A Rescheduled Regular Meeting of the Board of Trustees of the Firemen's Pension Fund of Peoria, Illinois, was held this date via Teleconference, Peoria, Illinois, at 9:30 A.M. with proper notice having been given, for the purpose of conducting regular Firemen's Pension Fund business.

ROLL CALL

Electronic Roll Call of the following members: Ball, Nichting, President Troglio – 3. Absent: Smith, Tomblin - 2.

Others electronically present: Mr. Thomas McShane, First Vice President – Investments, Senior Investment Management Consultant with Graystone Consulting, a business of Morgan Stanley/Smith-Barney in Chicago; and Chief Deputy City Clerk Stefanie Tarr.

ELECTRONIC ATTENDANCE

In accordance with Governor JB Pritzker’s Executive Order 2020-10 prohibiting all public and private gatherings of 10 people or more in a single room or single space at the same time; and Executive Orders 2020-18 and 2020-32 extending that prohibition through May 30th, as well as the Centers for Disease Control and Prevention’s recommendation of gatherings of no more than 10 people in a single room or space and social distancing of at least six feet between persons. To fulfill the requirements and recommendations and to comply with the spirit of the Open Meetings Act by conducting the May 26, 2020, Fire Pension Board meeting through teleconference.

INVOCATION

A moment of silence will be held in remembrance of those Firefighters who have served our community.

MINUTES

Recommendation to Approve the Minutes of the Regular Board Meeting held April 27, 2020, as printed.

Trustee Nichting moved to approve the Minutes of the Regular Board Meeting held April 27, 2020, as printed; seconded by Trustee Ball.

Approved by viva voce vote.
REGULAR BUSINESS

ITEM NO. 1  MONTHLY PORTFOLIO PERFORMANCE REVIEW by TOM McSHANE GRAYSTONE CONSULTING (A business of Morgan/Stanley Smith-Barney), and Discussion Regarding Recommendations, Possible Action Regarding the Firemen's Pension Fund Portfolio Performance, and Discussion and Review of the Asset Allocations, Review of the Open Orders with the S&P 500 Exchange Traded Fund (ETF), with Request to Receive and File Reports or Take Other Action.

A copy of the Performance Update for the period ending April 30, 2020, was distributed to all members of the Board. The Performance Update showed the portfolio valued at $133,214,050. Since its inception, the total portfolio performance returned 5.69% versus the custom benchmark of 5.45%.

The market value of each manager is as follows:

<table>
<thead>
<tr>
<th>Manager</th>
<th>Ending Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanguard S&amp;P 500 Index (Large Cap Equity)</td>
<td>$13,153,598</td>
</tr>
<tr>
<td>Aristotle (Large Cap Equity)</td>
<td>$21,188,361</td>
</tr>
<tr>
<td>BlackRock Event Driven (Large Cap Equity)</td>
<td>$1,498,052</td>
</tr>
<tr>
<td>Vanguard Mid Cap (Mid Cap Equity)</td>
<td>$4,684,239</td>
</tr>
<tr>
<td>Kayne Anderson (Small Cap Equity)</td>
<td>$7,148,095</td>
</tr>
<tr>
<td>Vanguard FTSE ETF (International Equity)</td>
<td>$16,159,974</td>
</tr>
<tr>
<td>Thornburg International</td>
<td>$19,257,628</td>
</tr>
<tr>
<td>Segal (Fixed Income including cash)</td>
<td>$44,997,097</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$5,127,007</td>
</tr>
</tbody>
</table>

Mr. Tom McShane summarized of the Board's recent actions stating the Board previously voted to exchange Vanguard ETF to American EuroPacific R6, which was completed on May 1, 2020. He said the Board approved to sell $1,000,000 of the S&P 500, which was completed on April 29, 2020. He said at the next meeting the Board would review its Investment Policy Statement. He reviewed the marketplace reporting tremendous volatility and with the S&P 500 breaking 3000.

Mr. McShane reviewed the portfolio allocations as of April 23, 2020, as follows:

<table>
<thead>
<tr>
<th>Target Allocation</th>
<th>Asset Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>2.00%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>38.00%</td>
</tr>
<tr>
<td>Equity</td>
<td>60.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target Allocation</th>
<th>Asset Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>2.00%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>3.00%</td>
</tr>
<tr>
<td>Mid Cap Equity</td>
<td>3.00%</td>
</tr>
<tr>
<td>Small Cap Equity</td>
<td>3.00%</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>8.00%</td>
</tr>
<tr>
<td>International Equity</td>
<td>16.00%</td>
</tr>
</tbody>
</table>
Mr. McShane reported the cash allocation was increased in anticipation of a delay of the Personal Property Replacement Tax. He said there was currently $2.6 million in Morton Community Bank with the anticipated payout of $1.3 million per month for the next two months. He reported equities were above target at 62.37% with no recommendation to change. He reported fixed income and cash totaled 38% with fixed income alone at 33.7%. He said mid cap equity was slightly over-allocated and small cap equity was at 5.37% versus the benchmark of 3.0%. He said BlackRock Event Driven bond surrogate, an alternative investment, was at 1.0%. He reported Emerging Markets was at zero because it was allocated to the International Manager. He said large cap equity was at 25% versus the benchmark of 27%. He said he did not recommend making any changes to the portfolio allocations at this time. Hereported the portfolio held $13.1 million in the S&P 500, which was 9.87% of the portfolio, Aristotle was currently at $21.9 million or 15.9% of the portfolio, and small cap equity Kayne Anderson composed 5.3% of the portfolio at $7.1 million. He said the portfolio with situated in a good position for both the upside and the downside of the marketplace.

Mr. McShane reviewed the portfolio performance stating the Fund was up 7.27% quarter-to-date compared to the benchmark of 6.86%. He said the year-to-date returns were down -6.66% and the one-year return was nearly even at -28 basis points versus -1.57%. He reported Aristotle was down -14.0% versus the benchmark of -18.49%. Since inception, he said it was up nearly 5.0% versus the benchmark of -3.47%, noting Aristotle added value to the portfolio. He said Kayne Anderson was down -8.9% year-to-date versus the benchmark of -21.0%. He reported Kayne Anderson provided an average annualized return of 14.62% versus the benchmark of 6.75%. He said the Board recently purchased BlackRock Event Driven in November 2019 reporting an inception return of -12 basis points versus the benchmark of 85 basis points; however, for the month of April they returned 4.24% versus the benchmark of 1 basis point. He reviewed Thornburg stating it was down -6.75% year-to-date versus the benchmark of -11.0%, reporting there had not been much return since its inception date in 2017. He reported Segal returned 3.98% versus its benchmark of 3.84%, and the insured cash sweep account provided an annualized return of approximately 1.25% and 17 basis points for the quarter. He reviewed the Fund balance beginning May 2019 to date, reporting significant volatility in reference to the portfolio.

Mr. McShane reviewed the portfolio’s returns since inception at 5.69% versus the benchmark of 5.45%, which included the volatility from the last couple of months due to COVID-19. He said the Fund had taken slightly greater return and taken slightly less risk than the benchmark.

Trustee Nichting moved to receive and file the Performance Update Report as of April 30, 2020; seconded by Trustee Ball.

Approved by viva voce vote.
ITEM NO. 2  Report from Fire Marshal Tony Ardis of Pension Fund Contributions, which were made by payroll deductions during the MONTH of APRIL 2020, from the Active Members of the Peoria Fire Department and which Checks were Turned in to the City Treasurer's Office by Director of Finance/Comptroller, with Recommendation to Concur, Receive and File.

<table>
<thead>
<tr>
<th>Payroll Period</th>
<th>When Deducted</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 21, 2020 – April 5, 2020</td>
<td>April 6, 2020</td>
<td>$70,824.28</td>
</tr>
<tr>
<td>April 6, 2020 – April 20, 2020</td>
<td>April 30, 2020</td>
<td>$66,121.92</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$136,946.20</td>
</tr>
</tbody>
</table>

Trustee Nichting moved to concur and place on file the Fire Marshal's Report for April 2020; seconded by Trustee Ball.

Approved by viva voce vote.

ITEM NO. 3  Request to Approve the following BILLS:

Pensions for May 2020 (dated May 31, 2020) ........................................ $1,311,268.71
Illinois Department of Insurance – FY 2021 Compliance Fee .......................... 8,000.00
Foster & Foster – 12/31/10 GASB 67/68 Disclosure Report .............................. 3,000.00
Lauterbach & Amen – Professional Services for April 2020 ............................. 3,410.00
Peoria Firemen’s Pension Fund – IPPFA Conference Reimbursement for 5 Trustees (1,925.00)

SUB-TOTAL FOR MAY ............................................................ $1,323,753.71

*Graystone Consulting – Second Quarter 2020 .......................................... 24,952.18

GRAND TOTAL FOR MAY ............................................................ $1,348,705.89

*No checks should be processed for these amounts as they were automatically deducted.

Discussions were held regarding Trustee Training for 2020, and President Troglio stated that due to COVID-19, trainings had not been solidified.

Trustee Ball moved to approve the bills for May 2020 in the amount of $1,348,705.89; seconded by Trustee Nichting.

Approved by roll call vote.

Yeas: Ball, Nichting, President Troglio – 3;
Nays: None.

ITEM NO. 4  REQUEST to ACCEPT the APPLICATION for a WIDOW'S PENSION BENEFIT for LINDA HUGHES, she being the Widow of Donald Hughes, with Benefits Commencing April 29, 2020, with her Benefit to be Based on 100% of his Monthly Pension Benefit of $5,716.90 Per Month; Therefore Benefits for 12 days of April to be Paid, in the Amount of $2,286.76 and $5,716.90 for each month thereafter with a recommendation for the Board to Approve.
Trustee Ball moved to approve and accept the Application for a Widow's Pension Benefit for Linda Hughes, she being the widow of Donald Hughes, with benefits commencing April 29, 2020, based on 100% of his monthly pension benefit of $5,716.90 per month; therefore benefits for 12 days of April to be paid, in the amount of $2,286.76 and $5,716.90 for each month thereafter; seconded by Trustee Nichting.

Approved by roll call vote.
Yeas: Ball, Nichting, President Troglio – 3;
Nays: None.

ITEM NO. 5 MONTHLY FINANCIAL REPORTS from LAUTERBACH & AMEN, LLP for the Month of APRIL 2020, which includes the STATEMENT OF PLAN NET ASSETS, STATEMENT OF CHANGES IN PLAN NET ASSETS, SUMMARY of CASH AND INVESTMENTS, BALANCE SHEET, REVENUES and REVENUE REPORT, EXPENSES and EXPENSE REPORT, PAYROLL JOURNAL, and VENDOR CHECKS REPORT, with Recommendation to Approve.

Trustee Nichting moved to approve the monthly financial reports from Lauterbach & Amen, LLP for the month of April 2020, which includes the Statement of Plan Net Assets, Statement of Changes in Plan Net Assets, Summary of Cash and Investments, Balance Sheet, Revenues and Revenue Report, Expenses and Expense Report, Payroll Journal and Vendor Checks Report; seconded by Trustee Ball.

Approved by roll call vote.
Yeas: Ball, Nichting, President Troglio – 3;
Nays: None.

ITEM NO. 6 REQUEST for APPROVAL of a RESOLUTION Authorizing Trustee Patrick Nichting the POWER TO INVEST, and Authorize Trustee Nichting to Maintain a Minimum of $10,000.00 in the HARRIS BANK ACCOUNT.

President Troglio moved to approve a Resolution authorizing Trustee Patrick Nichting the power to invest and authorize Trustee Nichting to maintain a minimum of $10,000.00 in the Harris Bank Account; seconded by Trustee Ball.

Approved by roll call vote.
Yeas: Ball, Nichting, President Troglio – 3;
Nays: None.

UNFINISHED BUSINESS

Status of Disability Applications for Paul Edwards and John Schnibben
Trustee Ball provided an update on the disability applications for Paul Edwards and John Schnibben. She said the Fund's attorney had subpoenaed records from the City. She said there were worker compensations cases filed with the City as well, stating the status on those were unknown.
NEW BUSINESS

Next Meeting June 22, 2020
Trustee Ball said the next meeting would be held on its regular meeting date on Monday, June 22, 2020.

CITIZENS' OPPORTUNITY TO ADDRESS THE BOARD OF TRUSTEES

It was determined that there was no new business to come before the Board of Trustees at this time.

EXECUTIVE SESSION

It was determined that an Executive Session was not needed at this time.

ADJOURNMENT

Trustee Ball moved to adjourn the Rescheduled Regular Firemen’s Pension Board Meeting; seconded by Trustee Nichting.

Approved by viva voce vote.

The meeting adjourned at 10:10 A.M.

Beth Ball, MMC, City Clerk
Trustee and Board Secretary,
Firemen’s Pension Fund of Peoria, Illinois

/st