

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEETING MINUTES – AUGUST 14, 2020

A meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was held on Friday, August 14, 2020 at 9:00 a.m. through the Zoom Digital Platform.

TRUSTEES PRESENT: Shawn Curry Elizabeth Holleb
Dan Hopkins Brian Prochaska
Andrea DiGiacinto Mark Poulos
Brad Cole Michael Inman (*joined at 10:04 a.m.*)
Phil Suess

TRUSTEES ABSENT: None

OTHERS PRESENT: Richard White, Executive Director
Rick Reimer, General Counsel, Reimer & Dobrovolny, PC
Jerry Marzullo and Joe Weishampel, Conflict Counsel, Puchalski
Goodloe Marzullo, LLP
Barb Utterback, Plan Administrator, Foster & Foster, Inc.
Members of the Public

CALL TO ORDER: Chairperson Curry called the meeting to order at 9:05 a.m.

ROLL CALL: All trustees were present except for Trustee Inman who arrived at 10:04 a.m.

EXECUTIVE DIRECTOR'S REPORT: *Governmental Liaison – Review Request for Information Responses:* Mr. White stated that the Request for Information was issued on July 24, 2020 and one response was received for governmental liaison consulting services.

Discussion/Possible Action – Selection of Government Liaison: Chairperson Curry stated that he has not yet reviewed the proposal but suggested that a legislative committee be established for the purpose of developing a policy and reviewing proposals. Trustees DiGiacinto, Suess and Hopkins volunteered to be members of this committee, with Trustee DiGiacinto designated as Chairperson. This committee will work with Mr. White to draft a legislative policy for the Board to consider. A motion was made by Trustee DiGiacinto and seconded by Trustee Hopkins to develop an adhoc legislative committee consisting of Trustees DiGiacinto, Hopkins and Suess to develop a legislative policy. Motion carried by roll call vote.

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

Review/Adopt – Revised Election Policy and Procedures: Mr. White stated that the Election Policy was adopted at the July 10, 2020 board meeting. Since that time, the election committee drafted suggested amendments to the Policy for board consideration. All suggested amendments were reviewed with the Board. A motion was made by Trustee Holleb and seconded by Trustee Cole to approve the amendments as recommended by the Election Committee. Motion carried by roll call vote.

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

Review/Adopt – Revised Board of Trustee Policy (Fiduciary Language): Mr. White stated that the revisions discussed at previous board meetings were incorporated into the Board of Trustee Policy. The details of each of those revisions were discussed with the Board and Attorney Reimer. Trustee Holleb suggested some additional changes, and Attorney Reimer stated that additional time would be needed to review the statute to determine if some of the changes can be incorporated in the amendment. A motion was made by Trustee Prochaska and seconded by Trustee Hopkins to table further discussion until after Closed Session. Motion carried by roll call vote.

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

Review/Approve – Summary of Payments: Mr. White reviewed the first Summary of Payments and invoices approved for payment, stating a payment process is now in place and all invoices from vendors were reviewed. Trustee Holleb agreed with the Summary of Payment and invoices listed, but requested a footnote be added to the Summary Page noting that there were no Warrant numbers 1-9 prior to Warrant #10, which is listed on the Summary.

Trustee Reimbursement Requests: Trustees were asked to complete reimbursement request forms for any requested reimbursements. Mr. Cole commented on the required signatures on the municipal reimbursement form. Mr. White stated that his concerns will be addressed when the procurement policy is finalized.

Review/Approve – July Budget/Actual Report: Mr. White updated the Board on the July disbursements. The first disbursements were made on July 31st and additional disbursements were scheduled for today. Mr. White stated that a budget report is not available at this time, however monthly budget reports will be available for review at the September meeting. Trustee Holleb stated that, although a monthly budget report will be provided to the Trustees going forward, there was no monthly report to review or act upon at this time.

Review/Approve – Revised Annual Budget FYE 2021: Mr. White informed the Board that the Annual Budget for Fiscal Year 2021 was adopted at the June 19, 2020 meeting. At this time, he is requesting an amendment to the 2021 budget in the amount of \$20,726.56 to include payment of the legal expenses incurred by the Illinois Finance Authority for the preparation, negotiation and execution of the loan documents between the IFA and the IPOPIF. Upon review of the letter from the IFA, Trustee Holleb noted a clerical error under the banking information which referenced the

Firefighters' Pension Investment Fund instead of the Police Officers' Pension Investment Fund and requested a corrected copy of the letter. A motion was made by Trustee Prochaska and seconded by Trustee Suess to table approval of payment of the invoice from the IFA until a corrected letter is received and Attorney Reimer prepares a Resolution authorizing payment. Both documents should be available for approval at the next meeting. Motion carried by roll call vote.

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

Status Update – Illinois Finance Authority Disbursement(s): Mr. White reported that the IPOPIF has received \$400,000 in loan disbursements from the Illinois Finance Authority. Additionally, the Fund received the statement of the accrued interest in the amount of \$42.47 for the outstanding loan balance for the period of June 26 through June 30, 2020.

CONFLICT COUNSEL'S REPORT: *Closed Session – Probable or Imminent Litigation:* A motion was made by Trustee Cole and seconded by Trustee Poulos to enter closed executive session at 9:55 a.m. to discuss probable or imminent litigation pursuant to Section 2 (c) (11) of the Open Meetings Act. Motion carried by roll call vote.

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

Attorney Reimer left the meeting at 9:55 a.m. Trustee Inman entered the meeting at 10:04 a.m.

A motion was made by Trustee Prochaska and seconded by Trustee Hopkins to resume the open meeting at 10:49 a.m. Motion carried unanimously by roll call vote.

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

Attorney Reimer re-joined the meeting at 10:49 a.m.

EXECUTIVE DIRECTOR'S REPORT (CONTINUED): *Review/Adopt – Revised Board of Trustee Policy (Fiduciary Language)(Continued):* The Board continued discussion regarding the Board of Trustee Policy. Attorney Reimer advised the Board on the language dictated by statute, and the Board agreed on the revisions recommended by Trustee Holleb. A motion was made by Trustee Suess and seconded by Trustee Hopkins to amend and approve the Board of Trustee Policy, as discussed. Motion carried by roll call vote.

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

Discussion/Possible Action – Selection of Interim Chief Financial Officer (CFO): The Board discussed the proposal for the CFO position received from Lauterbach & Amen, LLP (L&A). Mr. White stated that he has been in communication with the representatives of L&A regarding their proposal. Mr. White made a recommendation to approve the L&A Engagement Letter, as revised, dated July 31, 2020 to include the interim CFO roles and responsibilities as described in their proposal which also includes the accounting and payroll services. Mr. White stated that the CFO position is an interim position, and a full-time CFO will need to be hired once the permanent Board is in place. Steve Earnhardt from L&A was consulted during the meeting for clarification of the tier structure and costs listed in their proposal. Attorney Reimer stated that any signed engagement agreement should include the approved CFO job description, as well as confirmation of cyber liability insurance and professional liability insurance coverage. Trustee Suess requested that the actual hours worked and tasks performed should be shown on each monthly invoice. A motion was made by Trustee Suess and seconded by Trustee Prochaska to accept the proposal from Lauterbach & Amen, LLP, for CFO services utilizing a tier payment structure, as proposed, incorporating the recommendations by Attorney Reimer of including the job description for CFO, confirmation of cyber liability security and professional liability insurance coverage; and to include the recommendation from Trustee Suess to show an itemization of tasks completed and hours billed on each monthly invoice. Motion carried by roll call vote.

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

Discussion/Possible Approval – Contract Agreement with Interim CFO: The Board will review the revised engagement letter with Lauterbach & Amen, LLP at a future meeting.

Review/Approve – Request for Proposal for External Auditing Services – Mr. White discussed the required fiscal year audit for the period ended 6/30/20 and provided a draft Request for Proposal for Auditing Services. Ms. Holleb stated that she reviewed the document and had several recommended changes. A motion was made by Trustee Cole and seconded by Trustee Hopkins to authorize Executive Director White to issue the Request for Proposal for Auditing Services after consultation with Trustee Holleb. Motion carried unanimously by roll call vote.

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

Review/Approve – Cellphone Provider for IPOPIF Executive Director – Mr. White informed the Board that he received two quotations from cell phone providers and stated that this item is included in the budget under telecommunications. A motion was made by Trustee Suess and seconded by Trustee Prochaska to authorize Executive Director White to select a service provider and grant authorization for Executive Director White to enter into a contract with the selected vendor, consistent with the budget. Motion carried unanimously by roll call vote.

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

Review/Approve – Request for Proposal for Website Developer: Mr. White reviewed the proposed Request for Proposal for Website Design and Development Services with the Board, which also includes developing individual email addresses for the Trustees. A motion was made by Trustee Suess and seconded by Trustee Cole to approve the RFP as presented. Motion carried by roll call vote.

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

Review/Discuss – Strategic Plan (First Reading): Mr. White provided copies of the proposed Strategic Plan for the IPOPIF and requested any feedback. Trustee Suess commented that a strategic plan is needed, but the more immediate need is to develop a work plan identifying the priorities for the next six months, and to address future staffing needs. Mr. White stated that he will have an update for the Board at the next meeting on August 28, 2020.

MEETING MINUTES: *Review/Approve – July 10, 2020 Meeting Minutes:* The Board reviewed the minutes from the July 10, 2020 Board meeting. A motion was made by Trustee Hopkins and seconded by Trustee Holleb to approve the July 10, 2020 meeting minutes. Motion carried unanimously by roll call vote.

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

Semi-Annual Review of Closed Session Meeting Minutes: The Board reviewed the closed session meeting minutes. A motion was made by Trustee Prochaska and seconded by Trustee Hopkins to approve and release the closed session meeting minutes for the following meetings: April 13, 2020, May 1, 2020, May 8, 2020, May 13, 2020 and May 22, 2020, as they are deemed no longer confidential. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, DiGiacinto, Holleb, Prochaska, Inman, Suess, and Cole
NAYS: None
ABSENT: Trustee Poulos (*temporarily left the meeting*)

GENERAL COUNSEL'S REPORT: *Review/Possible Action – Electronic Attendance Policy:* Attorney Reimer stated that this policy is taken from the Open Meetings Act, which allows an absent trustee to be present to act as a trustee eligible to vote, with a quorum present, and allows entities to establish a policy regarding electronic attendance. Trustee Cole suggested a few minor changes to the document. A motion was made by Trustee Cole and seconded by Trustee Inman to

adopt the proposed Electronic Attendance Policy, incorporating the recommended changes by Trustee Cole. Motion carried unanimously by roll call vote.

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

Employee Benefits – Review/Possible Approval – Revised Executive Director Employment Agreement: Attorney Reimer stated that the original provider of the 401(a) identified in Mr. White's Employment Agreement was NPPFA, but they are not able to provide benefit services at this time. The proposed Memorandum of Agreement modifies Section 2.2 and Section 2.3 of the June 5, 2020 Executive Director Agreement, providing for 401(a) retirement benefits offered by the IPPFA Benefits Deferred Compensation Plan. A motion was made by Trustee Hopkins and seconded by Trustee Poulos to approve a Memorandum of Agreement modifying Section 2.2 and Section 2.3 of the June 5, 2020 Executive Director's Agreement. Motion carried unanimously by roll call vote.

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

Review/Possible Approval – Resolution to add IPPFA as Provider of 401(a) Retirement Benefit Account and 115 Health Care Trust Provider: A motion was made by Trustee Hopkins and seconded by Trustee Poulos to adopt Resolution 2020-07 Authorizing a Memorandum of Agreement Modifying Section 2.2 and Section 2.3 of the June 5, 2020 Executive Director's Agreement. Motion carried unanimously by roll call vote.

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

ELECTION COMMITTEE'S REPORT: *Status Update – Request for Proposal for Election Services Provider:* Committee Chairperson Prochaska stated that the Committee recently met twice, and the Request for Proposal was released on July 24, 2020, with a due date of August 21, 2020. An update will be provided at the next meeting.

Status Update – Nomination Process: Committee Chairperson Prochaska stated that the due date for all petitions is August 28, 2020. An update will be provided at the August 28, 2020 meeting.

Status Update – Voter File Database: Committee Chairperson Prochaska and Administrator Barb Utterback reported that completed spreadsheets from pension funds are continuing to be received via email and the data has been entered into the database. An update will be provided at the next meeting.

Review – Upcoming Election Committee Meetings: There were no changes to the scheduled Election Committee meeting dates.

TREASURER'S REPORT: Trustee Holleb stated that all financial items have already been provided to the Trustees. Additionally, Trustee Holleb stated that the IGFOA is an organization that coordinates support for public bodies throughout the State of Illinois, and they are willing to provide support to the IPOPIF. Further updates will be provided at the next meeting.

OLD BUSINESS: The Ethics Policy has been tabled to the September 11, 2020 meeting.

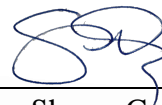
NEW BUSINESS: There were no new business items to discuss.

PUBLIC COMMENT: There were no comments from the public.

ADJOURNMENT: With no further business to discuss, a motion was made by Trustee Hopkins and seconded by Trustee Prochaska to adjourn the meeting at 12:15 p.m. Motion carried by roll call vote.

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

Approved by:



Shawn Curry, Chairperson



Andrea DiGiacinto, Secretary

Date Approved by the Board of Trustees: September 11, 2020

The next meeting of the Illinois Police Officers' Pension Investment Fund will be held on Friday, August 28, 2020 at 9:00 a.m. via the Zoom Digital Platform.