



Illinois Police Officers' Pension Investment Fund

Annual Comprehensive Financial Report



For the Years Ended
June 30, 2023 and 2022

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Prepared by the staff of the Illinois Police Officers'
Pension Investment Fund

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Introductory Section

Illinois Police Officers’ Pension Investment Fund Members of the Board of Trustees

June 30, 2023

Lee Catavu, Trustee and Board Secretary
Sergeant, Aurora Police Department

Brad Cole, Trustee
Executive Director, Illinois Municipal League

Elizabeth Holleb, Trustee
Director of Finance, City of Lake Forest

Daniel Hopkins, Trustee
Retired Police Officer, Collinsville

Michael Inman, Trustee,
Mayor, City of Macomb

Mark Poulos, Trustee and Board Treasurer,
Retired Police Lieutenant, Rock Island

Phil Suess, Trustee and Board Chairperson
Mayor, City of Wheaton

Paul Swanlund, Trustee and Board Vice Chairperson,
Detective, Bloomington Police Department



IPOPIF Staff

Richard A. White, Jr.

Executive Director

Kent F. Custer

Chief Investment Officer

Regina Tuczak

Assistant Executive Director/Finance Director

Amy Zick

Senior Accountant

Steve Yoon

Investment Officer

Barbara Meyer

Investment Officer

Kate Cobb

Administrative Analyst



List of Professional Consultants and Service Providers

As of June 30, 2023

Accounting, Payroll, Chief Financial Officer and Human Resource Services

Lauterbach & Amen, LLP

Actuarial Services

Foster & Foster Consulting Actuaries, Inc.

Banking Services

Lake Forest Bank & Trust Company, N.A.

Certified Public Accountants

Baker Tilly US, LLP

Kerber, Eck & Braeckel LLP

Sikich, LLP

Communication Consulting Services

Shepherd Public Relations, LLC

Commercial Insurance Broker

Cook Castles Associates, LLC.

Election Services

Survey and Ballot Systems

Employee Benefits

Assured Partners

Employee Benefits Corporation

TransAmerica Retirement Solutions

Fiduciary Legal Counsel

Jacobs, Burns, Orlove & Hernandez, LLP

General Legal Counsel Services

Reimer Dobrovoly & LaBardi, PC

Government Liaison Services

Vision M.A.I. Consulting

Information Technology Services

Levi, Ray & Shoup, Inc.

Pension Technology Group, Inc.

Ernst & Young LLP

Investment Custodian Services

State Street Bank & Trust Company

Investment Consulting Services

Verus Advisory, Inc.

Investment Management Services

Principal Life Insurance Company

Rhumblin Advisors Limited Partnership

State Street Global Advisors Trust Company

Office Services

Accounting CS Professional Suite — Thomson Reuters
ADP, Inc.

AmeriCall Communications Company, Inc.

AT&T Mobility

Central Illinois Security, Inc.

Comcast

Confidential Security Corporation

Diligent Corporation

Lincoln Office

Next Request

ODP Business Solutions, LLC

The Cleaning Source

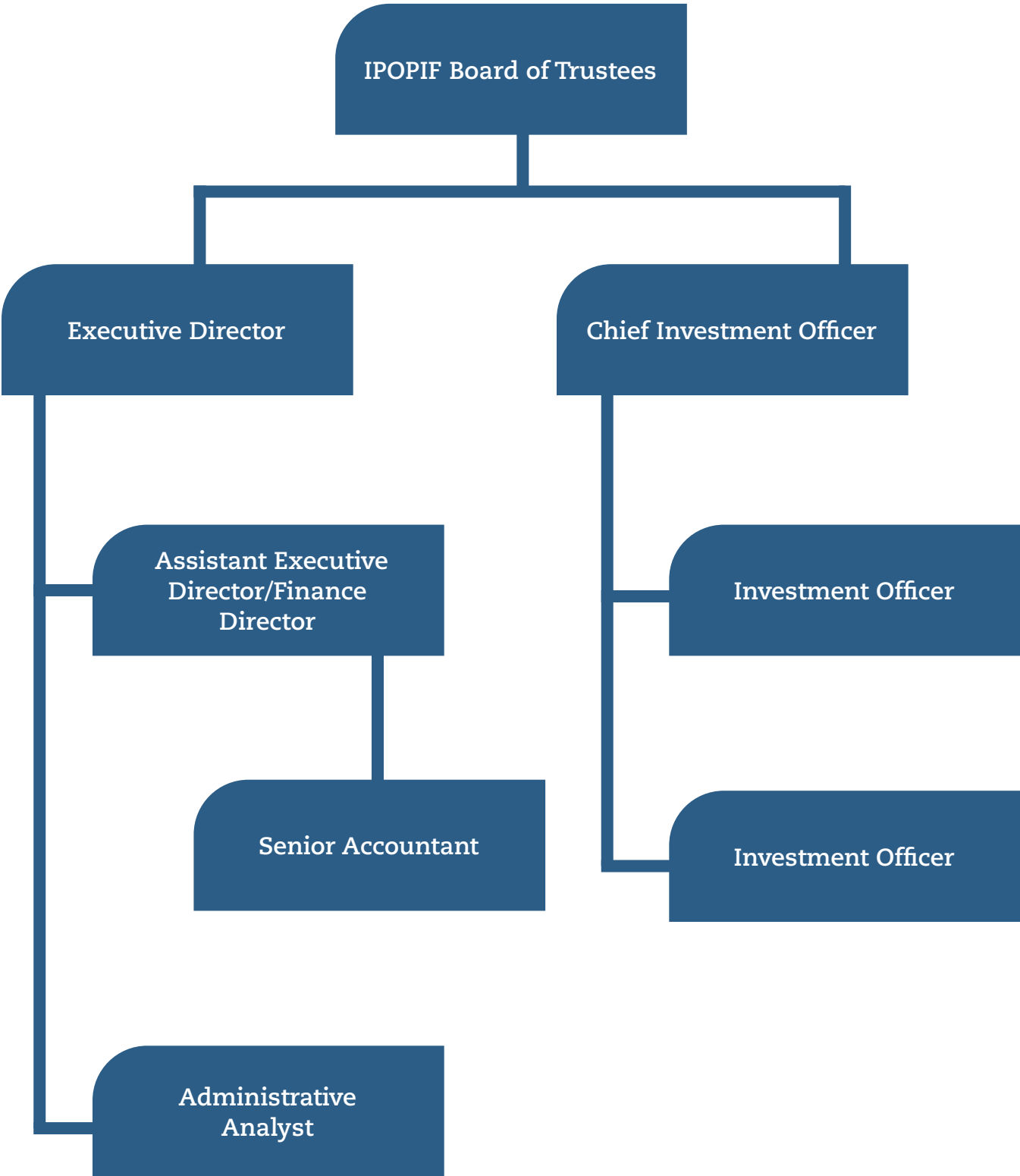
Plan Administration Services

Foster & Foster, Inc.



Organizational Chart

As of June 30, 2023



Letter of Transmittal

December 15, 2023

Board of Trustees
Illinois Police Officers' Pension Investment Fund
456 Fulton Street, Suite 402
Peoria, IL 61602

Dear Board Trustees,

I am pleased to present the Annual Comprehensive Financial Report of the Illinois Police Officers' Pension Investment Fund (the Fund) as of and for the years ended June 30, 2023, and 2022. The information contained in this report is intended to provide a detailed overview of the Fund's financial and investment results for the fiscal years ended June 30, 2023, and 2022.

In accordance with 40 ILCS 5/22B-125, at least annually, the books, records, accounts, and securities of the Fund shall be audited by a certified public accountant selected by the board and conducted in accordance with the rules and procedures promulgated by the Governmental Accounting Standards Board.

To the best of my knowledge and belief, the enclosed data are accurate in all material respects, and are reported in a manner designed to present fairly the financial position and changes in financial position of the Fund in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America, by a firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest with Fund Management, and shall be based on a comprehensive framework of internal controls that is established for this purpose.

Because the cost of control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. Management is responsible for maintaining a system of adequate internal accounting controls designed to maintain accountability of assets and to permit preparation of financial statements in accordance with GAAP.

I believe the internal controls in effect during this fiscal period ended June 30, 2023, adequately safeguard the Fund's assets, and provide reasonable assurance regarding the proper recording of financial transactions. All disclosures necessary to enable the reader to gain an understanding of the Fund's financial activities have been included.

Sikich, LLP, Independent Certified Public Accountants, has issued an [unmodified opinion] on the Fund's financial statements, for the fiscal periods ended June 30, 2023, and 2022. The Independent Auditors' Report is located at the front of the Financial Section of the report.

Board Members

Scott Bowers

Participant Representative
Peoria, IL

Lee Catavu

Participant Representative
Aurora, IL

Paul Swanlund

Participant Representative
Bloomington, IL

Daniel Hopkins

Beneficiary Representative
Collinsville, IL

Mark Poulos

Beneficiary Representative
Rock Island, IL

Elizabeth Holleb

Municipal Representative
Lake Forest, IL

Michael Inman

Municipal Representative
Macomb, IL

Phil Suess

Municipal Representative
Wheaton, IL

Brad Cole

*Illinois Municipal League
Representative*
Carbondale, IL



Generally accepted accounting principles require that management provide a narrative introduction overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Fund's MD&A can be found immediately following the report of the independent auditors.

Introduction

Effective January 1, 2020, Public Act 101-0610 amended the Illinois Pension Code and provided for the mandatory consolidation of the investment assets of the downstate and suburban public safety pension funds into two investment pools, one for police officers (known as Article 3 Funds) and one for firefighters (known as Article 4 funds).

The law created the Illinois Police Officers' Pension Investment Fund (the Fund) that is responsible for the consolidation of the investment assets of the 357 Article 3 police pension funds and vests the Fund's Board of Trustees with the authority to "manage the reserves, funds, assets, securities, properties and monies" of the approximately \$9.5 billion in pension fund assets.

The law does not take away the local funds' exclusive authority to award disability benefits, retirement benefits and survivor benefits and stipulates that the assets and liabilities of local pension funds will remain under the ownership of each local pension board. The pension fund assets are combined for investment purposes only with the express purpose of eliminating unnecessary and redundant administrative costs, thereby ensuring more money is available to fund pension benefits for the beneficiaries of the Article 3 pension funds. The pension fund assets of the participating pension funds cannot be accessed by the state and are to be maintained in accounts held outside the state treasury.

The investment fund is governed by an independently elected and autonomous board of trustees that is charged with the operation and administration of the Fund. As provided for under the statute, the trustees of the Fund shall:

- a. be fiduciaries for the participants and beneficiaries of the Article 3 participating funds and shall discharge their duties with respect to the pension fund solely in the interest of the participants and beneficiaries,
- b. take all reasonable steps to ensure that all of the Article 3 pension funds are treated equitably, and
- c. ensure that the financial condition of one participating pension fund will have no effect on the financial condition of any other participating pension fund.



Major Initiatives and Significant Events

Board of Trustees:

The IPOPIF is governed by an independent and autonomous Board of Trustees. The Trustees of the IPOPIF are fiduciaries and will discharge their duties with integrity and solely in the best interest for the participants and beneficiaries of the Article 3 participating funds. The members of the Board of Trustees, as of June 30, 2023, are:

- a. Three members representing municipalities who are mayors, presidents, chief executive officers, chief financial officers, or other officers, executives, or department heads of municipalities:
 - i. Elizabeth Holleb, Municipal Representative, Finance Director, City of Lake Forest
 - ii. Michael Inman, Municipal Representative, Mayor, City of Macomb
 - iii. Phil Suess, Chairperson, Municipal Representative, Mayor, City of Wheaton
- b. Three members representing participants and who are participants:
 - i. Lee Catavu, Secretary, Participant Representative, Sergeant, Aurora Police Department
 - ii. Paul Swanlund, Vice Chairperson, Participant Representative, Detective, Bloomington Police Department
 - iii. Vacant Trustee Seat. (Seat was vacated in May 2023 due to resignation of trustee).
- c. Two members representing beneficiaries and who are beneficiaries:
 - i. Daniel Hopkins, Beneficiary Representative, Retired Officer, Collinsville Police Department
 - ii. Mark Poulos, Treasurer, Beneficiary Representative, Retired Lieutenant, Rock Island Police Department
- d. One member who is a representative of the Illinois Municipal League:

Brad Cole, Illinois Municipal League Representative, Executive Director of the Illinois Municipal League, Carbondale

Four trustee positions were subject to election early in fiscal year 2023, and Trustee Catavu, Trustee Hopkins, Trustee Suess, and Trustee Swanlund were successfully re-elected for another service term of January 2023 through December 2026.

Meetings of the Board of Trustees

The Board of Trustees held ten Board meetings during this fiscal year period. Meetings of the Board of Trustees were conducted as in-person meetings and also available via the Zoom digital platform.

Administration of the Fund

The Board of Trustees approved a staffing level of thirteen full-time positions at the April 14, 2023, meeting, which includes eight administrative positions and five investment positions. As of June 30, 2023, the Fund had seven full-time employees, with several additional full-time staff hired shortly after the conclusion of fiscal year 2023.

The Fund took occupancy of its office location in the Twin Towers Plaza in Peoria, Illinois, in October of 2022. On February 10, 2023, a second addendum to the Lease Agreement between the Fund and the City of Peoria was executed, which extended the initial term of the lease to September 2027. The Fund has concluded all build outs, and the office is open during business hours to provide equal access and service to the Fund's membership located throughout the State of Illinois.

Budget

The Board of Trustees approves the Fund's annual budget, following the statutory requirements. The Board of Trustees adopted the budget for the fiscal year on June 10, 2022, for the 2023 Fiscal Year in the amount of \$7,914,093; and adopted a revised budget on April 14, 2023, in the amount of \$6,793,609. The reduction in budgeted expenses reflects the Board's diligence and staff's dedication to operate the Fund in an efficient manner, while effectively completing the process of receiving and investing the assets from the Article 3 police pension funds in the fiscal year.



Loan Agreement

In June 2020, the Illinois Finance Authority approved a Loan Agreement with the Fund allowing the borrowing of up to \$7,500,000 to fund the operational and investment related expenses through the transition period. The Board of Trustees approved the pre-payment of the loan and interest which was accomplished with a final payment on April 3, 2023.

Investments

For the year ended June 30, 2023, with positive economic market momentum in 2023, the Fund's investment portfolio earned a money-weighted rate of return of 8.9%. Information about the Fund's investments, fiscal year 2023 performance, market conditions, and the Investment Policy can be found in the Investment Section of this report.

In fiscal year 2023, there were 213 Article 3 police pension funds that transferred investment assets to the Fund with market values of approximately \$5,726 million. As of June 30, 2023, 332 Article 3 participating police funds had fully completed asset transfers to the IPOPIF trust fund which total \$9,175 million. Subsequent to the receipt and reconciliation of the investment assets from each police pension fund, the assets were invested in accordance with the asset allocation as described in the Investment Policy Statement.

At the December 9, 2022, Board meeting, the Board confirmed December 31, 2022, as the closing date for the transition period of participating pension funds transfer of investment assets to the Fund.

In accordance with 40 ILCS 5/22B 120(g) a certified public accountant performed various agreed-upon procedures on the books, records, accounts, and securities of the Fund that pertained to the full transition period of March 1, 2022, to December 31, 2022. Sikich, LLP, the certified public accountant engaged to perform these procedures, issued their report on July 21, 2023, noting no exceptions or issues in the testing performed. Sikich's report detailing these procedures is available on the Fund's website.

While December 31, 2022, was the closing date of the transition period, the Board of Trustees continues to accommodate transfers of assets from ILCS Article 3 Funds that have not yet transferred their investments to the Fund.

Acknowledgements

Thank you to the staff and professional consultants who worked under the leadership of the Board of Trustees to prepare the fiscal year 2023 financial statements, and the production of this report. We also thank all of those who work with and on behalf of the Fund throughout the year in many different capacities to assist the Fund perform all statutory responsibilities and serve the membership with dedication and distinction.

Request for Information

This financial report is designed to provide the Fund Board of Trustees, our membership, taxpayers, and stakeholders with a general overview of the Fund's finances. Questions concerning any of the information in this report or requests for additional information should be addressed to:

Illinois Police Officers' Pension Investment Fund
456 Fulton Street, Suite 402
Peoria, IL 61602
Email: info@ipopif.org

Respectfully submitted,



Richard A. White, Jr.
Executive Director



Financial Section

Auditor's Opinion



1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman
Members of the Board of Trustees
Illinois Police Officers' Pension Investment Fund
Peoria, Illinois

Opinions

We have audited the financial statements of the Illinois Police Officers' Pension Investment Fund (the Fund) as of June 30, 2023 and 2022, and the related notes to financial statements, which collectively comprise the basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Illinois Police Officers' Pension Investment Fund as of June 30, 2023 and 2022, and the changes in fiduciary net position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

ACCOUNTING TECHNOLOGY ADVISORY



Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial



reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fund's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, investment section, and statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Sikich LLP

Naperville, Illinois
December 15, 2023



Management Discussion and Analysis (Unaudited)

Management is pleased to provide this discussion and analysis for the financial activities of the Illinois Police Officers' Pension Investment Fund (the Fund) for the periods ended June 30, 2023, 2022, and 2021. Readers should review the information presented here in conjunction with the additional information provided in the letter of transmittal. This correspondence is intended to serve as an introduction to the Fund's basic financial statements and notes to the financial statements. The Annual Comprehensive Financial Report (ACFR) also contains other information in addition to the basic financial statements.

The Fund was created on December 18, 2019, when Illinois Governor JB Pritzker signed into law Article 22(B) within Chapter 40, Article 5 of the Illinois Compiled Statutes (ILCS). The law, Public Act 101-0610, provided for the mandatory consolidation of the investment assets of the state's public safety pension funds into two investment funds; one for police officers (ILCS Article 3) and one for firefighters (ILCS Article 4). Furthermore, this law empowered the Fund's Board of Trustees to "manage the reserves, funds, assets, securities, properties and monies" which was initially estimated to represent approximately \$9.5 billion in pension assets once all assets are fully transferred.

In June 2020, the Illinois Finance Authority (IFA) approved a Loan Agreement with the Fund allowing the borrowing of up to \$7.5 million to fund the operational and investment related expenses through the transition period. The loan agreement included an interest rate calculated at the federal funds rate plus 150 basis points (1.50%). All loan proceeds were received by June 30, 2022. Repayments of principal and interest were made on September 20 and 21, 2022, and January 3, 2023, and the full loan principal and all outstanding interest was repaid to the IFA on April 3, 2023.

At the December 9, 2022, Board meeting, the Board confirmed December 31, 2022, as the closing date for the transition period of participating pension funds transfer of investment assets to the Fund. As of December 31, 2022, 328 ILCS Article 3 Funds had transferred their investment assets to the Fund, with investment transfers that totaled approximately \$8.56 billion. Four additional ILCS Article 3 Funds had transferred assets to the Fund as of June 30, 2023, with investment transfers of approximately \$35 million. The Board of Trustees continues to accommodate transfers of assets from ILCS Article 3 Funds that have not yet transferred their investments to the Fund.

Overview of Financial Statements and Accompanying Information

This discussion and analysis are intended to serve as an overview to the Fund's financial reporting which is comprised of the following components:

- 1. Basic Financial Statements:** This information presents the plan net position held in trust for pool participants for the Fund as of June 30, 2023, and 2022. This financial information also summarizes the changes in plan net position held in trust for pool participants for the fiscal periods then ended.
- 2. Notes to Basic Financial Statements:** The notes to the financial statements provide additional information that is essential to achieve a full understanding of the data provided in the basic financial statements.
- 3. Required Supplementary Information:** The required supplementary information provides information on the employer's contribution to the pension plan and changes in the employer's net pension liability and related ratios.
- 4. Supplementary Information:** The supplementary information provides a Detailed Schedule of Administrative Expenses – Budget Amounts and Actual Incurred. As the Fund grows in assets and activities, more information will be provided in this section.
- 5. Investment Section:** The Investment section of the report provides information pertaining to the Fund's investment activities for the fiscal period. On March 1, 2022, the Fund began the transfer of investment assets from Article 3 Police Pension Funds. As the Fund grows in assets and allocations of active investment management are made, more information will be provided in this section.
- 6. Statistical Section:** The Statistical section of the report is included to provide additional historical trend information to review the Fund's past financial performance. Additionally, this section includes helpful Demographic and Economic information for context compared to the Fund's information.



Financial Highlights

The basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB). Information is presented for all audited time periods ended June 30, 2023, 2022, and 2021. Information presented and discussed below is designed to focus on events of the most current year while providing explanations of changes from the prior reporting periods.

Fiduciary Net Position

The Statement of Fiduciary Net Position is presented for the Fund as of June 30, 2023 and 2022, and the financial statements reflect the resources available as of these dates.

A summary of the Fund's Statements of Fiduciary Net Position as of June 30, 2023, 2022 and 2021 is presented below:

	2023	2022	2021
Cash and Investments	\$ 9,383,770,015	\$ 2,723,869,176	\$ 552,771
Receivables	3,759,564	19,784,668	-
	9,387,529,579	2,743,653,844	552,771
Other Assets — Net IMRF Pension Asset	7,426	-	-
Total Assets	9,387,537,005	2,743,653,844	552,771
Deferred Outflows of Resources	80,309	-	-
Accounts Payable & Accrued Payroll	1,021,294	1,401,774	266,777
IFA Loan Payable (including Capitalized Interest)	-	7,503,635	1,411,175
Total Liabilities	1,021,294	8,905,409	1,677,952
Net Position Held in Trust for Pool Participants	\$ 9,386,596,020	\$ 2,734,748,435	\$ (1,125,181)

As of June 30, 2022, the Fund had received and reconciled investment assets from 119 Article 3 Police Pension Funds (Participating Pension Funds). As of June 30, 2023, investment assets from a total of 332 Participating Pension Funds had been received and reconciled, representing approximately \$8.6 billion of assets transferred. The increase in cash and investments from June 30, 2022, to June 30, 2023, is primarily from the transfer of investment assets from Participating Pension Funds in fiscal year 2023, which totaled approximately \$5.726 billion in this twelve-month period. Note that as of June 30, 2021, no investment assets had been transferred from Article 3 Funds.

On December 17, 2021, the Board of Trustees of the Fund adopted an Investment Policy Statement that provided for a short-term and a long-term asset allocation. The short-term allocation accommodates the initial transition of investment assets from Participating Pension Funds and the subsequent buildout of diversified strategies. As investment assets from Participating Pension Funds were transferred to the Fund's custodian, State Street Bank & Trust Company, commencing March 1, the process to invest the receiving assets into the short-term asset allocation began immediately.



On April 14, 2023, the Board of Trustees approved a change to the short-term asset allocation as part of the process of transitioning the portfolio towards the long-term asset allocation. The revised asset allocation transfers 8% of the portfolio from Risk Mitigation Asset Classes to Growth Asset Classes; which increases public equity allocations in US Large Cap and International Developed, and reduces allocations to Cash, Short-Term Government Credit, and Core Fixed Income. As of June 30, 2022, and 2023, the Fund's portfolio was invested in commingled index funds that are retirement pooled funds and common trust funds that seek investment returns that approximate as closely as practicable the performance of a specific benchmark.

Receivables as of June 30, 2022, consist of \$3.3 million of interest and dividend income earned but not yet paid, and \$16.5 million of investment securities sold but not yet settled. As of June 30, 2023, receivables consist of \$3.8 million of interest and dividend income earned but not yet paid. The reduction in receivables due to investments sold but not yet settled is due to the timing of investment sales at fiscal year end. All receivables are a direct result of the investment activity of the Fund commencing in March of 2022.

Prior to the transfer of investment assets from Participating Pension Funds, the only statutorily provided source of funding for the administration and operations of the Fund was a loan agreement with the Illinois Finance Authority (IFA), which provided for up to \$7.5 million of loan distributions. Through June 30, 2022, the Fund had drawn all of the allotted \$7.5 million available. Approximately \$3.8 million of these loan distributions were held in cash equivalents as of June 30, 2022. All loan principal and interest was repaid to the IFA on April 3, 2023.

At the July 8, 2022, Board meeting, the Trustees approved staff participation in the Illinois Municipal Retirement Plan (IMRF), an agent multiple-employer public employee retirement system. Participation was effective September 1, 2022. Accordingly, the Fund has included deferred outflows related to pensions and an IMRF Net Pension Asset in the June 30, 2023, financial statements based on the most recently available valuation as of December 31, 2022. As the Fund began participation in the plan on September 1, 2022, a valuation was not available as of December 31, 2021.

As of June 30, 2022, the Fund had employed 4 full-time staff and engaged various professional service firms and investment managers to assist with the administration operations of the Fund, the orderly transition of investment assets from Participating Pension Funds to the Fund, and the related investment of assets into the Fund's short-term asset allocation. Accounts payable and accrued payroll of \$1.4 million as of June 30, 2022, represent expenses incurred associated with these services that had not yet been paid.

As of June 30, 2023, the Fund had employed 7 full-time staff. With the increase in full-time staff and the closing of the transition period for transfer of investment assets from participating pension funds on December 31, 2022, the Fund reduced its retention of professional service firms. The reduction in accounts payable and accrued payroll of approximately \$.4 million from June 30, 2022, reflects these operational changes.



Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position is presented for the years ended June 30, 2023, and 2022. The financial statements reflect the changes in the resources available to invest as of June 30, 2023, and 2022.

A summary of the Fund's Statements of Changes in Fiduciary Net Position for the years ended June 30, 2023, 2022, and 2021, is presented below:

	2023	2022	2021
Additions			
Cash and Investments Transferred from Member Funds	\$ 6,182,414,834	\$ 2,867,186,760	\$ –
Net Investment Income (Loss)	641,885,924	(127,315,926)	261
Investment-Related Expenses	(2,500,909)	(1,375,257)	(139,188)
Total Additions	6,821,799,849	2,738,495,577	(138,927)
Deductions			
Administrative Expenses			
Board of Trustees	75,150	69,407	157,227
Administrative Operations	2,366,515	1,498,749	58,050
Investment Operations	1,149,284	1,053,805	707,778
Total Administrative Expenses	3,590,949	2,621,961	923,055
Member Fund Withdrawals	166,361,315	-	-
Total Deductions	169,952,264	2,621,961	923,055
Total Net Change	6,651,847,585	2,735,873,616	(1,061,982)
Beginning of Period	2,734,748,435	(1,125,181)	(63,199)
Net Position Held in Trust for Pool Participants			
End of Period	\$ 9,386,596,020	\$ 2,734,748,435	\$ (1,125,181)



Additions

For the twelve months ending June 30, 2022, and 2023, there were 119 and 213, respectively, Participating Pension Funds that transferred investment assets to the Fund with market values of approximately \$2,867 and \$5,726 million, respectively. In accordance with the Fund's cash management policy PP-2022-01, Participating Pension Funds may also contribute cash to the Fund's custodial account with State Street Bank & Trust Company (State Street Bank) on any day the custodian is open for business. During the fiscal year ending June 30, 2023, Participating Funds contributed approximately \$456 million of cash to the Fund through approximately 870 transactions.

As of June 30, 2022, the Fund had received and reconciled investment assets from 119 Article 3 Police Pension Funds. As of June 30, 2023, investment assets from a total of 332 Participating Pension Funds had been received and reconciled, representing approximately \$8.6 billion of assets. The increase in cash and investments from June 30, 2022, to June 30, 2023, is primarily from the transfer of investment assets from Participating Pension Funds in fiscal year 2023, which totaled approximately \$5.726 billion in this twelve-month period.

Investment performance results for the year ending June 30, 2022, consist exclusively of investment activity commencing on March 1, 2022, when the first transfer of Participating Pension Fund investment assets occurred. Such investment income (loss) includes the performance of assets received from Participating Pension Funds awaiting transfer to the transition pool for liquidation, and assets invested in the Fund's target asset allocation. During this period, the Fund earned \$4.1 million of interest and dividend income and experienced net depreciation of investment assets of (\$131.4) million. The Fund had a rate of return, net of investment fees paid but not accrued, of -10.1%. Consistent with the Fund's policy benchmarks, nearly all asset classes held by the Fund experienced losses, reflective of financial market conditions during this time period. The Fund's overall performance during this time period was consistent with its policy benchmark of -10.0% and outperformed its broad benchmark of -13.2%.

During the fiscal year ending June 30, 2023, the Fund's investment portfolio earned \$62.0 million of interest and dividend income and \$580 million of net appreciation of investment assets. The challenging market environment of fiscal year 2022 continued into the early months of fiscal year 2023, however, market conditions improved at the end of calendar year 2022, with strong economic growth. Momentum continued into the first six months of 2023, with inflation gradually declining, a strong labor market and the first rate pause from the Federal Reserve. The market recovery was felt across the Fund's investment portfolio with all allocations experiencing positive returns in the last six months of the fiscal year. The Fund had a net money weighted rate of return of 8.9% in fiscal year 2023, which was consistent with its policy benchmark of 8.8%, but underperformed its broad benchmark of 11.0%, which reflected a higher equity exposure than the Fund's investment allocation.



Deductions

In accordance with the Fund's cash management policy, Participating Pension Funds may withdraw cash from the Fund's custodial account with State Street Bank to meet the needs of administering Article 3 Police Pension Fund requirements. Cash withdrawal requests shall be submitted at least seven calendar days prior to the requested transfer date, and Participating Pension Funds shall initiate withdrawals using the cash management portal maintained by the custodian. The first withdrawals from Participating Pension Funds occurred in July of 2022 and increased in volume and dollar amount throughout the fiscal year. 747 cash withdrawal transactions were completed in fiscal year 2023 summing to approximately \$166 million.

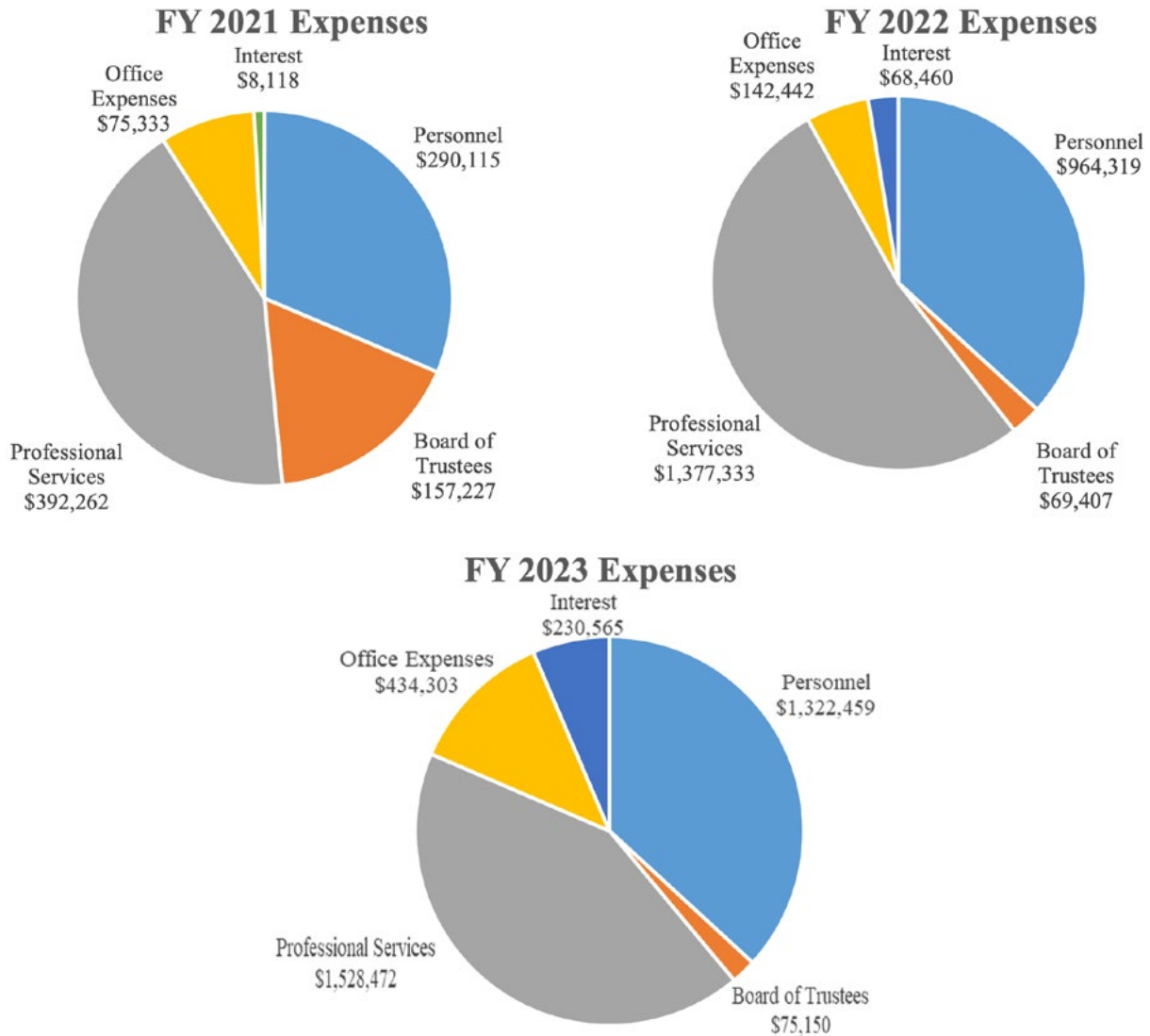
The Fund's expenses in fiscal years 2022 and 2023 were related to establishing the infrastructure to administer an external investment pool and commence and complete the transfer of investment assets from Article 3 Pension Funds, as required by the Illinois Pension Code 40 ILCS/5 Article 22(B). There were 5 Tranches of investment asset transfers in fiscal year 2022 and 6 Tranches of investment transfers in fiscal year 2023, with significantly higher market value of investment transfers in fiscal year 2023, which is reflected in the increased Administrative Expenses in fiscal year 2023. With the higher volume of investment transfers in fiscal year 2023, and an investment portfolio that increased from \$2,724 million as of June 30, 2022, to \$9,384 million as of June 30, 2023, investment related expenses increased from \$1.4 million to \$2.5 million from fiscal year 2022 to fiscal year 2023, respectively. The increase included higher investment manager fees of \$.83 million and increased custodial fees of \$.29 million. With the proceeds of the IFA loan received in full by June 30, 2022, and all related principal and interest paid to the IFA by April 3, 2023, all subsequent expenses of the Fund are paid from the cash allocation of the investment portfolio of the Fund.

With the Fund concluding the transition period as of December 31, 2022, three additional full-time staff were hired in fiscal year 2023 to execute various administrative operations in-house, such as accounting and finance, as the Fund transitioned from its infancy to a steady state of required functions. With the additional full-time staff, total personnel costs increased approximately \$.36 million in fiscal year 2023. Additional administrative expenses of approximately \$.22 million in fiscal year 2023 were incurred as the Fund took occupancy of its office space in Peoria and built-out office operations.

Investment-related expenses are presented as a reduction of investment performance income (loss) and include custodian expenses, investment manager expenses, investment consultant fees, and transition management services. All other administrative expenses are presented in three categories consisting of Board of Trustees Expense, Investment Operations Expense and Administrative Operations Expense.



Further depiction of the Fund's total administrative expenses for each of the three periods ending June 30, 2023, 2022, and 2021, is presented below:



Future Outlook

The Board of Trustees has consolidated roughly \$8.6 billion of the original estimate of \$9.5 billion in investment assets from 357 individual Funds as of June 30, 2023. An ongoing legal challenge to the constitutionality of Public Act 101-0610 continues as of June 30, 2023, with 15 Article 3 Police Pension Funds receiving a stay order from the court system with respect to the transfer and consolidation of their investment assets into the Fund. The Board of Trustees, with guidance from Fund staff and professional service providers, continues to take prudent steps in the ongoing development and implementation of this investment fund for the benefit of all their participants.





Basic Financial Statements



Statement of Fiduciary Net Position

June 30, 2023 and 2022

	2023	2022
Assets		
Cash and Cash Equivalents	\$ 290,938,476	\$ 69,461,353
Investments, at Fair Value		
U.S. Equities	2,321,474,614	444,398,088
U.S. Fixed Income	270,711,086	462,268,454
Non-U.S. Fixed Income	-	6,566,714
Commingled Funds, Equity	2,597,155,647	1,016,015,099
Commingled Funds, Fixed Income	3,374,118,609	608,187,461
Real Estate	529,371,583	116,972,007
Total Investments, at Fair Value	9,092,831,539	2,654,407,823
Receivables		
Accrued Investment Income	3,759,564	3,264,097
Investments Sold	-	16,520,571
Total Receivables	3,759,564	19,784,668
Other Assets — Net IMRF Pension Asset	7,426	-
Total Assets	9,387,537,005	2,743,653,844
Deferred Outflows of Resources		
Deferred outflows related to IMRF Pension	80,309	-
Liabilities		
Accrued Expenses	1,021,294	1,401,774
Loan Agreement Payable	-	7,503,635
Total Liabilities	1,021,294	8,905,409
Net Position Held in Trust for Pool Participants	\$9,386,596,020	\$2,734,748,435



Statement of Changes in Fiduciary Net Position

For the Years Ended June 30, 2023 and 2022

	2023	2022
Additions		
Contributions		
Member Fund Cash Transfers	456,489,074	-
Member Fund Investment Transfers	\$ 5,725,925,760	\$ 2,867,186,760
Total Contributions	6,182,414,834	2,867,186,760
Investment Income		
Interest Income and Dividend Income	62,030,821	4,055,439
Net Appreciation (Depreciation) in Fair Value of Investments	579,855,103	(131,371,365)
Total Investment Income (Loss)	641,885,924	(127,315,926)
Less Investment Expenses	(2,500,909)	(1,375,257)
Net Investment Income (Loss)	639,385,015	(128,691,183)
Total Additions	6,821,799,849	2,738,495,577
Deductions		
Administrative Expenses		
Board of Trustees	75,150	69,407
Administrative Operations	2,366,515	1,498,749
Investment Operations	1,149,284	1,053,805
Total Administrative Expenses	3,590,949	2,621,961
Member Fund Withdrawals	166,361,315	-
Total Deductions	169,952,264	2,621,961
Net Increase	6,651,847,585	2,735,873,616
Net Position Held In Trust For Pool Participants		
July 1	2,734,748,435	(1,125,181)
June 30	\$9,386,596,020	\$2,734,748,435



Notes To Financial Statements

June 30, 2023 and 2022

1. Summary of Significant Accounting Policies

The financial statements of the Illinois Police Officers' Pension Investment Fund (the Fund) have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. Reporting Entity

The Fund was established by legislative act of the Illinois General Assembly, P.A. 101-610, which took effect on January 1, 2020. The Fund is defined as an investment trust fund and an external investment pool. The Fund is not a component unit of any other government. The Fund is responsible for investing the assets of the 357 suburban and downstate police officer pension funds. A nine-member Board of Trustees governs the Fund and is made up of three active police officers elected by participants of participating pension plans, two retired police officers elected by beneficiaries of participating pension plans, three executive municipal members elected by mayors, presidents, chief executive officers, chief financial officers, or other officers, executives or department heads of municipalities of participating pension funds, and one member recommended by the Illinois Municipal League appointed by the Governor with the advice and consent of the Senate. The Board of Trustees are fiduciaries for the participants and beneficiaries of the participating pension funds and discharge their duties solely in the interest of the fund participants and beneficiaries.

B. Fund Accounting

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). When investments are held for other entities, an investment trust fund is used.

C. Measurement Focus and Basis of Accounting

The Fund is accounted for with a flow of economic resources measurement focus. With this measurement focus, all assets, deferred inflows of resources, liabilities and deferred outflows of resources associated with the operation of this fund are included on the statement of fiduciary net position. Investment trust fund operating statements present increases (e.g., additions) and decreases (e.g., deductions) in net position.

The accrual basis of accounting is utilized by the investment trust fund. Under this method, additions are recorded when earned and deductions are recorded at the time the liabilities are incurred.

D. Investments

Investment trust funds are required to report investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment transactions are accounted for on a trade date (date ordered to buy or sell is initiated) and dividend income is recognized on the ex-dividend date. Interest income is recognized on an accrual basis.



Real Estate Funds and Commingled Funds, have fair values based on audited financial statements of the funds and then adjusted by the Fund and its investment managers for activity from audit date to fiscal year end using monthly activity statements.

E. Participating Fund Contributions and Withdrawals

The Fund's Cash Management Policy originally approved by the Board of Trustees on January 14, 2022, and most recently amended on April 14, 2023, establishes the framework and procedures for cash contributions and withdrawals by participating pension funds.

Subsequent to a Participating Pension Fund's (Participating Fund) transfer of investment assets to the Fund, a Participating Fund may withdraw cash or deposit contributions through use of a web-based application maintained by the Fund's custodian, State Street Bank & Trust Company (the Custodian).

Participating Funds may request withdrawals or contribute cash at any time and multiple transactions can be entered up to 13 months in advance. Cash withdrawal requests are to be submitted at least seven calendar days prior to the requested transfer date to ensure availability, although the Fund may, in its sole discretion, process a cash withdrawal request with fewer than seven calendar days.

Cash contributions may be made by a Participating Fund on any day the Fund's custodian is open for business. Contributions received by the Custodian will be invested on the same day if feasible or on the next business day. In general, funds received prior to 10:00 a.m. are invested on the day of receipt. Participating Funds shall provide notification of contributions using the portal or by email.

F. Compensated Absences

It is the policy of the Fund to permit employees to accumulate earned but unused paid time off.

Accumulated paid time off is recorded as an expense and liability as the benefits accrue to employees.

G. Long-Term Obligations

In the Fund's financial statements, long-term debt and other long-term obligations are reported as liabilities.

H. Estimates

The preparation of financial statements in conformity with GAAP require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. Deposits And Investments

The Fund is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The authority of IPOPIF to manage pension fund assets of Article 3 Pension Funds began when there has been a physical transfer of the pension fund assets to the Fund and the assets were placed in the custody of the Fund's custodian or custodians. The transition of investment assets from Article 3 Pension Funds to the Fund concluded on December 31, 2022. Subsequent to the receipt and reconciliation of investment assets from an Article 3 Pension Fund, the Fund shall have the authority to manage the pension fund assets of the transferor pension funds for the purpose of obtaining a total return on investments for the long term. The Fund shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code. All investments shall be clearly held and accounted for to indicate ownership by the Fund. The Fund may direct the registration of securities in its own name or in the name of a nominee created for the express purpose of registration of securities by a national or state bank or trust company authorized to conduct a trust business in the State of Illinois.

The Fund continues to receive investment assets from Article 3 Pension Funds subsequent to December 31, 2022, upon request and subject to a mutually agreeable timeframe.



2. Deposits And Investments (Continued)

A. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund holds cash deposits of \$105,553, and \$3,785,400 with Lake Forest Bank & Trust Company NA (Lake Forest Bank) and \$0 and \$4,976, with State Street Bank & Trust Company (SSBT) as of June 30, 2023, and June 30, 2022, respectively. The Fund does not have a policy to specifically address custodial credit risk for deposits. However, in addition to the \$250,000 of insurance provided by the Federal Deposit Insurance Corporation (FDIC) on the Fund's cash deposits, balances held at Lake Forest Bank are subject to an additional \$250,000 of insurance with the FDIC through a MaxSafe Deposit Account Program. Cash deposits in excess of \$500,000 held with Lake Forest Bank are fully collateralized subject to a collateralized deposit agreement between Lake Forest Bank and the Fund effective December 1, 2020.

Cash deposits with SSBT are swept daily into a money market investment vehicle managed by an affiliate of SSBT, which is primarily invested in U.S. Treasury obligations.

B. Investments

Investment Rate of Return

For the year ended June 30, 2023, the Fund's investments returned 8.9%, net of fees paid but not accrued, using daily cash flows and dollar-weighted calculation methodology.

For the year ended June 30, 2022, the Fund's investments returned -10.1%, net of fees paid but not accrued, using daily cash flows and dollar-weighted calculation methodology. This return presents the inception to date return for the Fund beginning with the transition of the first investment assets from Article 3 Funds on March 1, 2022, to the fiscal year end of June 30, 2022.

Fair Value Measurement

The fund categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.



For the year ended June 30, 2023, the Fund had the following recurring fair value measurements:

	Level 1	Level 2	Level 3	Total
Investments by Fair Value Level				
U.S. Equities	\$ 2,321,474,614	\$ –	\$ –	\$ 2,321,474,614
U.S. Fixed Income	–	270,711,086	–	270,711,086
Commingled Funds, Equity	4,629,773	–	–	4,629,773
Total Investments by Fair Value Level	\$ 2,326,104,387	\$ 270,711,086	\$ –	2,596,815,473
Investments Measured at Net Asset Value				
Commingled Funds, Equity				2,592,525,874
Commingled Funds, Fixed Income				3,374,118,609
Real Estate Funds				529,371,583
Total Investments by Net Asset Value				6,496,016,066
Total Investments				\$ 9,092,831,539

Valuation methodologies are as follows:

- U.S. Equities: end of day quoted prices from active exchanges;
- U.S. Fixed Income: quoted prices where available or active, observable trade information and parallels drawn from comparable securities where a quoted price is not available;
- Commingled Funds: End of day quoted prices from active exchanges where available or net asset value as determined by the investment manager;
- Money Market Funds: amortized cost which approximates fair value; and
- Real Estate: end of day quoted prices from active exchanges as applicable or net asset value for commingled funds as determined by the investment manager.



For the year ended June 30, 2022, the Fund had the following recurring fair value measurements:

	Level 1	Level 2	Level 3	Total
Investments by Fair Value Level				
U.S. Equities	\$ 444,398,088	\$ –	\$ –	\$ 444,398,088
U.S. Fixed Income	–	462,268,454	–	462,268,454
Non-U.S. Fixed Income	–	6,566,714	–	6,566,714
Commingled Funds, Equity	583,234,126	–	–	583,234,126
Real Estate	2,161,690	–	–	2,161,690
Total Investments by Fair Value Level	\$ 1,029,793,904	\$ 468,835,168	\$ –	1,498,629,072
Investments Measured at Net Asset Value				
Commingled Funds, Equity				432,780,972
Commingled Funds, Fixed Income				608,187,461
Real Estate Funds				114,810,318
Total Investments by Net Asset Value				1,155,778,751
Total Investments				\$ 2,654,407,823

Valuation methodologies are as follows:

- U.S. Equities: end of day quoted prices from active exchanges;
- U.S. Fixed Income: quoted prices where available or active, observable trade information and parallels drawn from comparable securities where a quoted price is not available;
- Commingled Funds: End of day quoted prices from active exchanges where available or net asset value as determined by the investment manager;
- Money Market Funds: amortized cost which approximates fair value; and
- Real Estate: end of day quoted prices from active exchanges as applicable or net asset value for commingled funds as determined by the investment manager.



Investments Measured at Net Asset Value

The Fund holds shares of interests in investment companies where the fair value of the investments are measured on a recurring basis using net asset value (NAV) per share. At the year ended June 30, 2023, the fair value, unfunded commitments and redemption values of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Investments Measured at NAV				
Commingled Funds, Equity	\$ 2,592,525,874	\$ –	Daily	1 Day
Commingled Funds, Fixed Income	3,374,118,609	–	Daily	1 Day
Real Estate Funds				
Commingled Fund	356,432,029	–	Daily	1 Day
Group Annuity Contract	172,939,554	–	Daily	7-30 Days
Total Investments Measured at NAV	\$ 6,496,016,066	\$ –		

At the year ended June 30, 2022, the fair value, unfunded commitments and redemption values of those investments are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Investments Measured at NAV				
Commingled Funds, Equity	\$ 432,780,972	\$ –	Daily	1 Day
Commingled Funds, Fixed Income	608,187,461	–	Daily	1 Day
Real Estate Funds				
Commingled Fund	27,952,758	–	Daily	1 Day
Group Annuity Contract	86,857,560	–	Daily	7-30 Days
Total Investments Measured at NAV	\$ 1,155,778,751	\$ –		



Commingled funds (equity, fixed income and real estate) are valued at net asset value and generally do not have readily attainable market values. The Fund invests in ten commingled index funds that are retirement pooled funds and common trust funds managed by State Street Global Advisors Trust Company (SSGA). Each of the commingled funds seeks an investment return that approximates as closely as practicable, before expenses, the performance of a specific benchmark. Seven of the commingled funds seek an investment return based on an equity index, three of the commingled funds seek an investment return based on a bond or yield index and one commingled fund seeks an investment return based on a Real Estate Investment Trust index.

Each of the commingled funds records a net asset value per unit, based on the net assets of the commingled fund. The per unit net asset value of each commingled fund is determined each business day and is valued by SSGA based on the market value of the underlying investments of each fund. Each commingled fund is subject to an annual audit of its financial statements. The value recorded in the financial statements reflects the value of the Fund's units held as of June 30, 2023 and 2022.

The Group Annuity contract is held with Principal Life Insurance Company and such funds are invested in the Principal U.S. Property Separate Account (the Account) managed by Principal Real Estate Investors, LLC. The focus of the Account is to pursue a private equity core investment strategy through active management of a portfolio of nationally diversified, income producing properties. The Account uses a unit value of recordkeeping in which the value at the valuation date is calculated by multiplying the number of units held by the applicable unit value. The unit value is determined each business day by the appraised market value of the portfolio less operating expenses accrued but not deducted. The Account is subject to an annual audit of its financial statements. The value recorded in the financial statements reflects the value of the Fund's units held as of June 30, 2023 and 2022. Redemptions of the Account may be limited to \$25,000,000 within a 90-day period in the event the portfolio manager determines such limit is necessary. On July 1, 2022, a withdrawal limitation to all investors was implemented. The portfolio manager holds discretion on the Account's ability to meet withdrawal requests. When distributions resume, redemptions will be based on the pro rata ownership of the Account.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Fund's investment policy addresses interest rate risk by establishing the Asset Allocation, Investment Manager Structure and Rebalancing Policy. Development of the asset allocation included scenario and stress testing portfolio sensitivity to changing interest rates. The Board initially adopted a short-term asset allocation specifically to mitigate interest rate and valuation risks. The investment policy establishes rebalancing thresholds and procedures to maintain the desired asset allocation. At the April 14, 2023, meeting of the Board of Trustees, the Board approved a change to the short-term asset allocation as part of the process of gradually transitioning the investment portfolio towards a long-term strategic return-seeking allocation.

The investment policy also establishes investment manager monitoring and evaluation provisions to ensure that investment manager process and positioning does not introduce unexpected or uncompensated risks. The Fund is predominantly invested in commingled funds that seek to mimic the investment characteristics of the associated index and not take active positions that might potentially increase interest rate risk.

Duration is a risk metric that can be used to measure a debt investment's exposure to fair value changes arising from changing interest rates. Modified duration is the percentage change in price of a bond for a unit change in yield. It thus measures the price sensitivity of a bond to changing interest rates. The table below provides the modified duration rate as of June 30, 2023 and 2022.



	2023		2022	
	Fair Value	Modified Duration Rate	Fair Value	Modified Duration Rate
U.S. Fixed Income				
U.S. Treasury Inflation Indexed Bonds	\$ 270,612,936	2.42	\$ 52,807,493	2.43
Other U.S. Fixed Income				
U.S. Fixed Income in transition pool	98,150	8.62	148,693,095	4.30
U.S. Fixed Income not in transition pool	–	–	260,767,866	N/A
Total Other U.S. Fixed Income	<u>98,150</u>		<u>409,460,961</u>	
Total U.S. Fixed Income	<u>\$ 270,711,086</u>		<u>\$ 462,268,454</u>	
Other U.S. Fixed Income by security type				
Corporate Obligations	\$ –	–	\$ 132,764,623	–
U.S. Government and Federal Agency Obligations	44,524	–	246,510,545	–
Municipal Bond Obligations	52,249	–	26,943,909	–
Collateralized Mortgage Obligations	1,377		3,180,634	
Other Asset Backed Securities	–	–	61,250	–
Total Other U.S. Fixed Income by security type	<u>\$ 98,150</u>		<u>409,460,961</u>	
Non-U.S. Fixed Income				
Non-U.S. Fixed income in transition pool	\$ –	–	\$ 3,706,448	4.30
Non-U.S. Fixed income not in transition pool	–	–	2,860,266	N/A
Total Non-U.S. Fixed Income	<u>\$ –</u>		<u>\$ 6,566,714</u>	

As of June 30, 2022, the U.S. Fixed Income investments of \$260,767,866 and Non-U.S. Fixed Income investments of \$2,860,266 were in the process of receipt or recently received by the Fund's custodian and were not yet transferred to the transition pool for liquidation and transition to the Fund's target asset allocation. Duration information for these investment is not available.



Credit Risk

Credit risk is the risk that an issuer of a debt security will not pay its par value upon maturity. The Fund’s investment policy addresses credit risk by establishing the Asset Allocation, Investment Manager Structure and Rebalancing Policy. Development of the asset allocation included scenario and stress testing portfolio sensitivity to changing credit spreads (relative valuation to U.S. Treasury securities). The investment policy establishes rebalancing thresholds and procedures to maintain the desired asset allocation. The investment policy also establishes investment manager monitoring and evaluation provisions to ensure that investment manager process and positioning does not introduce unexpected or uncompensated risks. The Fund is predominantly invested in index funds that seek to broadly diversify credit risk, mimic the investment characteristics of the associated index and not take active positions that might potentially increase credit risk.

As of June 30, 2023, the Fund’s investments were rated as follows:

	Moody’s Quality Rating	Total
U.S. Fixed Income	Aaa	\$ 270,665,237
	Not rated	45,849
Total U.S. Fixed Income		\$ 270,711,086

The Fund had an investment of \$290,999,427 in the State Street Institutional Treasury Money Market Fund as of June 30, 2023, which was rated AAA by Standard & Poor’s.



As of June 30, 2022, the Fund's investments were rated as follows:

	Moody's Quality Rating	Total
U.S. Fixed Income		
	Aaa	\$ 267,614,460
	Aa	16,408,141
	A	71,902,107
	Baa	34,703,125
	Ba	83,670
	Not rated	71,556,951
Total U.S. Fixed Income		\$ 462,268,454
Non-U.S. Fixed Income		
	Aa	\$ 868,083
	A	2,638,937
	Baa	1,219,605
	Not rated	1,840,089
Total Non-U.S. Fixed Income		\$ 6,566,714

The Fund had an investment of \$65,675,954 in the State Street Institutional Treasury Money Market Fund as of June 30, 2022, which was rated AAA by Standard & Poor's.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of investments and deposits. Although the Fund does not have a formal policy regarding foreign currency risk, the Fund does not invest directly in foreign currency or investments denominated in foreign currency. The Fund's foreign currency risk is thus limited to investments in commingled funds managed by SSGA. These funds are subject to investment guidelines and the non-U.S. funds seek an investment return that approximates the performance of the various non-U.S. market-weighted cap indices. Foreign currency risks are thus consistent with these index benchmarks.



As of June 30, 2023, the Fund did not directly hold any foreign currency. As of June 30, 2022, the Fund was in receipt of \$417,856, of Canadian dollars from a participating pension fund that had recently transferred its investment assets to the Fund and had not yet begun the transition to the Fund's target asset allocation.

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. While the Fund does not have a policy which limits its exposure to custodial credit risk, as of years ending June 30, 2023 and 2022, there were no securities held by the counterparty or by its trust department or agent that were not in the Fund's name.

Concentration of Credit Risk for Investments

The Fund's portfolio is managed by professional investment management firms. Each investment manager must comply with risk management guidelines individually assigned to them as part of their investment management agreement. The Fund did not have any single issuer investment that exceeded 5% or more of the Fund's fiduciary net position or the investment portfolio at years ending June 30, 2023 and 2022. The Fund's investments in the State Street U.S. Short-Term Government/Credit Bond Index Non-Lending Fund of \$1,356,222,079; the State Street MSCI EAFE Index Non-Lending Fund of \$1,343,975,082; State Street U.S. High Yield Bond Index Non-Lending QIB Common Trust Fund of \$919,511,235; the State Street Daily MSCI Emerging Markets Index Fund of \$641,444,318; the State Street Emerging Markets Hard Currency Sovereign Bond Fund of \$552,950,477; and the State Street U.S. Aggregate Bond Index Non-Lending Fund of \$545,434,819 represent greater than 5% of fiduciary net position at June 30, 2023. The Fund's investments in the State Street U.S. Short-Term Government/Credit Bond Index Non-Lending Fund of \$241,483,090; the State Street U.S. High Yield Bond Index Non-Lending QIB Common Trust Fund of \$158,800,906 and the State Street MSCI EAFE Non-Lending Fund of \$212,723,634 represents greater than 5% of fiduciary net position at June 30, 2022. All funds are commingled funds that are retirement pooled funds and common trust funds managed by SSGA.

Derivative Securities

Fund investment managers may enter into financial futures derivative transactions in accordance with their guidelines. A futures contract is an agreement between two parties to buy or sell units of a particular index, security or commodity at a set price on a future date. Financial futures represent an off-balance sheet obligation as there are no balance sheet assets or liabilities associated with those contracts. The Fund's transition manager, State Street Global Markets, utilizes financial futures within the transition pool of assets that are being converted to the Fund's asset allocation, in order to obtain market exposure that matches as closely as possible, the Fund's target allocation. These contracts are exchanged-traded treasury and equity index futures. As of June 30, 2023, there were no outstanding futures contracts. For the year ended June 30, 2023, the Fund had a net realized loss of \$4,280,413 from futures contract transactions, which is included in net appreciation (depreciation) of the fair value of investments on the statement of changes in fiduciary position. As of June 30, 2022, there were 497 outstanding futures contracts to sell with a notional contract value of \$82,553,230, and 773 outstanding futures contracts to buy with a notional contract value of \$56,366,836. For the year ended June 30, 2022, the Fund had a net realized gain of \$2,243,747 from futures contract transactions, which is included in net appreciation (depreciation) of the fair value of investments on the statement of changes in fiduciary position.



3. Long-Term Obligations

A. Loan Agreement Payable

The Fund entered into a loan agreement to provide funds for the payment of ordinary and regular costs associated with the implementation of the transition process. The Closing Date of the loan was June 23, 2020. The Fund was authorized to borrow up to \$7,500,000 until the Final Draw Date, June 30, 2022. During the Capitalized Interest Period, which is defined as the period from the Closing Date to the Final Draw Date, the loan was subject to accrue capitalized interest monthly at a rate of 1.50% plus the Federal Funds Rate. Commencing on the first day after the Capitalized Interest Period until the Final Maturity Date, June 30, 2024, the Fund was to pay consecutive quarterly installments of principal and interest at an interest rate of 1.50% plus the Federal Funds Rate. As of June 30, 2022, the loan had a principal balance outstanding of \$7,503,635 including \$79,635 of capitalized interest, and the annual interest rate was 3.08%. The Loan was paid off during the year ended June 30, 2023. As of June 30, 2023, the Fund's changes in the loan agreement payable were as follows:

	Balances			Balances	
	July 1	Additions	Reductions	June 30	Due Within One Year
Loan Agreement Payable	\$ 7,503,635	\$ -	\$ 7,503,635	\$ -	\$ -
TOTAL	\$ 7,503,635	\$ -	\$ 7,503,635	\$ -	\$ -

As of June 30, 2022, the Fund's changes in the loan agreement payable were as follows:

	Balances			Balances	
	July 1	Additions	Reductions	June 30	Due Within One Year
Loan Agreement Payable	\$ 1,411,176	\$ 6,092,459	\$ -	\$ 7,503,635	\$ 3,694,266
TOTAL	\$ 1,411,176	\$ 6,092,459	\$ -	\$ 7,503,635	\$ 3,694,266



4. Leases

The Fund entered into a lease agreement for office space on October 1, 2021. The lease was most recently amended on February 10, 2023. The lease term began on October 1, 2021, and ends on September 30, 2027, with monthly payments of \$5,375. The fund has evaluated GASB Statement No. 87, **Leases**, and determined the effects to be immaterial to the financial statements. The following is a schedule of future minimum rental payments expected to be required under the terms of the intended lease as of June 30, 2023.

Fiscal Year Ending June 30,	
2024	\$ 64,500
2025	64,500
2026	64,500
2027	64,500
Thereafter	16,125
Total	\$ 274,125

5. Defined Benefit Pension Plan

The Fund is a participating employer in the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, which provides eligible participants retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained online at www.imrf.org.

The Fund began participation in IMRF effective September 1, 2022.

Illinois Municipal Retirement Fund

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required. Benefits and refunds are recognized as an expense and liability when due and payable.



Plan Membership

At December 31, 2022, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	–
Inactive employees entitled to but not yet receiving benefits	–
Active employees	7
Total	7

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. The Fund had two Tier 1 employees as of June 30, 2023.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. The Fund had five Tier 2 employees as of June 30, 2023.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual covered salary to IMRF. The Fund is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended June 30, 2023 was 8.44% of covered payroll.



Actuarial Assumptions

The Fund’s net pension liability (asset) was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Aggregate Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75% (includes price inflation)
Investment rate of return	7.25%
Asset valuation method	5 year smoothed market; 20% corridor

Mortality Assumption: For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Discount Rate

The discount rate used to measure the total pension liability was 7.25% at December 31, 2022. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Fund’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) – (b) Net Pension Liability (Asset)
Balances at January 1, 2022	\$ –	\$ –	\$ –
Changes For The Period			
Service Cost	–	–	–
Interest	–	–	–
Difference Between Expected and Actual Experience	34,436	–	34,436
Employer Contributions	–	30,032	(30,032)
Employee Contributions	–	16,013	(16,013)
Net Investment Income	–	–	–
Benefit Payments And Refunds	–	–	–
Other (Net Transfer)	–	(4,183)	4,183
Net Changes	34,436	41,862	(7,426)
Balances at December 31, 2022	\$ 34,436	\$ 41,862	\$ (7,426)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2023, the Fund recognized pension expense (income) of (\$9,548). At June 30, 2023, the Fund reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 28,830	\$ –
Net difference between projected and actual earnings on pension plan investments	1,214	–
Employer contributions after the measurement date	50,265	–
Total	\$ 80,309	\$ –



Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$50,265 reported as deferred outflows of resources related to pensions resulting from Fund contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2024	\$ 5,909
2025	5,909
2026	5,909
2027	5,911
2028	5,606
Thereafter	800
Total	\$ 30,044

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Fund calculated using the discount rate of 7.25% as well as what the Fund’s net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
Net pension liability (asset)	\$ (3,345)	\$ (7,426)	\$ (10,251)



6. Other Postemployment Benefits

A. Plan Description

In addition to providing the pension benefits described, the Fund provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the Fund and can be modified at the sole discretion of the Board of Trustees at any time. The plan does not issue a separate report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The activity of the plan is reported in the Fund's Statement of Fiduciary Net Position and Changes therein.

B. Total OPEB Liability

Based on the size of the Fund, the number of active plan members, the lack of any retirees participating in the plan and comparison of actuarial valuations for similar entities with similar benefits, the Fund's total OPEB liability as of June 30, 2023, is immaterial and, therefore, not recorded by the Fund and no further disclosure is deemed necessary.

7. Litigation

On February 23, 2021, the Fund was named as a Defendant in a lawsuit filed in the Circuit Court of the Sixteenth Judicial Circuit, Kane County, Illinois captioned *Arlington Heights Police Pension Fund, et al., v. Jay Robert "J.B." Pritzker*; Case No. 2021 CH 55. Plaintiffs alleged that Public Act 101-610, which created and established the Fund, violated the Pension Protection Clause and the Takings Clause of the Illinois Constitution. On May 25, 2022, the Circuit Court issued a written Order finding that Public Act 101-0610 does not violate the Illinois Constitution, granting Defendants' Motion for Summary Judgment, and denying Plaintiffs' Cross-Motion for Summary Judgment.

On June 1, 2022, Plaintiffs filed an Appeal with the Appellate Court of Illinois for the Second Judicial District, contending that the Circuit Court erred in granting summary judgment in favor of the Defendants. On February 7, 2023, the Appellate Court issued its opinion affirming the Circuit Court's order and finding that Public Act 101-0610 does not violate the Pension Protection Clause or the Takings Clause of the Illinois Constitution.

On March 13, 2023, the Plaintiffs filed a Petition for Leave to Appeal with the Illinois Supreme Court, contending that the Appellate Court erred in finding that Public Act 101-610 does not violate the Illinois Constitution. On May 24, 2023, the Supreme Court granted the Petition and this matter is fully briefed. The Fund continues to maintain that Public Act 101-610 does not violate the Illinois Constitution.

8. Risk Management

The Fund is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.





Required Supplementary Information

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Fiscal Year	
Fiscal Year Ended June 30,	2023
Actuarially Determined Contribution	\$ 80,198
Contributions in Relation to the Actuarially Determined Contribution	80,198
Contribution Deficiency (Excess)	\$ -
Covered Payroll	\$ 927,402
Contributions as a Percentage of Covered Payroll	8.65%
Notes to Required Supplementary Information	

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows:

- The actuarial cost method was entry-age normal
- The amortization method was level percent of pay, closed
- The amortization period was 21 years (ten-year rolling period for non-taxing bodies)
- The asset valuation method was five-year smoothed market

Significant actuarial assumptions were:

- Investment rate of return of 7.25%
- Projected salary increases of 2.85% to 13.75% compounded
- Wage growth of 2.7%
- Price inflation of 2.25%

This schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for years available. The Fund began participation in the IMRF defined benefit plan as of September 1, 2022.



Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Fiscal Calendar Year	
Measurement Date December 31,	2022
Total Pension Liability	
Service Cost	\$ –
Interest	–
Differences Between Expected and Actual Experience	34,436
Assumption Changes	–
Benefit Payments, Including Refunds	–
Net Change in Total Pension Liability	34,436
Total Pension Liability – Beginning	–
Total Pension Liability – Ending	\$34,436
Plan Fiduciary Net Position	
Contributions – Employer	\$30,032
Contributions – Member	16,013
Net Investment Income	–
Benefit Payments, Including Refunds	–
Administrative Expense	–
Other (Net Transfer)	(4,183)
Net Change in Plan Fiduciary Net Position	41,862
Plan Fiduciary Net Position – Beginning	–
Plan Fiduciary Net Position – Ending	\$41,862
Employer's Net Pension Liability (Asset)	\$(7,426)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	121.56%
Covered Payroll	\$355,833
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	(2.09%)

This schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for years available. The Fund began participating in the IMRF defined benefit plan as of September 1, 2022.





Supplementary Information

Detailed Schedule of Administrative Expenses

Budget Amounts and Actual Incurred

For the Year Ended June 30, 2023 (with comparative actual for 2022)				
2023				
	Original Budget	Final Budget	Actual	2022 Actual
Deductions — Administrative Expenses				
Board of Trustees				
Administrative Services	\$ 64,800	\$ 64,800	\$51,500	\$ 55,125
Election Services	7,700	(6,366)	(6,366)	14,282
Education and Training	18,000	18,000	11,125	–
Meeting Expenses	21,000	9,461	16,797	–
Board Member Reimbursements	21,000	10,500	2,094	–
Total Board of Trustees	132,500	96,395	75,150	69,407
Administrative Operations				
Personnel				
Administrative Personnel	489,950	595,698	529,272	342,268
FICA/Medicare	37,481	37,481	33,197	20,345
Medical/Dental Benefits	48,912	48,912	14,675	3,492
Unemployment	3,000	3,000	–	771
Retirement Benefits	41,352	41,352	36,753	12,813
Total Personnel	620,695	726,443	613,897	379,689
Professional Services				
Accounting	24,000	24,000	24,000	26,000
Audit — Financial	27,500	27,500	41,250	12,000
Audit — Certified Asset List	444,924	444,924	360,335	122,695
Audit — Transition	13,752	13,752	–	–
Chief Financial Officer	130,200	204,918	181,369	157,000
Administrative Services	116,400	153,500	77,200	138,638
Government Liaison	68,400	68,400	62,700	68,400
Actuarial Services	179,000	183,250	187,350	40,000
Outsourced Human Resources	24,000	24,000	17,589	22,656
Legal Services — General	120,000	70,000	53,099	93,546
Legal Services — Fiduciary	260,000	100,000	70,687	157,571
Legal Services — Other	80,000	–	5,988	45,614
Technology Services	50,000	84,245	58,092	3,038
Other Consulting Services	–	–	8,400	–
Transition Management	24,000	24,000	24,000	21,000
Total Professional Services	1,562,176	1,422,489	1,172,059	908,158



Detailed Schedule of Administrative Expenses

Budget Amounts and Actual Incurred

For the Year Ended June 30, 2023 (with comparative actual for 2022)				
	2023			
	Original Budget	Final Budget	Actual	2022 Actual
Bank Services and Fees				
Local Bank Fees	5,000	5,000	3,426	–
Loan Interest Expense	111,848	232,011	230,565	68,460
Total Bank Services and Fees	116,848	237,011	233,991	68,460
Services and Supplies				
Assets under \$5,000	141,690	141,690	153,804	50,628
Insurance	120,000	84,418	84,418	61,329
Office Lease/Rent	64,500	48,375	48,375	–
Printing and Postage	36,000	36,000	7,759	9,809
Supplies and Maintenance	14,000	14,000	12,479	3,596
Telecommunication	10,000	13,193	15,182	3,975
Contingency	12,000	12,000	–	–
Dues/Licenses	11,295	11,295	65,623	918
Training and Education	24,000	12,000	135	661
Travel and Transportation	24,000	12,000	2,868	1,583
Utilities	9,000	5,100	5,821	–
Website	15,300	50,000	37,839	9,943
Total Services and Supplies	481,785	440,071	434,303	142,442
IMRF Pension Expense (Income)	–	–	(87,735)	–
Total Administrative Operations	2,781,504	2,826,014	2,366,515	1,498,749



Detailed Schedule Of Administrative Expenses

Budget Amounts And Actual Incurred (Continued)

For the Year Ended June 30, 2023 (with comparative actual for 2022)				
	2023			
	Original Budget	Final Budget	Actual	2022 Actual
Deductions — Administrative Expenses (Continued)				
Investment Operations				
Investment Operations Personnel	\$712,500	\$712,500	\$627,082	\$470,408
Relocation Expense	—	—	—	13,709
FICA/Medicare	54,506	54,506	36,341	31,186
Medical/Dental Benefits	46,548	46,548	59,794	36,156
Unemployment	2,500	2,500	—	1,140
Retirement Benefits	60,135	60,135	73,080	32,031
Total Personnel	876,189	876,189	796,297	584,630
Investment and Banking				
General Investment Consultant	427,500	427,500	427,500	609,075
Database Subscription(s)	45,000	37,050	37,050	35,000
Investment Management	1,063,000	901,790	849,323	20,669
Custodial Services	465,000	465,000	376,368	89,647
Other	—	—	—	3,604
Total Investment and Banking	2,000,500	1,831,340	1,690,241	757,995
Professional Services				
Project Architect	60,000	28,175	28,175	76,475
Transition Management	1,350,000	847,734	847,718	652,262
Transition Consultant/Services	713,400	287,762	287,762	357,700
Total Professional Services	2,123,400	1,163,671	1,163,655	1,086,437
Total Investment Operations	5,000,089	3,871,200	3,650,193	2,429,062
Less: Adjustments for GAAP Basis Presentation; Investment Expenses Deducted from Investment Income				
General Investment Consultant	(427,500)	(427,500)	(427,500)	(609,075)
Investment Management	(1,063,000)	(901,790)	(849,323)	(20,669)
Custodial Services	(465,000)	(465,000)	(376,368)	(89,647)
Transition Management	(1,350,000)	(847,734)	(847,718)	(652,262)
Other	—	—	—	(3,604)
Investment Expenses — GAAP Presentation	(3,305,500)	(2,642,024)	(2,500,909)	(1,375,257)
Total Investment Operations	1,694,589	1,229,176	1,149,284	1,053,805
Total Administrative Expenses	\$4,608,593	\$4,151,585	\$3,590,949	\$2,621,961

Notes to Supplementary Information: In accordance with the Illinois Compiled Statutes 40 ILCS 5/22B-118(e), the Board adopted the annual budget to support Fund operations and administration for the year ended June 30, 2023, at its meeting on June 10, 2022. The budget was adopted in accordance with the Board's Budget Administration Policy, PP-2021-01 (Budget Policy). Pursuant to the Budget Policy, the budget was amended with a reduction to total expenditures at the April 14, 2023, board meeting.





Investment Section



November 7, 2023

Regina Tuczak, CPA
Chief Financial Officer
Assistant Executive Director
Illinois Police Officers' Pension Investment Fund
456 Fulton Street, Suite 402
Peoria, IL 61602

Re: Certification Illinois Police Officers' Pension Investment Fund- 2023

Dear Ms. Tuczak,

State Street Bank and Trust Company as Custodian for Illinois Police Officers' Pension Investment Fund has provided detailed financial reports of all investments (including holdings with their fair market value), disbursements, purchase and sales and other transactions pertinent to the fund for the period of July 1, 2022, through June 30, 2023. State Street Bank and Trust Company certifies that the information is accurate and complete to the best of our knowledge and belief.

Furthermore, State Street Trust and Company provided and will continue to provide the following services as Custodian:

- Receive and hold all amounts paid to the fund
- Accept and deliver securities in accordance with the instruction of appointed Investment Managers
- Collect dividends and registered interest payments
- Collect matured or called securities and coupons
- Provide Performance Reporting
- Invest cash balances held in the accounts in Short Term Investment Fund
- Exercise the rights of ownership in accordance with the pre-described jurisdiction of stock subscriptions and conversion rights
- Hold securities in the name of the Master Custodian or nominee form
- Employ agents with the consent of the Board of Trustees
- Provide disbursement and security fail float income
- In partnership with Northeast Retirement Services, provide Member Fund Accounting Statement
- On-line reporting
- On-line cash platform for Member funds to contribute and make withdrawals from the consolidated fund

Best regards,

A handwritten signature in black ink, appearing to read "C. Bregoli", with a long horizontal line extending to the right.

Christopher Bregoli
Vice President



November 10, 2023

Board of Trustees
Illinois Police Officers' Pension Investment Fund
456 Fulton Street, Suite 402
Peoria, Illinois 61602

Dear Trustees:

Verus is pleased to have had the opportunity to serve the Illinois Police Officer's Pension Investment Fund ("IPOPIF" or "the Fund") since May 2021 and to provide this investment review for the fiscal year ending June 30, 2023.

Verus independently calculated the Fund's fiscal year performance results utilizing a true time-weighted annualized rate of return methodology with daily cash flows and market values provided by the Fund's custodian bank, State Street Bank and Trust. For the fiscal year ended June 30, 2023, IPOPIF had an investment gain of 8.2% (net of investment management fees) and ended the fiscal year with total assets of approximately \$9.4 billion.

All IPOPIF's investments are managed in accordance with guidelines codified in IPOPIF's Investment Policy Statement. This Statement is reviewed annually to ensure best practices are employed in all aspects of our work and was last updated on April 14, 2023.

Market Environment

2023 Summary

Risks assets delivered a strong start to 2023, building off the positive momentum seen towards the end of 2022. Year-to-date performance was positive across all major asset classes outside of commodities, as was performance on a one-year basis. Counter to the challenging outlook presented in our last letter and despite an end to massive economic stimulus introduced in response to the global pandemic, as well as rapidly rising interest rates, economic growth proved to be resilient. While earlier in the year many economists had forecast a U.S. recession in mid to late summer (especially after a series of regional bank failures, notably Silicon Valley Bank and First Republic), sentiment eased considerably as the prospect of a "soft-landing" was revived. Falling headline inflation, strong labor market data, and the first rate pause from the Federal Reserve all contributed to a more positive macroeconomic outlook.

However, challenges remain. Within the U.S., inflation is still a concern. The Federal Reserve continues to face difficult policy decisions as inflation, while lower, sits above the two-percent target and economic and labor market strength persists. The FOMC paused rate hikes in June, but markets are pricing in as many as two additional hikes before the end of the current tightening cycle. Overseas, growth in advanced economies remains subdued as many central banks continue their battle against inflation. Within emerging markets, the loudest narrative has centered on China. Reopening after the pandemic provided a material boost to activity. However, positive momentum faltered and has been overshadowed by mounting geopolitical tension, a lack of broader accommodative stimulus, and a severely challenged real estate market.

U.S. Equity

Shares in the U.S. outperformed relative to international developed and emerging markets across both the year-to-date and one-year periods. The S&P 500 index rose by 16.9% year-to-date and 19.6% over the trailing one-year period. Many expected a higher rate environment and slowing domestic consumer spending to put a ceiling on domestic equity prices, especially following the regional bank failures mentioned above. This ceiling was quickly shattered as the prospect and development of artificial intelligence (AI) technology boosted prices in the technology-heavy S&P 500 index.

Following concerns over the stability of the broader U.S. financial system, a wave of AI developments fueled a rally in many U.S. technology shares. Some of the largest technology names, which have made significant investments in research and development over past several years, saw the biggest increases. Notable year-to-date movers include Nvidia (+189.5%), Meta (+138.5%), Apple (+49.3%), and Microsoft (+42.0%).

The significant movements of heavyweight technology names is apparent when looking at size and style factors. Large-cap equities significantly outperformed over the one-year, with the Russell 1000 index gaining 19.4% relative to a 12.3% increase in the Russell 2000 index. And growth handily outperformed value, with the Russell 1000 Growth index rising 27.1% from last year compared to an 11.5% gain from the Russell 1000 Value index.

While U.S. shares have outperformed, the earnings story remains uncertain. According to FactSet, S&P 500 companies are on track for their third straight quarter of year-over-year earnings decline. The expected decline of -7.0% in Q2 2023 reflects a volatile business environment. While earnings expectations are rosier going forward, recent gains seen from U.S. equities are by no means an indicator that the Federal Reserve has been successful in achieving a “soft-landing” for the economy.

International Equity

Despite underperformance relative to the U.S., both international developed and emerging market shares saw gains over the past year. While directionality was the same, performance divergence was significant between the two. The MSCI EAFE index increased 18.8% year-over-year, but the MSCI EM index posted a meager 1.7% gain.

International developed shares rebounded in Q4 of 2022, and this momentum carried into 2023, driven by strength from both European and Japanese shares. The STOXX 50, which represents the 50 largest companies in Europe, rose 36.3% from the prior year. While Europe continues to face tighter central bank policies due to high inflation (June 2023 CPI came in at 5.5% year-over-year), resilience was much better than expected, especially in comparison to the negative sentiment following Russia’s invasion of Ukraine. Japanese equities also saw strong performance due to a combination of positive economic growth, inflation (Japan has sought higher inflation for many years), and a potential shift in regard to foreign shareholder prioritization. The TOPIX index increased 25.9% year-to-date and the 31.2% over the past year.

China dominated the narrative in emerging markets, as emerging market shares initially outperformed on enthusiasm around the country’s reopening. This reopening momentum turned out to be short-lived, as negative sentiment quickly overshadowed the move away from an almost three-year “zero-covid” policy. It appears that two primary factors contributed to losses for Chinese shares. The first was a smaller-than-expected reopening wave of economic activity, with no substantial monetary or fiscal stimulus used to accelerate the reopening. This contrasted sharply with the large amounts of stimulus used in the U.S. and Europe. This smaller-than-expected reopening wave provided no reprieve to the already struggling real estate market. The second factor was growing geopolitical tension with the United States. A series of events, including a spy balloon being shot down over U.S. airspace, continued to bolster negative relations between the two global leaders, which likely hurt foreign investor sentiment. The MSCI China index fell -5.5% over the year-to-date, contributing to -16.8% loss over the trailing one-year period.



Fixed Income

Inflation and Federal Reserve action continued to be the dominant driver of fixed income performance over the past year. With the bulk of Federal Reserve rate hikes occurring in the second half of 2022, bonds received the brunt of the pain over the 2022 calendar year (Bloomberg U.S. Aggregate down -13.0%). The Federal Reserve continued to increase rates in response to inflation in 2023 but at a considerably slower pace. The upper bound of the Fed's target rate moved from 4.50% to 5.25% over the first half of 2023. Smaller hikes were likely in response to strong signs of falling inflation, as headline CPI fell to 3.0% in June of 2023. While the FOMC decided to pause their rate hikes at the June meeting, commentary from Federal Reserve Chairman Powell was explicit that pausing was not a signal of the end of the tightening cycle. Fed funds futures (an indicator of investor expectations) are pricing in another 25-basis point rate hike at the FOMC's July meeting, as the Federal Reserve will continue to watch the path of inflation, especially when looking at the core basket (4.8% year-over-year rise in June).

Positive performance in 2023 has helped to improve one-year performance for the fixed income complex. Core fixed income (Bloomberg U.S. Aggregate) saw a 2.1% gain over the year-to-date period, bringing the one-year loss to -0.9%. In terms of duration, short maturity U.S. treasuries outperformed, with the Bloomberg U.S. Treasury 1-3 Year index gaining 0.1% over the one-year, compared to -2.1% and -6.8% losses from the U.S. Treasury index and U.S. Treasury Long index, respectively.

Expectations for worsening credit conditions may have reached a peak earlier in the year following the failure of several regional banks, as many investors expected a material pull back in credit availability. While high-yield bond and leveraged loan default rates have reached a two-year high per J.P. Morgan, the broader credit spectrum has performed strongly over the one-year period. Emerging market debt in local currency (+11.4%) was the best performer, followed by leveraged loans (+10.1%), high-yield bonds (+9.1%), and hard currency emerging market debt (+7.4%). Credit spreads compressed over the year-to-date, with the average option-adjusted spread for high-yield and investment grade bonds sitting at 390 basis points and 123 basis points, respectively. It has been surprising to see credit spreads remain at low levels, despite recent rises in bond default activity and expectations that defaults will continue to rise into 2024.

Commodities

In 2022, there were two major stories in the commodities space. First, the rapid increase in energy and grain prices—much of this due to Russia's invasion of Ukraine—was an contributing factor for global inflation. The second story was commodity performance. Commodities were one of the few asset classes to post a positive return during the 2022 calendar year, and the asset dominated the narrative in 2022 with some market participants calling for a new booming commodity cycle. However, commodities ended up playing a much smaller role in 2023, as a combination of easing supply pressures and lower demand hurt price performance. The Bloomberg Commodity index fell -7.8% over the year-to-date, driving the -9.6% one-year loss.

Currency

The strong dollar theme which prevailed through the first three quarters of 2022 reversed quickly in the fourth. The dollar has continued to weaken through the first half of 2023, but the magnitude has been relatively small compared to the end of last year. Interest rates have played a material role. As inflation in the U.S. seems to be under control, this has led to lower rate expectations relative to other major currencies such as the Euro and the British Pound. During this period, the Japanese Yen saw a small surge on speculation of changing rate policy under new Bank of Japan Governor Kazuo Ueda. However, this speculation proved to be fleeting, as the Yen weakened 8.7% against the dollar over the first half of the year. The Bloomberg Dollar index, a gauge of the U.S. dollar relative to major pairs, saw moderate losses over the past year, down -2.2%.

Outlook

Risk assets experienced a tailwind through the first half of the year, as inflation has shown signs of easing, real earnings growth has moved back into positive territory, and the labor market remains resilient. While strong asset performance has boosted sentiment, continued risks threaten the rebound enjoyed through the first half of the year, including regional banks fragility, commercial office real estate vacancy, and stubborn inflation. It is also important to remember that rising interest rates tend to impact the economy with a lag. We believe many effects of interest rate rises have yet to be felt and the economy and markets may feel some pain through the latter part of this year and into 2024.

Written by Verus Advisory

Asset Allocation

IPOPIF has established two sets of asset allocation targets. The first is a short-term target that represents a fairly conservative risk allocation, more closely aligned with the collective risk profile of the member funds prior to the transition. The second is a long-term strategic allocation, reflective of the long-term return-seeking nature of the Fund.

At a meeting of the Board of Trustees held on April 14th, 2023, the Board approved a change to the short-term target as part of the process of gradually transitioning the invested assets toward the long-term strategic allocation. The approved change included moving 8% of the portfolio from Risk Mitigation to Growth, with 5% allocated to US Large Cap and 3% allocated to International Developed. In order to fund the increase in Growth assets, Cash would be reduced by 2.0%, Short-Term Govt/Credit reduced by 2.0%, and Core Fixed Income reduced by 4.0%. The new short-term asset allocation included 58% Growth, 16% Income, 9% Inflation Protection, and 17% Risk Mitigation.



As of fiscal year-end, the transition to the new short-term allocation target has begun, and the assets in the IPOPIF investment pool were invested as follows:

Asset Class	IPOPIF Investment Pool Allocation*	Short-term Target Allocation	Long-term Target Allocation
Growth	52.5%	58.0%	65.0%
US Large	20.0%	23.0%	23.0%
US Small	4.8%	5.0%	5.0%
International Developed	16.0%	18.0%	18.0%
International Developed Small	4.8%	5.0%	5.0%
Emerging Markets	6.8%	7.0%	7.0%
Private Equity	0.0%	0.0%	7.0%
Income	15.7%	16.0%	14.0%
Bank Loans	0.0%	0.0%	3.0%
High Yield Corporate Credit	9.8%	10.0%	3.0%
Emerging Market Debt	5.7%	6.0%	3.0%
Private Credit	0.0%	0.0%	5.0%
Inflation Protection	8.5%	9.0%	11.0%
US TIPS	2.9%	3.0%	3.0%
REITS	3.8%	4.0%	0.0%
Real Estate / Infrastructure	1.8%	2.0%	8.0%
Risk Mitigation	23.3%	17.0%	10.0%
Cash	3.1%	1.0%	1.0%
Short-term Gov/Credit	14.4%	13.0%	3.0%
US Treasury	0.0%	0.0%	3.0%
Core Fixed Income	5.8%	3.0%	0.0%
Core Plus Fixed Income	0.0%	0.0%	3.0%
Total	100%	100%	100%

* Totals may not sum to 100% due to rounding.



Investment Objectives

As stated in the IPOPIF's Investment Policy, the Fund's primary investment objectives are as follows:

1. To ensure the assets of the Fund are invested with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would undertake.
2. To earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation.
3. To ensure the assets of the Fund are invested in a manner that minimizes and controls the costs incurred in administering and managing the assets.

Objective / Performance	1-Year	Annualized Since Inception (3/1/22)
Actuarial Assumed Rate of Return (Annualized)	6.8%	6.8%
Policy Benchmark*	8.8%	-1.5%
Net-of-Fee Performance*	8.2%	-1.4%

*The Policy Benchmark is a composite of the benchmark returns for underlying asset classes weighted by the short-term target allocation weights. Net-of-Fee Performance is calculated on a true time-weighted basis using daily cash flows and daily net asset values.

Verus greatly appreciates the opportunity we have been given to assist the IPOPIF Board of Trustees in meeting the Fund's investment objectives, and we look forward to continuing in our role of investment advisor and providing guidance to help navigate ever-changing capital market environments.

Sincerely,



Scott J. Whalen, CFA, CAIA
Executive Managing Director

Investment Policy

The Fund was established by legislative act of the Illinois General Assembly, P.A. 101-610, which was effective on January 1, 2020. The Fund is defined as an investment trust fund and an external investment pool. The Fund is not a component unit of any other government. As cited in 40 ILCS 5/22B-101 of the Illinois Pension Code, the Fund is created with authority to manage the reserves, funds, assets, securities, properties, and moneys of the police pension funds created pursuant to Article 3 of the Illinois Pension Code. The Fund is governed by a nine-member Board of Trustees that is comprised of three active police officers elected by participants of participating pension plans, two beneficiaries elected by beneficiaries of participating pension plans, three executive municipal members elected by mayors and presidents of municipalities of participating pension funds, and one member recommended by the Illinois Municipal League appointed by the Governor.

The Board of Trustees adopted an Investment Policy Statement on December 17, 2021, as amended on April 14, 2023, that formalizes the Fund's investment objectives, philosophy, policies, and structure, and defines the roles and responsibilities of various entities involved in the investment process. Investment information presented below is intended to be a summarization. For further information on the Fund's investment program, users should refer to the full Investment Policy Statement PP 2021-08 which is located on the Fund's website or available in hard copy upon request.

Investment Objectives

1. To ensure the assets of the Fund are invested with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would undertake.
2. To earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation.
3. To ensure the assets of the Fund are invested in a manner that minimizes and controls the costs incurred in administering and managing the assets.



Investment Philosophy

An outline of the core beliefs and long-term acknowledgements that will guide the Fund's investment program is as follows.

- 1.** A well-defined governance structure with clearly delineated responsibilities is critical in achieving consistent, long-term performance objectives.
- 2.** The strategic asset allocation determines the risk-reward profile of the portfolio and is the primary driver of overall portfolio performance and volatility. Key considerations include, but are not limited to, the following:
 - a)** Asset allocation has a greater effect on return variability than asset class investment structure or investment manager selection.
 - b)** Understanding expected performance variance and being steadfast in the face of negative returns is critical to long-term success.
 - c)** Disciplined portfolio rebalancing is a key aspect of prudent long-term asset allocation policy.
- 3.** Risk is multifaceted and will be evaluated holistically, incorporating quantitative measures and qualitative assessments. Risk considerations include, but are not limited to, the following:
 - a)** Key pension plan risk factors include mortality, inflation, and investment returns.
 - b)** Portfolio diversification increases risk-adjusted return over the long term.
 - c)** Diversification across different regions and risk factors reduces risk.
 - d)** Leverage can be an effective tool to enhance diversification and control risk.
 - e)** Uncompensated risk should be minimized.
 - f)** Generating positive investment return requires recognizing and accepting non-diversifiable risk. Not taking enough risk is risky; therefore, the Fund will accept a prudent level of risk in pursuit of its enterprise objectives.
- 4.** Liquidity is a risk factor and a source of return.
 - a)** The Fund should possess sufficient liquidity to meet expected cash needs under normal and stress scenarios.
 - b)** Illiquid investments should be considered if the expected return provides attractive compensation for the loss of liquidity.
- 5.** The opportunity for active manager risk-adjusted outperformance (alpha) is not uniformly distributed across asset classes or strategies. Active strategies are preferred only when there is strong conviction that they can be expected to add alpha, net of fees. Otherwise, passive strategies are preferred.
- 6.** Investment costs will be monitored and minimized within the context of maximizing net return. The goal is not low fees, but rather maximum returns, net of fees.
 - a)** Performance-based fee structures with a low base rate and a cap on participation may be appropriate and promote alignment of interests.
 - b)** The Fund will negotiate aggressively for the lowest fees and will seek most favored nation clauses where appropriate.



Investment Structure

Asset Categories and Classes

Fund investments shall be prudently diversified to optimize expected return and control risks. Assets can generally be categorized into four functional categories of Growth, Income, Inflation Protection, and Risk Mitigation. Each category can include multiple asset classes, representing different types of investments that can provide diversification within each functional category.

Asset Allocation

The asset allocation establishes target weights for each asset class and is designed to maximize the long-term expected return of the Fund within an acceptable risk tolerance while providing liquidity to meet program liabilities. The asset allocation is a key determinant of investment performance. The Fund has adopted short-term and long-term asset allocation targets. Short-term targets are necessary to accommodate the initial transition and the subsequent buildout of diversified strategies, including private market investments. Short-term targets and rebalancing ranges will be updated periodically, with Board approval, as new investments move the allocation toward the long-term targets. The Fund's short-term and long-term asset allocation is as follows:

IPOPIF Asset Allocation Asset Classes	Target Allocation	Short-term			Long-term Target Allocation
		Band	Lower	Upper	
Growth	58.0%	10.0%	53.0%	63.0%	65.0%
US Large	23.0%	4.0%	21.0%	25.0%	23.0%
US Small	5.0%	2.0%	4.0%	6.0%	5.0%
International Developed	18.0%	4.0%	16.0%	20.0%	18.0%
International Developed Small	5.0%	2.0%	4.0%	6.0%	5.0%
Emerging Markets	7.0%	2.0%	6.0%	8.0%	7.0%
Private Equity (Direct)	0.0%	N/A	N/A	N/A	7.0%
Income	16.0%	4.0%	14.0%	18.0%	14.0%
Bank Loans	0.0%	N/A	N/A	N/A	3.0%
High Yield Corp. Credit	10.0%	2.0%	9.0%	11.0%	3.0%
Emerging Market Debt	6.0%	2.0%	5.0%	7.0%	3.0%
Private Credit	0.0%	N/A	N/A	N/A	5.0%
Inflation Protection	9.0%	4.0%	7.0%	11.0%	11.0%
US TIPS	3.0%	2.0%	2.0%	4.0%	3.0%
REITs	4.0%	2.0%	3.0%	5.0%	0.0%
Real Estate/Infrastructure	2.0%	N/A	N/A	N/A	8.0%
Risk Mitigation	17.0%	8.0%	13.0%	21.0%	10.0%
Cash	1.0%	2.0%	0.0%	2.0%	1.0%
Short-Term Gov't/Credit	13.0%	4.0%	11.0%	15.0%	3.0%
US Treasury	0.0%	N/A	N/A	N/A	3.0%
Core Fixed Income	3.0%	2.0%	2.0%	4.0%	0.0%
Core Plus Fixed Income	0.0%	N/A	N/A	N/A	3.0%
Total	100.0%				100.0%



Rebalancing Policy

1. Rebalancing is the process of realigning investment weights toward targets to maintain the desired asset allocation.
2. Rebalancing ranges are included in the asset allocation.
3. The Chief Investment Officer (CIO) has the responsibility and authority to rebalance the Fund in accordance with the Fund's Investment Policy.
4. The CIO and the Investment Consultant shall review asset allocations at least quarterly or as appropriate during periods of significant market volatility.
5. Cash contributions to and withdrawals from the Fund may be used to move investment weights towards targets.
6. When asset allocations exceed the prescribed limits, or when deemed prudent by the CIO, with the advice of the Investment Consultant, Fund assets may be rebalanced to the target levels or to some point within the target range. No rebalancing action is automatically required if an asset class weight reaches a rebalancing limit. However, the CIO shall document the rationale for not acting if an allocation falls outside of the rebalancing range.
7. Rebalancing to targets will be considered at least annually by the CIO, with the advice of the Investment Consultant.
8. Rebalancing activity shall be reported at the next meeting of the Board.

Investment Manager Selection, Monitoring, And Evaluation

Investment Manager Selection

1. Investment Manager selection shall be governed by the Fund's Procurement of Investment Services Policy.
2. Pursuant to 40 ILCS 5/1A-108, the Fund recognizes that it is the public policy of the State of Illinois to promote the economy of Illinois through the use of economic opportunity investments to the greatest extent feasible within the bounds of financial and fiduciary prudence.



Manager Monitoring And Evaluation

Fund Staff and the Investment Consultant will evaluate each Investment Manager from a qualitative and quantitative standpoint on a quarterly basis.

1. Qualitative factors include, but are not limited to, the following.
 - a) Ownership changes or departure of key personnel.
 - b) Assets under management at the firm and product level.
 - c) Conflicts of interest.
 - d) Changes in investment strategy.
 - e) Material litigation or regulatory challenges involving the Investment Manager.
 - f) Material client-servicing problems.
 - g) Minority brokerage utilization.
2. Quantitative Review.
 - a) Long-term performance standards should measure an Investment Manager's performance using rolling returns across multiple trailing time periods (e.g., 1-year, 3-year, and 5-year) in relation to the mutually agreed upon performance index.
 - b) Shorter-term performance will be measured in relation to an appropriate style index and "Peer Group." Each Investment Manager is to be measured against the median return of a peer group of investment managers with similar investment styles.
 - c) Managers are expected to maintain their stated investment style and philosophy. Quantitative measures of investment style and philosophy include style mapping, style attribution analysis, and tracking error relative to the benchmark.
3. Investment Staff and the Investment Consultant will review Investment Manager performance with the Board on a quarterly basis.
 - a) Investment staff shall identify investment managers of concern, report the material issues, and provide an analysis supporting the CIO's recommendation.
 - b) While past performance is not a reliable predictor of future results, the following criteria shall warrant review by the Board of Trustees:
 - i) Four consecutive quarters in which the manager underperforms its benchmark index for the trailing three-year and five-year periods.
 - ii) Two consecutive quarters in which the manager underperforms its Peer Group for the trailing three-year and five-year periods.



Diversity Guidelines

The Fund's investment policy includes a MWDBE Investment Manager Utilization Policy, a Minority Broker-Dealer Policy, a Fiduciary Diversity Policy and a Business Diversity Policy. For purposes of these policies, MWDBE and Minority Broker-Dealer are defined as a Minority-Owned Business, Women-Owned Business, or Business Owned by Person with a Disability, as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, 30 ILCS 575/2, as amended. Along with goals for utilization of MWDBE Investment Managers and Minority Broker-Dealers, the Fund has goals specific to Emerging Investment managers. An "Emerging Investment Manager," as defined in Section 1-109.1(4) of the Illinois Pension Code, means a qualified Investment Adviser that manages an investment portfolio of at least \$10,000,000 but less than \$10,000,000,000 and is a MWDBE.

In addition to specific goals of utilization of MWDBE investment manager by asset class, in accordance with 40 ILCS 5/1-109.1(10), it is the aspirational goal for the Fund to use MWDBE Investment Managers for not less than 20% of the total assets under management. It is also the Fund's aspirational goal that not less than 20% of Investment Managers be minorities, women, and persons with disabilities, as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.



Investment Portfolio Summary

As of June 30, 2023

Asset Type	Fair Value	Percent of Total Fair Value
US Equities		
Large Cap Equity Separate Account	\$1,873,258,181	20.6%
Small Cap Equity Separate Account	448,216,433	4.9
Total US Equities	2,321,474,614	25.5
US Fixed Income		
US Treasury Inflation Protected Securities Separate Account	\$270,612,936	3.0
Transition Account ¹	98,150	0.0
Total US Fixed Income	270,711,086	3.0
Commingled Funds, Equity		
Ishares Russell 1000 and 2000 Index ETFs	4,629,773	.1
MSCI EAFE Index Fund	1,343,975,083	14.8
MSCI Canada Index Fund	157,365,780	1.7
MSCI Daily Emerging Markets Index Fund	641,444,318	7.1
MSCI Canada Small Cap Index Fund	44,596,605	.5
MSCI EAFE Small Cap Index Fund	405,144,088	4.4
Total Commingled Funds, Equity	2,597,155,647	28.6
Commingled Funds, Fixed Income		
Emerging Markets Hard Currency Sovereign Bond Index Fund	552,950,477	6.1
US Short-Term Government/Credit Bond Index Fund	1,356,222,079	14.9
US Aggregate Bond Index Fund	545,434,818	6.0
US High Yield Bond Index Fund	919,511,235	10.1
Total Commingled Funds, Fixed Income	3,374,118,609	37.1
Real Estate		
US REIT Index Fund	356,432,029	3.9
US Property Separate Account	172,939,554	1.9
Total Real Estate	529,371,583	5.8
Total Portfolio	9,092,831,539	100.0

¹ Transition account consists of investments held by the Fund that have been transferred from participating pension funds and are awaiting liquidation and transition into the Fund's target asset allocation.



Performance Summary

Prepared by Verus Advisors

Asset Classes	1/31/23	2/28/23	3/31/2023	4/30/23	5/31/23	6/30/23	Performance 7/1/2022 - 6/30/2023	Performance* 4/1/2022 - 6/30/2022
Short-Term Investments	0.3%	0.3%	0.3%	0.4%	0.5%	0.5%	3.1%	0.0%
Short-Term Investments Benchmark	0.3%	0.3%	0.4%	0.3%	0.4%	0.5%	3.5%	0.1%
US Equities	7.3%	-2.2%	1.4%	0.6%	0.2%	7.0%	7.7%	-16.9%
US Equities Benchmark	7.4%	-2.2%	1.4%	0.6%	0.2%	7.0%	7.6%	-16.8%
US Fixed Income	0.6%	-0.3%	1.8%	0.2%	-0.6%	-0.2%	-1.8%	-1.4%
US Fixed Income Benchmark	0.7%	-0.4%	1.9%	0.2%	-0.7%	-0.2%	-1.7%	-1.1%
Commingled Funds, Equity	8.1%	-3.6%	2.1%	1.7%	-3.7%	4.2%	7.9%	-14.0%
Commingled Funds, Equity Benchmark	8.0%	-3.3%	1.9%	1.7%	-3.6%	4.2%	7.9%	-14.6%
Commingled Funds, Fixed Income	2.5%	-1.5%	1.5%	0.6%	-0.7%	0.6%	0.7%	-6.2%
Commingled Funds, Fixed Income Benchmark	2.4%	-1.5%	1.5%	0.6%	-0.6%	0.7%	1.3%	-5.3%
Real Estate	6.5%	-3.2%	-2.4%	0.6%	-1.9%	2.7%	-6.7%	-6.1%
Real Estate Benchmark	7.5%	-3.2%	-2.3%	0.6%	-1.9%	3.0%	-7.3%	-11.6%

Calculations are prepared utilizing a time-weighted rate of return

* Information prior to March 31, 2022, not available as first transfer of participating pension funds investment assets into the Fund occurred on March 1, 2022. Prior to such date, the Fund did not hold any investments.



Performance Summary (continued)

Asset Classes	7/31/22	8/31/22	9/30/22	10/31/22	11/30/22	12/31/22
Short-Term Investments	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%
Short-Term Investments Benchmark	0.1%	0.2%	0.2%	0.2%	0.3%	0.4%
US Equities	9.5%	-3.4%	-9.3%	8.7%	4.7%	-6.0%
US Equities Benchmark	9.6%	-3.5%	-9.3%	8.7%	4.7%	-6.0%
US Fixed Income	1.7%	-1.4%	-3.1%	0.9%	0.3%	0.0%
US Fixed Income Benchmark	1.8%	-1.5%	-2.9%	1.0%	0.5%	-0.2%
Commingled Funds, Equity	4.0%	-3.5%	-10.2%	3.2%	11.8%	-0.8%
Commingled Funds, Equity Benchmark	4.1%	-3.2%	-10.2%	3.2%	11.4%	-0.5%
Commingled Funds, Fixed Income	5.3%	-1.8%	-3.4%	0.6%	2.7%	-0.2%
Commingled Funds, Fixed Income Benchmark	2.5%	-1.5%	-3.2%	0.3%	2.7%	0.0%
Real Estate	3.4%	-2.9%	-6.1%	2.5%	2.4%	-4.4%
Real Estate Benchmark	5.8%	-3.9%	-8.0%	2.8%	3.9%	-4.9%

Calculations are prepared utilizing a time weighted rate of return.

Benchmark	Benchmark constituents
Short-Term Investments Benchmark	100% 91-Day T-Bills
US Equities Benchmark	78.3% Russell 1000 Index, 21.7% Russell 2000 Index through 4/30/2023; 82.1% Russell 1000 Index, 17.9% Russell 2000 Index thereafter.
US Fixed Income Benchmark	100% Bloomberg U.S. TIPS 0-5 Year
Commingled Funds, Equity Benchmark	55.6% MSCI World ex U.S. (Net), 18.5% MSCI World ex U.S. Small Cap Index (Net), 25.9% MSCI Emerging Markets IMI (Net) through 12/31/2022; 55.6% MSCI World ex U.S. (Net), 18.5% MSCI World ex U.S. Small Cap Index (Net), 25.9% MSCI Emerging Markets (Net) thereafter.
Commingled Funds, Fixed Income Benchmark	26.3% Bloomberg U.S. Corporate High Yield, 7.9% JPM GBI-EM GD, 7.9% JPM EMBI GD, 18.4% Bloomberg U.S. Aggregate Index, 39.5% Bloomberg 1-3 Year Gov/Credit Index through 12/31/2022; 26.3% Bloomberg U.S. Corporate High Yield, 15.8% JPM EMBI GD, 18.4% Bloomberg U.S. Aggregate Index, 39.5% Bloomberg 1-3 Year Gov/Credit Index from 1/1/2023 - 4/30/2023; 31.3% Bloomberg U.S. Corporate High Yield, 18.8% JPM EMBI GD, 9.4% Bloomberg U.S. Aggregate Index, 40.6% Bloomberg 1-3 Year Gov/Credit Index thereafter.
Real Estate Benchmark	66.7% Wilshire REIT, 33.3% NFI Property Index



Ten Largest Equity Investment Holdings

Excludes Commingled Funds and Short-Term Investments

Security Name	Base Market Value	Percent of Total Investments
Apple Inc. Common Stock USD.00001	131,928,501.53	1.5%
Microsoft Corp. Common Stock USD.00000625	115,506,400.44	1.3%
Amazon.com Inc. Common Stock USD.01	53,526,989.24	0.6%
Nvidia Corp. Common Stock USD.001	45,810,104.86	0.5%
Tesla Inc. Common Stock USD.001	32,917,053.96	0.4%
Alphabet Inc. CL A Common Stock USD.001	32,418,590.40	0.4%
Meta Platforms Inc. Class A Common Stock USD.000006	28,929,592.86	0.3%
Berkshire Hathaway Inc. CL B Common Stock USD.0033	28,458,496.00	0.3%
Alphabet Inc. CL C Common Stock USD.001	28,392,868.70	0.3%
Unitedhealth Group Inc. Common Stock USD.01	20,361,832.96	0.2%

A full report of investment holdings at June 30, 2023, is available on the Fund's website or upon request.



Ten Largest Fixed Income Investment Holdings

Excludes commingled funds, cash equivalents and short-term investments

Security Name	Base Market Value	Percent of Total Investments
TSY INFL IX N/B 01/24 0.625	17,186,378.56	0.2%
TSY INFL IX N/B 07/23 0.375	16,318,216.93	0.2%
TSY INFL IX N/B 10/27 1.625	14,721,492.00	0.2%
TSY INFL IX N/B 07/25 0.375	14,274,604.84	0.2%
TSY INFL IX N/B 04/27 0.125	13,874,409.13	0.2%
TSY INFL IX N/B 07/24 0.125	13,633,201.04	0.1%
TSY INFL IX N/B 01/25 0.25	13,414,694.57	0.1%
TSY INFL IX N/B 10/26 0.125	13,018,506.39	0.1%
TSY INFL IX N/B 10/24 0.125	12,677,093.55	0.1%
TSY INFL IX N/B 01/26 0.625	12,661,953.23	0.1%

A full report of Investment Holdings at June 30, 2023, is available on the Fund's website or upon request.



Equity Brokerage Commissions

July 1, 2022 - June 30, 2023

Broker Name	Commissions
Academy Securities*	\$ 4,734
Cabrera Capital*	3,451
Guzman*	1,669
Instinet	13,500
Jefferies	689
Liquidnet	5
Loop Capital*	14,690
Mischler Financial*	35,392
Penserra Securities*	15,837
Siebert Williams Shank*	5,775
State Street Global Management	217,937
Williams*	1,946
Total	\$ 315,625

Fixed Income Par Value Traded

July 1, 2022 - June 30, 2023

Broker Name	Par Value Traded
BNP Paribas Securities Corp	448,433
Cabrera Capital Markets LLC*	14,358,969
Citigroup Global Markets Inc	828,243
CL King*	8,870,437
Goldman Sachs and Co	39,332,307
JP Morgan Securities LLC	2,998,484
Merrill Lynch Pierce Fenner Smith	434,279
Nomura Securities Intl Inc	20,454,991
State Street Global Management	3,193,816,020
Tigress Financial Partners LLC* UBS Securities LLC	2,184,999
Wells Fargo Securities LLC	2,149,606
Total	3,291,248,272

* Represents "minority-owned business", "women-owned business" or "business owned by a person with a disability" as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.



Schedule of Investment Fees

For the Year Ended June 30, 2023

Investment Manager Fees	Fees	Assets Under Management as of June 30, 2023	Basis Points
State Street Global Advisors	\$769,582	\$6,594,597,411	1.55
Rhumblin Advisors	79,741	\$2,331,333,375	0.5
Total Direct Investment Management Fees*	\$849,323		
Other Direct Investment Expenses			
Transition Manager — State Street Global Management	\$847,718		
Investment Consultant — Verus Advisors	427,500		
Custodian — State Street Bank & Trust Company, NA	376,368		
Total Other Direct Investment Expenses	\$1,651,586		
Total Direct Investment Expenses	\$2,500,909		

*In addition to these direct fees, the Fund incurred \$1,289,648 of investment management fees with Principal Life Insurance Company.

These fees are deducted from the Fund's investment balance based on the net asset value of the investment. Assets under management as of June 30, 2023, were \$172,939,554.





Statistical Section

The Illinois Police Officers' Pension Investment Fund (IPOPIF) was created through Public Act 101-0610 that provided for the mandatory consolidation of the investment assets of the state's public safety pension funds into two investment funds one for police and one for fire.

Article 22(B) within Chapter 40, Article 5 of the Illinois Compiled Statutes (ILCS) created the authority to manage the reserves, funds, assets, securities, properties, and moneys of the police pension funds created pursuant to Article 3 of the Pension Code.

The Article 3 police pension plans retain their responsibilities to manage benefit distribution and eligibility determinations, including pension disability awards. The information regarding the financial, operational status, retirement benefits and membership data of each pension system remains within the scope of the local Article 3 police pension plans to report individually and separately from the IPOPIF annual comprehensive financial report.

The list of those Article 3 police pension funds that are participating in the mandatory consolidation of investment assets with IPOPIF is included in this section.

Article 3 Police Pension Funds

Addison Police Pension Fund	Bridgeview Police Pension Fund	Chicago Ridge Police Pension Fund*
Algonquin Police Pension Fund	Broadview Police Pension Fund	Chillicothe Police Pension Fund
Alsip Police Pension Fund	Brookfield Police Pension Fund	Cicero Police Pension Fund
Alton Police Pension Fund	Buffalo Grove Police Pension Fund	Clarendon Hills Police Pension Fund
Anna Police Pension Fund	Burbank Police Pension Fund	Clinton Police Pension Fund
Antioch Police Pension Fund	Burnham Police Pension Fund	Coal City Police Pension Fund
Arlington Heights Police Pension Fund*	Burr Ridge Police Pension Fund	Collinsville Police Pension Fund
Aurora Police Pension Fund*	Cahokia Heights Police Pension Fund	Colona Police Pension Fund
Barrington Hills Police Pension Fund	Cairo Police Pension Fund	Columbia Police Pension Fund
Barrington Police Pension Fund	Calumet City Police Pension Fund	Country Club Hills Police Pension Fund
Bartlett Police Pension Fund	Calumet Park Police Pension Fund	Countryside Police Pension Fund
Bartonville Police Pension Fund	Campton Hills Police Pension Fund	Crest Hill Police Pension Fund
Batavia Police Pension Fund	Canton Police Pension Fund	Crestwood Police Pension Fund
Beardstown Police Pension Fund	Carbondale Police Pension Fund	Crete Police Pension Fund
Belleville Police Pension Fund	Carlinville Police Pension Fund	Creve Coeur Police Pension Fund
Bellwood Police Pension Fund	Carmi Police Pension Fund	Crystal Lake Police Pension Fund
Belvidere Police Pension Fund	Carol Stream Police Pension Fund	Danville Police Pension Fund
Bensenville Police Pension Fund	Carpentersville Police Pension Fund	Darien Police Pension Fund
Benton Police Pension Fund	Cartersville Police Pension Fund	Decatur Police Pension Fund
Berkeley Police Pension Fund	Cary Police Pension Fund	Deerfield Police Pension Fund
Berwyn Police Pension Fund	Caseyville Police Pension Fund	Dekalb Police Pension Fund*
Bethalto Police Pension Fund	Centralia Police Pension Fund	Des Plaines Police Pension Fund
Bloomington Police Pension Fund	Champaign Police Pension Fund*	Dixon Police Pension Fund
Bloomington Police Pension Fund	Channahon Police Pension Fund	Dolton Police Pension Fund
Blue Island Police Pension Fund	Charleston Police Pension Fund	Downers Grove Police Pension Fund
Bolingbrook Police Pension Fund	Chatham Police Pension Fund	Duquoin Police Pension Fund
Bourbonnais Police Pension Fund	Cherry Valley Police Pension Fund	East Alton Police Pension Fund
Bradley Police Pension Fund	Chester Police Pension Fund	East Dundee Police Pension Fund
Braidwood Police Pension Fund	Chicago Heights Police Pension Fund*	

* As of June 30, 2023, investment assets not received



East Moline Police Pension Fund	Gilberts Police Pension Fund	Hoopeston Police Pension Fund
East Peoria Police Pension Fund	Glen Carbon Police Pension Fund	Huntley Police Pension Fund
East St Louis Police Pension Fund*	Glen Ellyn Police Pension Fund	Island Lake Police Pension Fund
Edwardsville Police Pension Fund	Glencoe Police Pension Fund	Itasca Police Pension Fund
Effingham Police Pension Fund	Glendale Heights Police Pension Fund	Jacksonville Police Pension Fund
Elburn Police Pension Fund	Glenview Police Pension Fund	Jerseyville Police Pension Fund
Eldorado Police Pension Fund	Glenwood Police Pension Fund*	Johnsburg Police Pension Fund
Elgin Police Pension Fund*	Granite City Police Pension Fund	Joliet Police Pension Fund
Elk Grove Village Police Pension Fund	Grayslake Police Pension Fund	Justice Police Pension Fund
Elmhurst Police Pension Fund*	Greenville Police Pension Fund	Kankakee Police Pension Fund
Elmwood Park Police Pension Fund	Gurnee Police Pension Fund	Kenilworth Police Pension Fund
Eureka Police Pension Fund	Hampshire Police Pension Fund	Kewanee Police Pension Fund
Evanston Police Pension Fund*	Hanover Park Police Pension Fund	Kildeer Police Pension Fund
Evergreen Park Police Pension Fund	Harrisburg Police Pension Fund	La Grange Park Police Pension Fund
Fairfield Police Pension Fund	Harvard Police Pension Fund	La Grange Police Pension Fund
Fairview Heights Police Pension Fund*	Harvey Police Pension Fund	Lake Bluff Police Pension Fund
Flora Police Pension Fund	Harwood Heights Police Pension Fund	Lake Forest Police Pension Fund
Flossmoor Police Pension Fund	Hawthorn Woods Police Pension Fund	Lake In The Hills Police Pension Fund
Forest Park Police Pension Fund	Hazel Crest Police Pension Fund	Lake Villa Police Pension Fund
Forest View Police Pension Fund	Herrin Police Pension Fund	Lake Zurich Police Pension Fund
Fox Lake Police Pension Fund	Hickory Hills Police Pension Plan	Lakemoor Police Pension Fund
Fox River Grove Police Pension Fund	Highland Park Police Pension Fund	Lansing Police Pension Fund
Frankfort Police Pension Fund	Highland Police Pension Fund	Lasalle Police Pension Fund
Franklin Park Police Pension Fund	Highwood Police Pension Fund	Lawrenceville Police Pension Fund
Freeport Police Pension Fund	Hillsboro Police Pension Fund	Lemont Police Pension Fund
Galesburg Police Pension Fund	Hillside Police Pension Fund	Libertyville Police Pension Fund
Geneseo Police Pension Fund	Hinsdale Police Pension Fund	Lincoln Police Pension Fund
Geneva Police Pension Fund	Hodgkins Police Pension Fund	Lincolnshire Police Pension Fund
Genoa Police Pension Fund	Hoffman Estates Police Pension Fund	Lincolnwood Police Pension Fund
	Homewood Police Pension Fund	Lindenhurst Police Pension Fund
		Lisle Police Pension Fund

* As of June 30, 2023, investment assets not received



Litchfield Police Pension Fund	Montgomery Police Pension Fund	Orland Hills Police Pension Fund
Lockport Police Pension Fund	Monticello Police Pension Fund*	Orland Park Police Pension Fund
Lombard Police Pension Fund	Morris Police Pension Fund	Oswego Police Pension Fund
Loves Park Police Pension Fund	Morton Grove Police Pension Fund	Ottawa Police Pension Fund
Lynwood Police Pension Fund	Morton Police Pension Fund	Palatine Police Pension Fund
Lyons Police Pension Fund	Mt. Carmel Police Pension Fund	Palos Heights Police Pension Fund*
Macomb Police Pension Fund	Mt. Prospect Police Pension Fund	Palos Hills Police Pension Fund
Madison Police Pension Fund	Mt. Vernon Police Pension Fund	Palos Park Police Pension Fund
Mahomet Police Pension Fund	Mt. Zion Police Pension Fund	Pana Police Pension Fund
Manhattan Police Pension Fund	Mundelein Police Pension Fund	Paris Police Pension Fund
Manteno Police Pension Fund	Murphysboro Police Pension Fund	Park City Police Pension Fund
Marengo Police Pension Fund	Naperville Police Pension Fund	Park Forest Police Pension Fund
Marion Police Pension Fund	New Lenox Police Pension Fund	Park Ridge Police Pension Fund
Markham Police Pension Fund	Niles Police Pension Fund	Pekin Police Pension Fund
Marseilles Police Pension Fund	Normal Police Pension Fund	Peoria Heights Police Pension Fund
Maryville Police Pension Fund*	Norridge Police Pension Fund	Peoria Police Pension Fund
Mascoutah Police Pension Fund	North Aurora Police Pension Fund	Peotone Police Pension Fund
Matteson Police Pension Fund	North Chicago Police Pension Fund	Peru Police Pension Fund
Mattoon Police Pension Fund	North Riverside Police Pension Fund	Pinckneyville Police Pension Fund
Maywood Police Pension Fund	Northbrook Police Pension Fund	Pingree Grove Police Pension Fund
McCook Police Pension Fund	Northfield Police Pension Fund	Plainfield Police Pension Fund
McHenry Police Pension Fund	Northlake Police Pension Fund	Plano Police Pension Fund
Melrose Park Police Pension Fund	Oak Brook Police Pension Fund	Pontiac Police Pension Fund
Mendota Police Pension Fund	Oak Forest Police Pension Fund	Pontoon Beach Police Pension Fund
Metropolis Police Pension Fund	Oak Lawn Police Pension Fund	Posen Police Pension Fund
Midlothian Police Pension Fund	Oak Park Police Pension Fund	Princeton Police Pension Fund
Milan Police Pension Fund	Oakbrook Terrace Police Pension Fund	Prospect Heights Police Pension Fund
Minooka Police Pension Fund	O'Fallon Police Pension Fund	Quincy Police Pension Fund
Mokena Police Pension Fund*	Oglesby Police Pension Fund	Rantoul Police Pension Fund*
Moline Police Pension Fund	Olney Police Pension Fund	Richton Park Police Pension Fund
Monee Police Pension Fund	Olympia Fields Police Pension Fund	
Monmouth Police Pension Fund		

* As of June 30, 2023, investment assets not received



River Forest Police Pension Fund	South Beloit Police Pension Fund	Waterloo Police Pension Fund
River Grove Police Pension Fund	South Chicago Heights Police Pension Fund*	Watseka Police Pension Fund
Riverdale Police Pension Fund	South Elgin Police Pension Fund	Wauconda Police Pension Fund
Riverside Police Pension Fund	South Holland Police Pension Fund	Waukegan Police Pension Fund
Robbins Police Pension Fund*	Spring Grove Police Pension Fund	Wayne Police Pension Fund
Robinson Police Pension Fund	Spring Valley Police Pension Fund	West Chicago Police Pension Fund
Rochelle Police Pension Fund	Springfield Police Pension Fund	West Dundee Police Pension Fund
Rock Falls Police Pension Fund	St Charles Police Pension Fund	West Frankfort Police Pension Fund
Rock Island Police Pension Fund	Staunton Police Pension Fund	Westchester Police Pension Fund
Rockford Police Pension Fund	Steger Police Pension Fund	Western Springs Police Pension Fund
Rockton Police Pension Fund	Sterling Police Pension Fund	Westmont Police Pension Fund
Rolling Meadows Police Pension Fund	Stickney Police Pension Fund	Wheaton Police Pension Fund
Romeoville Police Pension Fund	Stone Park Police Pension Fund*	Wheeling Police Pension Fund
Roscoe Police Pension Fund	Streamwood Police Pension Fund	Willow Springs Police Pension Fund
Roselle Police Pension Fund	Streator Police Pension Fund	Willowbrook Police Pension Fund
Round Lake Beach Police Pension Fund	Sugar Grove Police Pension Fund	Wilmette Police Pension Fund
Round Lake Park Police Pension Fund	Summit Police Pension Fund	Wilmington Police Pension Fund
Round Lake Police Pension Fund	Swansea Police Pension Fund	Winfield Police Pension Fund
Salem Police Pension Fund	Sycamore Police Pension Fund	Winnetka Police Pension Fund
Sandwich Police Pension Fund	Taylorville Police Pension Fund	Winthrop Harbor Police Pension Fund
Sauk Village Police Pension Fund	Tinley Park Police Pension Fund	Wood Dale Police Pension Fund*
Savanna Police Pension Fund	Troy Police Pension Fund	Wood River Police Pension Fund
Schaumburg Police Pension Fund	University Park Police Pension Fund	Woodridge Police Pension Fund*
Schiller Park Police Pension Fund	Urbana Police Pension Fund	Woodstock Police Pension Fund
Shelbyville Police Pension Fund	Vandalia Police Pension Fund	Worth Police Pension Fund
Shiloh Police Pension Fund	Venice Police Pension Fund*	Yorkville Police Pension Fund
Shorewood Police Pension Fund	Vernon Hills Police Pension Fund	Zion Police Pension Fund
Silvis Police Pension Fund	Villa Park Police Pension Fund*	
Skokie Police Pension Fund	Warrenville Police Pension Fund	
South Barrington Police Pension Fund	Washington Park Police Pension Fund*	
	Washington Police Pension Fund	

* As of June 30, 2023, investment assets not received



Article 3 Funds by Population*

For the Fiscal Year ending June 30, 2023

Population Estimate (as of July 1)

Municipality	2020	2021	2022	County
Aurora	180,197	179,336	177,866	Kane
Joliet	150,221	150,550	150,033	Will
Naperville	149,416	149,453	149,936	Du Page
Rockford	148,407	147,595	146,713	Winnebago
Springfield	114,264	113,742	113,273	Sangamon
Elgin	114,604	114,031	113,177	Cook
Peoria	112,850	111,870	111,021	Peoria
Champaign	88,358	89,338	89,241	Champaign
Waukegan	89,115	88,679	87,976	Lake
Cicero	84,928	83,313	81,919	Cook
Bloomington	78,682	78,848	78,864	Mclean
Schaumburg	78,443	77,165	76,225	Cook
Evanston	77,857	76,686	75,544	Cook
Arlington Heights	77,447	76,153	75,195	Cook
Bolingbrook	73,818	73,668	74,031	Will
Decatur	70,717	69,919	69,097	Macon
Skokie	67,711	66,526	65,497	Cook
Palatine	67,696	66,505	65,485	Cook
Des Plaines	60,482	59,495	58,594	Cook
Orland Park	58,567	57,982	57,511	Cook
Oak Lawn	58,169	57,158	56,286	Cook
Berwyn	57,012	55,935	55,021	Cook
Mt. Prospect	56,711	55,691	54,843	Cook
Tinley Park	55,837	54,991	54,287	Cook
Wheaton	53,800	53,412	52,984	Du Page
Normal	52,749	52,821	52,838	Mclean
Oak Park	54,396	53,360	52,553	Cook
Hoffman Estates	52,402	51,478	50,682	Cook
Downers Grove	50,126	49,742	49,354	Du Page
Glenview	48,554	47,829	47,258	Cook
Plainfield	44,937	45,577	46,243	Will
Elmhurst	45,728	45,467	45,272	Du Page
Lombard	44,381	44,002	43,856	Du Page
Buffalo Grove	43,092	42,818	42,569	Cook
Moline	42,896	42,484	42,028	Rock Island
Belleville	42,261	41,836	41,295	St Clair
Crystal Lake	40,231	40,490	40,661	McHenry
Dekalb	40,216	40,293	40,220	De Kalb
Bartlett	41,020	40,554	40,154	Cook
Romeoville	39,874	40,507	40,117	Will
Carol Stream	39,759	39,406	39,044	Du Page
Quincy	39,410	39,157	38,942	Adams
Urbana	38,213	38,658	38,468	Champaign
Park Ridge	39,512	38,839	38,278	Cook
Streamwood	39,443	38,747	38,151	Cook
Wheeling	39,196	38,513	37,936	Cook
Carpentersville	37,902	37,682	37,288	Cook
Hanover Park	37,350	36,840	36,376	Du Page
Rock Island	37,013	36,602	36,256	Rock Island



Municipality	2020	2021	2022	County
Oswego	34,719	35,332	35,850	Kendall
Addison	35,637	35,377	35,127	Du Page
Calumet City	35,914	35,265	34,709	Cook
Northbrook	35,122	34,603	34,182	Cook
Woodridge	34,109	33,850	33,587	Du Page
St Charles	33,033	33,032	32,750	Kane
Glendale Heights	33,103	32,797	32,484	Du Page
O'Fallon	32,303	32,290	32,140	St Clair
Elk Grove Village	32,706	32,141	31,659	Cook
Mundelein	31,530	31,567	31,612	Lake
Pekin	31,679	31,507	31,260	Tazewell
North Chicago	30,708	30,643	30,490	Lake
Gurnee	30,650	30,528	30,303	Lake
Highland Park	30,153	30,181	30,163	Lake
Algonquin	29,677	29,974	29,951	McHenry
Niles	30,802	30,260	29,805	Cook
Galesburg	29,944	29,662	29,255	Knox
Lake In The Hills	28,927	28,977	28,700	McHenry
Danville	29,129	28,838	28,472	Vermilion
Burbank	29,348	28,854	28,433	Cook
Glen Ellyn	28,833	28,602	28,364	Du Page
Huntley	27,767	28,012	28,138	McHenry
McHenry	27,199	27,466	28,117	McHenry
Lansing	28,975	28,453	28,000	Cook
New Lenox	27,247	27,501	27,594	Will
Wilmette	28,083	27,663	27,264	Cook
Granite City	27,514	27,331	27,121	Madison
Round Lake Beach	27,200	27,080	26,879	Lake
Vernon Hills	26,822	26,784	26,759	Lake
Edwardsville	26,795	26,711	26,654	Madison
Chicago Heights	27,383	26,888	26,465	Cook
Oak Forest	27,370	26,879	26,460	Cook
Batavia	26,212	26,240	26,122	Kane
Lockport	26,161	26,152	26,105	Will
Woodstock	25,609	25,767	25,665	McHenry
Alton	25,606	25,425	25,217	Madison
Belvidere	25,275	25,167	25,169	Boone
West Chicago	25,558	25,403	25,166	Du Page
Morton Grove	25,215	24,760	24,371	Cook
Zion	24,624	24,507	24,315	Lake
South Elgin	23,837	23,944	24,007	Kane
Westmont	24,381	24,189	23,976	Du Page
Collinsville	24,322	24,162	23,972	Madison
Melrose Park	24,723	24,275	23,897	Cook
Yorkville	21,683	22,682	23,835	Kendall
Elmwood Park	24,430	23,987	23,604	Cook
Kankakee	24,004	23,816	23,602	Kankakee
Rolling Meadows	24,110	23,804	23,564	Cook
Freeport	23,892	23,661	23,413	Stephenson
Loves Park	23,400	23,362	23,365	Winnebago
Lisle	23,668	23,466	23,258	Du Page
Maywood	23,418	23,168	22,932	Cook
Roselle	22,922	22,697	22,505	Du Page
Bloomingtondale	22,349	22,445	22,324	Du Page
East Peoria	22,431	22,301	22,136	Tazewell



Municipality	2020	2021	2022	County
Montgomery	20,399	21,311	21,799	Kane
Villa Park	22,204	21,997	21,791	Du Page
Carbondale	21,834	21,729	21,717	Jackson
Blue Island	22,474	22,060	21,714	Cook
Darien	21,997	21,793	21,584	Du Page
Geneva	21,356	21,287	21,228	Kane
Grayslake	21,210	21,127	20,968	Lake
Park Forest	21,624	21,273	20,954	Will
East Moline	21,328	21,113	20,874	Rock Island
South Holland	21,389	21,014	20,685	Cook
Frankfort	20,312	20,510	20,677	Will
Dolton	21,340	20,953	20,621	Cook
Libertyville	20,561	20,521	20,402	Lake
Crest Hill	20,412	20,340	20,158	Will
Mokena	19,868	19,872	19,766	Will
Lake Zurich	19,755	19,690	19,624	Lake
Harvey	20,259	19,897	19,590	Cook
Lake Forest	19,346	19,312	19,252	Lake
Evergreen Park	19,869	19,517	19,211	Cook
Deerfield	19,156	19,080	18,950	Lake
Brookfield	19,404	19,086	18,776	Cook
Homewood	19,385	19,033	18,735	Cook
Ottawa	18,848	18,816	18,668	La Salle
Sycamore	18,563	18,664	18,652	De Kalb
Round Lake	18,691	18,620	18,491	Lake
Matteson	19,025	18,700	18,439	Cook
North Aurora	18,280	18,340	18,403	Kane
Bensenville	18,755	18,581	18,402	Du Page
Alsip	18,990	18,649	18,357	Cook
Shorewood	18,182	18,274	18,271	Will
Bellwood	18,723	18,380	18,081	Cook
Franklin Park	18,401	18,356	18,059	Cook
Bourbonnais	18,085	18,006	18,008	Kankakee
East St Louis	18,403	18,194	17,919	St Clair
Palos Hills	18,463	18,153	17,883	Cook
Cary	17,807	17,872	17,830	McHenry
Lemont	17,663	17,547	17,531	Cook
Cahokia Heights	17,845	17,624	17,366	St Clair
Morton	17,100	17,147	17,334	Tazewell
Jacksonville	17,588	17,477	17,279	Morgan
Hinsdale	17,373	17,284	17,235	Du Page
Charleston	17,242	17,253	17,119	Coles
Marion	16,838	16,751	16,729	Williamson
Mattoon	16,851	16,866	16,666	Coles
Bridgeview	16,979	16,703	16,467	Cook
Fairview Heights	16,665	16,473	16,324	St Clair
Westchester	16,834	16,526	16,262	Cook
Country Club Hills	16,715	16,424	16,170	Cook
Washington	16,056	16,001	15,890	Tazewell
La Grange	16,274	16,008	15,821	Cook
Prospect Heights	15,995	15,721	15,486	Cook
Bradley	15,379	15,298	15,232	Kankakee
Dixon	15,254	15,305	15,177	Lee
Macomb	14,976	14,842	14,857	Mcdonough
Warrenville	13,632	14,662	14,841	Du Page



Municipality	2020	2021	2022	County
Antioch	14,611	14,820	14,773	Lake
Norridge	15,207	14,996	14,769	Cook
Sterling	14,835	14,761	14,566	Whiteside
Shiloh	14,110	14,327	14,496	St Clair
Chatham	14,408	14,467	14,466	Sangamon
Morris	14,206	14,339	14,360	Grundy
Lindenhurst	14,373	14,319	14,318	Lake
Mt Vernon	14,554	14,489	14,284	Jefferson
Swansea	14,353	14,226	14,112	St Clair
Hickory Hills	14,456	14,210	14,007	Cook
Chicago Ridge	14,383	14,130	13,971	Cook
Wauconda	14,065	14,018	13,932	Lake
Channahon	13,470	13,769	13,926	Will
Glen Carbon	13,824	13,852	13,847	Madison
Midlothian	14,266	14,015	13,815	Cook
Forest Park	14,282	14,021	13,802	Cook
Wood Dale	13,944	13,826	13,714	Du Page
Western Springs	13,600	13,418	13,313	Cook
Lincoln	13,244	13,280	13,084	Logan
Canton	13,269	13,181	13,054	Fulton
La Grange Park	13,438	13,204	13,009	Cook
Lincolnwood	13,419	13,182	12,989	Cook
Hazel Crest	13,340	13,097	12,897	Cook
Minooka	12,756	12,801	12,805	Grundy
Plano	11,907	12,187	12,472	Kendall
Richton Park	12,736	12,512	12,441	Cook
Northlake	12,808	12,591	12,401	Cook
Winnetka	12,701	12,514	12,370	Cook
Streator	12,466	12,407	12,263	La Salle
Kewanee	12,460	12,371	12,229	Henry
Effingham	12,290	12,264	12,209	Effingham
Herrin	12,338	12,267	12,202	Williamson
Justice	12,568	12,365	12,199	Cook
Rantoul	12,321	12,197	12,122	Champaign
Centralia	12,151	12,071	11,931	Marion
Palos Heights	12,022	11,810	11,632	Cook
River Forest	11,679	11,499	11,327	Cook
Schiller Park	11,670	11,462	11,283	Cook
Markham	11,622	11,419	11,241	Cook
Troy	10,926	11,020	11,131	Madison
Waterloo	11,005	11,076	11,130	Monroe
Pontiac	11,157	11,147	11,085	Livingston
Burr Ridge	11,182	11,133	11,037	Du Page
Pingree Grove	10,392	10,745	11,034	Kane
Columbia	11,031	10,989	10,970	Monroe
Roscoe	10,965	10,922	10,874	Winnebago
Fox Lake	10,974	10,937	10,849	Lake
Campton Hills	10,876	10,856	10,779	Kane
Summit	11,120	10,911	10,732	Cook
Worth	10,933	10,741	10,590	Cook
Barrington	10,703	10,663	10,545	Cook
Crestwood	10,790	10,620	10,483	Cook
Lyons	10,775	10,581	10,411	Cook
River Grove	10,578	10,564	10,391	Cook
Wood River	10,436	10,412	10,351	Madison



Municipality	2020	2021	2022	County
Manhattan	9,527	10,040	10,340	Will
Taylorville	10,477	10,390	10,312	Christian
Riverdale	10,628	10,433	10,266	Cook
Mahomet	9,518	9,660	10,070	Champaign
Winfield	9,813	10,137	10,046	Du Page
Highland	10,032	10,027	10,009	Madison
Peru	9,919	9,879	9,771	La Salle
Sauk Village	9,897	9,725	9,578	Cook
Lasalle	9,565	9,526	9,423	La Salle
Harvard	9,454	9,466	9,379	McHenry
Itasca	9,521	9,443	9,362	Du Page
Rochelle	9,429	9,373	9,343	Ogle
Flossmoor	9,663	9,490	9,339	Cook
Steger	9,560	9,457	9,334	Cook
Hawthorn Woods	9,088	9,212	9,306	Lake
Bethalto	9,305	9,270	9,213	Madison
Sugar Grove	9,258	9,245	9,178	Kane
Manteno	9,189	9,181	9,168	Kankakee
Willowbrook	9,210	9,134	9,056	Du Page
Lynwood	9,098	9,008	9,005	Cook
Riverside	9,266	9,091	8,940	Cook
Harwood Heights	9,030	8,865	8,722	Cook
Monmouth	8,895	8,771	8,650	Warren
Lake Villa	8,726	8,698	8,647	Lake
Mascoutah	8,738	8,690	8,634	St Clair
Gilberts	8,364	8,365	8,623	Kane
Rock Falls	8,770	8,731	8,620	Whiteside
Glencoe	8,827	8,715	8,612	Cook
Clarendon Hills	8,691	8,640	8,571	Du Page
Olney	8,686	8,629	8,487	Richland
Glenwood	8,636	8,482	8,352	Cook
Crete	8,442	8,416	8,340	Lake
Maryville	8,230	8,250	8,294	Madison
Jerseyville	8,321	8,300	8,269	Jersey
Paris	8,260	8,161	8,084	Edgar
Oak Brook	8,149	8,089	8,025	Du Page
Hillside	8,282	8,133	8,005	Cook
Harrisburg	8,194	8,075	7,982	Saline
Island Lake	8,033	8,025	7,954	Lake
Lincolnshire	7,937	7,945	7,922	Lake
West Dundee	7,860	7,815	7,914	Kane
South Beloit	7,975	7,944	7,908	Winnebago
Silvis	7,989	7,957	7,891	Rock Island
Park City	7,882	7,875	7,848	Lake
Broadview	7,965	7,977	7,847	Cook
Hampshire	7,647	7,778	7,814	Kane
Rockton	7,853	7,823	7,789	Winnebago
Princeton	7,818	7,739	7,721	Bureau
Round Lake Park	7,663	7,684	7,702	Lake
Marengo	7,553	7,581	7,565	McHenry
Vandalia	7,456	7,443	7,400	Fayette
West Frankfort	7,252	7,224	7,176	Franklin
Sandwich	7,210	7,202	7,156	De Kalb
North Riverside	7,402	7,264	7,147	Cook
Salem	7,265	7,205	7,113	Marion



Municipality	2020	2021	2022	County
Robinson	7,140	7,148	7,094	Crawford
Greenville	7,064	7,032	7,033	Bond
Murphysboro	7,082	7,046	7,033	Jackson
University Park	7,129	7,094	7,020	Will
Mendota	7,040	7,007	6,926	La Salle
Clinton	6,959	6,920	6,882	De Witt
Stickney	7,093	6,976	6,873	Cook
Mt Carmel	6,979	6,913	6,836	Wabash
Chester	6,812	6,822	6,782	Randolph
Calumet Park	6,994	6,864	6,755	Cook
Litchfield	6,759	6,745	6,706	Kankakee
Orland Hills	6,865	6,746	6,642	Cook
Benton	6,698	6,661	6,618	Franklin
Winthrop Harbor	6,688	6,661	6,617	Lake
Geneseo	6,540	6,502	6,515	Henry
Elburn	6,209	6,300	6,408	Kane
Johnsburg	6,354	6,379	6,361	McHenry
Lakemoor	6,173	6,236	6,274	Lake
Countryside	6,405	6,294	6,205	Cook
Braidwood	6,188	6,189	6,156	Will
Chillicothe	6,113	6,058	6,005	Peoria
Monticello	5,945	6,005	5,996	Piatt
Mt Zion	6,020	5,974	5,922	Macon
Metropolis	5,952	5,898	5,879	Massac
Pontoon Beach	5,863	5,849	5,828	Madison
Hillsboro	5,856	5,846	5,825	Montgomery
Bartonville	5,929	5,871	5,817	Peoria
Cartersville	5,852	5,830	5,815	Williamson
Peoria Heights	5,894	5,838	5,785	Peoria
Beardstown	5,928	5,844	5,780	Cass
Willow Springs	5,841	5,745	5,745	Cook
Coal City	5,699	5,743	5,741	Grundy
Duquoin	5,814	5,854	5,721	Perry
East Alton	5,772	5,729	5,683	Madison
Northfield	5,749	5,651	5,578	Cook
Wilmington	5,647	5,632	5,578	Will
Carlinville	5,689	5,627	5,576	Macoupin
Lake Bluff	5,609	5,586	5,549	Lake
Spring Grove	5,479	5,510	5,484	McHenry
Spring Valley	5,557	5,486	5,461	Bureau
Posen	5,571	5,474	5,386	Cook
Genoa	5,306	5,330	5,360	De Kalb
Highwood	5,089	5,379	5,335	Lake
Eureka	5,213	5,178	5,165	Woodford
Berkeley	5,324	5,226	5,145	Cook
Pana	5,182	5,140	5,093	Christian
Monee	5,115	5,108	5,084	Lake
Pinckneyville	5,058	5,082	5,005	Perry
South Barrington	5,069	5,031	4,992	Cook
Milan	5,088	5,048	4,985	Rock Island
Staunton	5,042	5,012	4,981	Macoupin
Colona	5,032	5,012	4,959	Henry
Creve Coeur	4,923	4,898	4,854	Tazewell
Palos Park	4,899	4,851	4,792	Cook
Hoopeston	4,900	4,849	4,780	Vermilion



Municipality	2020	2021	2022	County
Fairfield	4,868	4,813	4,779	Lake
Marseilles	4,836	4,821	4,771	La Salle
Carmi	4,835	4,819	4,762	White
Flora	4,792	4,754	4,719	Clay
Fox River Grove	4,686	4,688	4,641	McHenry
Shelbyville	4,654	4,641	4,611	Shelby
Olympia Fields	4,712	4,634	4,569	Cook
Watseka	4,657	4,609	4,556	Iroquois
Robbins	4,620	4,569	4,521	Cook
Stone Park	4,565	4,488	4,426	Cook
Caseyville	4,391	4,394	4,391	St Clair
Kildeer	4,084	4,161	4,255	Lake
Lawrenceville	4,177	4,230	4,209	Lawrence
Peotone	4,152	4,182	4,174	Will
Anna	4,280	4,209	4,161	Union
Barrington Hills	4,096	4,065	4,019	Cook
Burnham	4,035	3,965	3,905	Cook
South Chicago Heights	4,005	3,933	3,871	Cook
Eldorado	3,735	3,682	3,641	Saline
Oglesby	3,699	3,681	3,638	La Salle
East Dundee	3,175	3,152	3,130	Kane
Madison	3,138	3,116	3,092	Madison
Cherry Valley	2,895	2,882	2,870	Winnebago
Savanna	2,775	2,765	2,723	Carroll
Oakbrook Terrace	2,742	2,721	2,694	Du Page
Washington Park	2,573	2,549	2,522	St Clair
Kenilworth	2,505	2,460	2,426	Cook
Wayne	2,281	2,261	2,237	Du Page
Cairo	1,716	1,670	1,611	Alexander
Hodgkins	1,496	1,483	1,470	Cook
Venice	1,490	1,480	1,468	Madison
Forest View	792	777	766	Cook
McCook	248	244	240	Cook

*Data obtained from www.census.gov



Article 3 Funds Population by Range

For the Fiscal Year ending June 30, 2023

Population of Municipality	Number of Article 3 Funds
0 - 10,000	137
10,001 - 25,000	133
25,001 - 50,000	59
50,001 - 100,000	21
101,000 - 500,000	7
TOTAL	357

Data provided by www.illinois-demographics.com which indicates the information source is population data from the 2022 Population Estimates Program and 2021 American Community Survey.



Changes In Fiduciary Net Position

Last Four Fiscal Years

Fiscal Year	2020*	2021	2022	2023
Additions				
Contributions				
Member Fund Cash Transfers	\$ –	\$ –	\$ –	\$456,489,074
Member Fund Investment Transfers	–	–	2,867,186,760	5,725,925,760
Total Contributions			2,867,186,760	6,182,414,834
Investment Income				
Interest Income and Dividend Income	–	261	4,055,439	62,030,821
Net Appreciation (Depreciation) in Fair Value of Investments	–	–	(131,371,365)	579,855,103
Total Investment Income (Loss)	–	261	(127,315,926)	641,885,924
Less Investment Expenses	–	(139,188)	(1,375,257)	(2,500,909)
Net Investment Income (Loss)	–	(138,927)	(128,691,183)	639,385,015
Total Additions	–	(138,927)	2,738,495,577	6,821,799,849
Deductions				
Administrative Expenses				
Board of Trustees	15,483	157,227	69,407	75,150
Administrative Operations	47,716	707,778	1,498,749	2,366,515
Investment Operations	–	58,050	1,053,805	1,149,284
Total Administrative Expenses	63,199	923,055	2,621,961	3,590,949
Participating Fund Withdrawals	–	–	–	166,361,315
Total Deductions	63,199	923,055	2,621,961	169,952,264
Net Increase (Decrease)	(63,199)	(1,061,982)	2,735,873,616	6,651,847,585
Net Position Held In Trust For Pool Participants				
July 1	–	(63,199)	(1,125,181)	2,734,748,435
June 30	\$(63,199)	\$(1,125,181)	\$2,734,748,435	\$9,386,596,020

Data Source: Audited Financial Statements

* For the period January 1, 2020 (Inception) through June 30, 2020



Principal Employers

Current Year and Nine Years Ago

2022*			
Employer	Employees	Rank	% of Total State Employment
State of Illinois	63,022	1	1.06%
U.S. Government	51,400	2	0.87%
Chicago School Board	41,362	3	0.70%
McDonald's Corporation	36,582	4	0.62%
City of Chicago	35,203	5	0.59%
Ascension Health Alliance	33,864	6	0.57%
University of Illinois	31,763	7	0.54%
Walgreens Boots Alliance, Inc.	31,010	8	0.52%
County of Cook	30,201	9	0.51%
Albertsons Companies, Inc.	29,191	10	0.49%
	383,598		6.47%

2013*			
Employer	Employees	Rank	% of Total State Employment
State of Illinois	62,836	1	1.05%
U.S. Government	52,700	2	0.88%
Wal-Mart	49,471	3	0.82%
AB Acquisitions LLC	45,439	4	0.76%
Chicago School Board	40,145	5	0.67%
Walgreen Co.	32,043	6	0.53%
City of Chicago	31,977	7	0.53%
University of Illinois	29,485	8	0.49%
U.S. Postal Service	28,500	9	0.47%
USF Holding Corp.	26,487	10	0.44%
	399,083		6.64%

*2022 is the most recent information available

Data Sources: State of Illinois Annual Comprehensive Financial Report June 30, 2022



Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Estimated Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2012	12,871,000	\$587,601,163,000	\$45,653	9.0%
2013	12,895,000	607,671,375,000	47,125	9.0%
2014	12,884,000	637,279,963,000	49,463	7.1%
2015	12,859,000	665,490,089,000	51,753	6.0%
2016	12,822,000	673,691,000,000	52,542	5.9%
2017	12,925,000	692,895,900,000	53,609	4.9%
2018	12,889,000	728,667,000,000	56,534	4.4%
2019	12,850,000	750,935,600,000	58,439	4.0%
2020	12,785,000	794,459,500,000	62,140	9.2%
2021	12,671,000	852,082,100,000	67,247	6.1%

* 2021 is the most recent information available

Data Sources: State of Illinois Annual Comprehensive Financial Report June 30, 2022





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Illinois Police Officers' Pension Investment Fund
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