers, Advisors, and Employees of the Fund (Approved February 24, 2020): Attorney Reimer noted that the Board adopted this resolution at the February 24, 2020 meeting, but recommended an amendment to include a resolution number and obtain signatures from Chairperson Curry and Secretary DiGiacinto. Attorney Reimer reviewed amended Resolution 2020-10 with the Board. A motion was made by Trustee Inman and seconded by Trustee Suess to ratify amended Resolution 2020-10, passed on February 24, 2020. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

IPOPIF Governance Documents: The revised list of the Fund's governance documents was reviewed with the Board, listing all adopted resolutions and policies & procedures.

Amendment to Contract Agreement with Foster & Foster, Inc., dated August 25, 2020: Attorney Reimer informed the Board that an attorney for the Rockford Police Pension Fund submitted an inquiry concerning the Personal Information Act as it relates to the voter file data request. To accommodate this inquiry, Attorney Reimer recommended the Board amend their contract agreement with Foster & Foster, Inc. to include a provision that the administrator implement and maintain reasonable security measures to protect the Transition Board's records from unauthorized access, acquisition, destruction, use, modification or disclosure. The proposed draft contract agreement amendment was reviewed with the Board. A motion was made by Trustee DiGiacinto and seconded by Trustee Cole to approve an amendment to the contract agreement with Foster & Foster, Inc. dated August 25, 2020. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

OLD BUSINESS: There was nothing outstanding to discuss.

NEW BUSINESS: There was nothing new to discuss.

CLOSED SESSION (IF NEEDED): There was no need for closed session.

PUBLIC COMMENT: Mr. Czajkowski inquired why the IPOPIF was responsible for the payment of legal fees to the IFA for the loan agreement. He inquired if General Counsel reviewed the loan agreement and if it was standard practice for the IPOPIF to be responsible for the payment these fees. Vice-Chairperson Hopkins informed Mr. Czajkowski that he will call him after the meeting to discuss his concerns.

ADJOURNMENT: A motion was made by Trustee DiGiacinto and seconded by Trustee Holleb to adjourn the meeting at 11:19 a.m. Motion carried unanimously by roll call vote.

AYES: Trustees Hopkins, DiGiacinto, Holleb, Prochaska, Poulos, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Curry

Approved by:

Dan Hopkins, Vice-Chairperson

Andrea DiGiacinto, Secretary

Date Approved by the Board: _____

The next meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment will be held on Friday, September 11, 2020 at 9:00 a.m. via the Zoom Digital Platform.