

Shawn Curry
ChairpersonDaniel Hopkins
Vice-ChairpersonPaul Swanlund
SecretaryElizabeth Holleb
TreasurerLee Catavu
TrusteeMark Poulos
TrusteeMichael Inman
TrusteePhil Suess
TrusteeBrad Cole
Trustee

**ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND
BOARD OF TRUSTEES REGULAR MEETING MINUTES**

FRIDAY, SEPTEMBER 10, 2021 AT 9:00 A.M.

A regular meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was held through the Zoom digital platform in accordance with Executive Order 2021-19 issued by Governor Pritzker and Public Act 101-0640. Members of the public were invited to participate remotely or in person pursuant to the meeting notice and agenda.

TRUSTEES PRESENT: Shawn Curry
Paul Swanlund
Elizabeth Holleb
Michael Inman
Brad Cole
Lee Catavu
Mark Poulos
Daniel Hopkins

TRUSTEES ABSENT: Phil Suess

OTHERS PRESENT: Richard White, Interim Executive Director
Kent Custer, Chief Investment Officer
Steve Yoon, Investment Officer
Rick Reimer, General Counsel, Reimer Dobrovolny & LaBardi PC
Joe Burns, Fiduciary Counsel, Jacobs Burns Orlove & Hernandez, LLP
Bukola Bello, Vision M.A.I. Consulting
Scott Whalen, General Investment Consultant, Verus Advisory, Inc.
Mark Brubaker, General Investment Consultant, Verus Advisory, Inc.
Stephanie Masson, Chief Financial Officer, Lauterbach & Amen, LLP
Allie Rysell, Plan Administrator, Foster & Foster, Inc.
Members of the Public

Interview Attendees – Transition Management Search

Graham Seagraves, Russell Investments
Danny Sobba, Russell Investments
Chris Peirce, Russell Investments
Travis Bagley, Russell Investments
Joe Hernandez, BlackRock
Jon Platt, BlackRock
Adam Esposito, BlackRock
Will Greene, Loop Capital Management
Jason Parks, Loop Capital Management
Mario Choueiri, Pavilion Global Markets
Michael J. Young, Pavilion Global Markets
Brian R. Berg, Pavilion Global Markets
Scott Hockman, State Street
Kevin Miller, State Street

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

ROLL CALL: As reflected above.

MOMENT OF SILENCE: A moment of silence was observed to commemorate the 20th anniversary of the September 11, 2001 tragedy.

MEETING MINUTES: The Board tabled the meeting minutes for review at the October 8, 2021 meeting.

GOVERNMENTAL LIAISON'S REPORT: Governmental Liaison Bello informed the Board that the General Assembly convened a special session on September 9th. She provided an overview of the session and provided an update to the Board on various legislative matters.

Ms. Bello left the meeting at 9:11 a.m.

INVESTMENTS: Transition Coordinator and Transition Manager Services: CIO Custer provided introductory remarks regarding the search for Transition Coordination and Transition Management Services along with Staff's recommendations. Mr. Yoon reviewed a memorandum dated September 3, 2021 regarding the "Transition Management Search Recommendation" with the Board. He provided background information on the search, the responding candidate firms, and evaluation process. He informed the Board that ten firms responded to the Request for Proposal, and Russell Investments, BlackRock, Loop Capital Management, Pavilion Global Markets, and State Street were invited to present to the Board.

Russell Investments: Mr. Yoon introduced representatives from Russell Investments to the Board. Mr. Seagraves, Mr. Sobba, Mr. Peirce, and Mr. Bagley reviewed their presentation with the Board of Trustees. Mr. Seagraves provided background information on the firm along with Russell Investment's Team that will be working with the Fund. Mr. Bagley, Mr. Sobba, and Mr. Peirce provided an overview of the transition management process and proposed role as the Fund's Transition Coordinator and Transition Manager. Mr. Seagraves reviewed Russell's proposed fee structure with the Board. Mr. Seagraves, Mr. Sobba, Mr. Peirce, and Mr. Bagley answered all questions from the Board.

Mr. Seagraves, Mr. Sobba, Mr. Peirce, and Mr. Bagley left the meeting at 9:51 a.m.

BlackRock: Mr. Yoon introduced representatives from BlackRock to the Board. Mr. Hernandez, Mr. Platt, and Mr. Esposito reviewed their presentation with the Board of Trustees. Mr. Hernandez and Mr. Esposito provided background information on the firm along with BlackRock's Team that will be working with the Fund. Mr. Platt reviewed BlackRock's Global Trading Coverage, Execution Activity, and Track Record. Mr. Hernandez, Mr. Platt, and Mr. Esposito answered all questions from the Board.

Mr. Hernandez, Mr. Platt, and Mr. Esposito left the meeting at 10:03 a.m.

Loop Capital Management: Mr. Yoon introduced representatives from Loop Capital Management to the Board. Mr. Greene and Mr. Parks reviewed their presentation with the Board of Trustees. Mr. Parks provided background information on the firm and Loop Capital Management's Transition Management Philosophy and Process. Mr. Greene provided an overview of the firm's Transition Management Division along with the Team that will be working with the Fund. Mr. Greene and Mr. Parks answered all questions from the Board.

Mr. Greene and Mr. Parks left the meeting at 10:13 a.m.

Pavilion Global Markets: Mr. Yoon introduced representatives from Pavilion Global Markets (PGM) to the Board. Mr. Choueiri, Mr. Young, and Mr. Berg reviewed their presentation with the Board of Trustees. Mr. Choueiri provided background information on the firm along with PGM's Team that will be working with the Fund. He briefly reviewed the firm's competitive advantages and management process with the Board. Mr. Choueiri, Mr. Young, and Mr. Berg answered all questions from the Board.

Trustee Inman, Mr. Choueiri, Mr. Young, and Mr. Berg left the meeting at 10:27 a.m.

State Street: Mr. Yoon introduced representatives from State Street to the Board. Mr. Hockman and Mr. Miller reviewed their presentation with the Board of Trustees. Mr. Hockman provided background information on the firm and State Street's Team that will be working with the Fund. Mr. Miller briefly reviewed the firm's Portfolio Solutions Products and Services. Mr. Hockman discussed the firm's competitive advantages and fees with the Board. Mr. Hockman and Mr. Miller answered all questions from the Board.

Mr. Hockman and Mr. Miller left the meeting at 10:42 a.m.

CIO Custer recommended the Board select Russell Investments as the Transition Coordinator and approve the selection of BlackRock, Loop Capital Markets, Pavilion Global Markets, Russell Investments, and State Street as members of the IPOPIF transition manager pool. CIO Custer, Mr. Yoon, Mr. Brubaker, Mr. Sachs, and Attorney Burns answered all questions from the Board. A motion was made by Trustee Poulos and seconded by Trustee Hopkins to approve the selection of Russell Investments as the Transition Coordinator. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

A motion was made by Trustee Hopkins and seconded by Trustee Catavu to approve the selection of BlackRock, Loop Capital Markets, Pavilion Global Markets, Russell Investments, and State Street as members of the IPOPIF transition manager pool and to select them as IPOPIF vendors. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

A motion was made by Trustee Cole and seconded by Trustee Poulos to authorize the Chief Investment Officer and Fiduciary Legal Counsel to complete negotiations, execute contracts, and distribute electronic copies to the Board for review once executed. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

Investment Strategy – Review/Adopt Asset Allocation: CIO Custer reviewed the IPOPIF's Asset Allocation presentation with the Board. He provided an overview of the process and reviewed key ramifications, historical perspectives, staff's short and long-term approach, private markets, and issues and opportunities. The Asset Allocation Glidepath was reviewed with the Board. The Trustees provided feedback on the proposed asset allocation. All questions were answered by CIO Custer and Attorney Burns. CIO Custer thanked the Board for their feedback and will present this item at the next meeting for consideration.

Transition Status Report: CIO Custer informed the Board that he has made substantial progress on most of the key workstreams. He stated that there is slow progress on the implementation rules, but he is targeting Board review of the rules at next month's Board meeting. CIO Custer is still targeting to begin asset transfers in December 2021 or January 2022, but the timing remains uncertain.

Attorney Burns provided a status update on the contract negotiations with State Street for custodian services. He informed the Board that the Trustees may need to hold a special meeting to reconsider the selection of a custodian if State Street is not willing to move on specific terms and conditions. All questions were answered by CIO Custer and Attorney Burns. CIO Custer will provide a status update to the Board on the progress of the contract agreement in the coming days. If the terms cannot be agreed upon, a special meeting will be scheduled before the end of the month for the Board to reconsider the selection of a custodian.

The Board took a brief recess from 12:36 p.m. to 12:44 p.m.

TREASURER'S REPORT: Treasurer Holleb reviewed a memorandum dated September 3, 2021 regarding the "Treasurer's Report – IPOPIF Board Meeting September 10, 2021" with the Board.

Monthly Financial Report – August 2021 Financial Statements: Ms. Masson reviewed the August 2021 financial statement with the Board. As of August 31, 2021, the fiduciary net position restricted is (\$1,074,161.40). A motion was made by Trustee Holleb and seconded by Trustee Poulos to approve the August 2021 monthly financial report. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

Review/Approve – Warrant #32, Summary of Payments: Trustee Holleb reviewed Warrant #32, totaling \$83,806.90. A motion was made by Trustee Holleb and seconded by Trustee Catavu to approve payment of all invoices listed on Warrant #32. Motion carried by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

Approval of Budget Amendments: There were no budget amendments.

Approval of Vendors and Purchases: There were no new vendors or purchases.

Review Loan Activity: Trustee Holleb stated that as of August 31, 2021, the Fund had drawn down \$1.6 million from the IFA loan for operating purposes. She informed the Board that an August draw was made for \$200,000, which is consistent with the Fiscal Year 2022 Budget. She recommended that the Board develop a Cash Flow and Fund Balance Policy to ensure the Fund draws down only the required funds to meet actual expenses.

Other: There were no other items to report to the Board.

ADMINISTRATIONS AND OPERATIONS: *Status Report:* Executive Director White provided various updates to the Board related to the administration and operations of the Fund. The Request for Proposal process for Actuarial Services is on time, and Verus is providing consulting actuarial expertise to assist the Fund with the review process. Executive Director White stated that the Fiscal Year 2021 Financial Audit is in process, and the draft report will be reviewed by the Audit and Budget Committee next month. He also noted that the recruitment for an Investment Officer and Administrative Manager is underway. Executive Director White provided an update to the Board on the status of the office lease. A temporary office space in the Twin Towers building may be utilized until the buildout is complete. Further discussion will be held at the next meeting.

LEGAL COUNSEL'S REPORT: *General Legal Counsel:* There was nothing new to report.

Fiduciary Legal Counsel's Report: Attorney Burns informed the Board that the circuit court denied the plan's motion for a temporary restraining order on September 10th. He stated that oral arguments are scheduled for September 14, 2021 at 1:30 p.m.

Performance Review and Employment Agreement for Executive Director, Richard A. White, Jr.: Attorney Reimer stated that the Trustees have the authority to enter into closed session to discuss the performance review and employment agreement for Executive Director, Richard A. White, Jr.

CLOSED SESSION: A motion was made by Trustee Catavu and seconded by Trustee Swanlund to enter closed session at 1:14 p.m. in accordance with the 5 ILCS 120/2(c)(1) exception to discuss the performance review and employment agreement for Executive Director White. Motion carried unanimously by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Suess

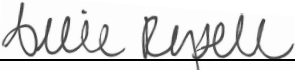
The Board resumed open session at 2:12 p.m. Attorney Reimer stated that the Board met in closed session for the purposes of discussing the performance of Executive Director White. The closed session was video and audio recorded as required by law and no final action was taken. The Board directed Staff to proceed as discussed in closed session.

PUBLIC COMMENT: There were no comments from the public.

ADJOURNMENT: With no further business to discuss, a motion was made by Trustee Poulos and seconded by Trustee Cole to adjourn the meeting at 2:18 p.m. Motion carried unanimously by roll call vote.

AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, and Cole
NAYS: None
ABSENT: Trustees Inman and Sues

Respectfully submitted by:




Allie Rysell, Plan Administrator
Foster & Foster, Inc.

Approved by:



Shawn Curry, Board Chairperson



Paul Swanlund, Board Secretary

Date Approved by the Board of Trustees: November 12, 2021

The next Board meeting of the Illinois Police Officers' Pension Investment Fund will be held on Friday, October 8, 2021 at 9:00 a.m. via the Zoom digital platform in accordance with Governor Pritzker's Executive Order in effect on the date and time of the meeting and Public Act 101-0640.