



Illinois Police Officers' Pension Investment Fund

NOTICE:
All agenda items and materials are for public information only and subject to approval by the Board of Trustees.

Board of Trustees Meeting- June 14, 2024

Notice is hereby given that the Board of Trustees of the Illinois Police Officers' Pension Investment Fund will conduct a regular meeting on Friday, June 14, 2024 at 9:00 AM at the Pere Marquette Hotel, 501 Main Street, Peoria, IL 61602.

The meeting will be live streamed on the Zoom video conferencing platform. By entering the meeting, participants agree to be audio and video recorded.

Join Zoom Meeting via Video:

Video: www.zoom.us

Meeting ID: 844 0076 3557

Passcode: 810916

Join Zoom Meeting via Dial-In:

Dial In: (312) 626-6799

Meeting ID: 844 0076 3557

Passcode: 810916

June 14, 2024 09:00 AM - 11:30 AM Central Time (US and Canada)

Agenda Topic

1. Call to Order (9:00 AM)
2. Roll Call
 - 2.1 [Roll Call: Discussion and Potential Action](#)
3. Board of Trustees
 - 3.1 [Board of Trustees Meeting Minutes – April 12, 2024: Discussion and Potential Action](#)
 - 3.2 [Trustee Election Policy and Process: Discussion and Potential Action](#)
4. Finance
 - 4.1 [Monthly Financial Statement – March 2024: Discussion and Potential Action](#)
 - 4.2 [Monthly Financial Statement – April 2024: Discussion and Potential Action](#)
 - 4.3 [Warrant # 2024-11: Discussion and Potential Action](#)
 - 4.4 [Warrant # 2024-12: Discussion and Potential Action](#)

- 4.5 [Insurance Coverage and Policies: Discussion and Potential Action](#)
- 4.6 [Fiscal Year 2025 Annual Budget: Discussion and Potential Action](#)
- 5. Investments
 - 5.1 [Investment Staffing: Discussion and Potential Action](#)
 - 5.2 [Verus Quarterly Report – 1Q2024: Discussion and Potential Action](#)
 - 5.3 [Investment Update Report: Discussion and Potential Action](#)
 - 5.4 [Emerging Market Equity Investment Search: Discussion and Potential Action](#)
 - 5.5 [Passive Investments – Manager Reviews: Discussion and Potential Action](#)
- 6. Closed Session (if necessary)
 - 6.1 [Closed/Executive Session-Appointment, employment, and compensation of a specific employee \(5 ILCS 120/2\(c\)\(1\): Discussion and Potential Action](#)
- 7. Public Comment
- 8. Adjournment (11:30 AM)



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: IPOP BOARD OF TRUSTEES
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR
RE: AGENDA ITEM: ROLL CALL
DATE: JUNE 14, 2024

RECOMMENDATION: Motion to allow Board of Trustee(s) _____ to participate in the June 14, 2024, meeting of the Board of Trustees by audio, video, or internet conferencing.

§209 Remote Attendance

- a) Upon a majority vote of Trustees present at a meeting, a Trustee who is not physically present may participate in a meeting by audio, video, or internet conferencing, provided the Trustee is prevented from physically attending due to: (1) personal illness or disability; (2) employment purposes or Fund business; (3) a family or other emergency, or (4) unexpected childcare obligations. A Trustee who wishes to attend by telephone, video or internet conferencing must notify the Board Secretary and the Executive Director at least 24 hours prior to the meeting, unless advance notice is impractical. A Trustee who is allowed to participate by telephone, video or internet conferencing shall not be considered present for purposes of a quorum but shall be considered in attendance for all other purposes and allowed to vote on matters brought before the Board.

In accordance with Board rules and the Open Meetings Act, the Board of Trustees will discuss and take necessary action to allow remote participation if members of the Board will not be physically present for the meeting. A quorum of six members of the Board is required to be present in the Board meeting room to comply with the Open Meetings Act.



Illinois Police Officers' Pension Investment Fund

Board of Trustees Meeting Minutes

Friday, April 12, 2024

A regular meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was conducted at the Peoria Marriott Hotel, Pere Marquette, Marquette Salon B, Peoria, IL. 61602. Members of the public were invited to participate remotely or in person.

Board of Trustees:

- Philip Suess, Chairperson
- Paul Swanlund, Vice Chairperson
- Lee Catavu, Secretary
- Mark Poulos
- Scott Bowers
- Brad Cole
- Elizabeth Holleb
- Daniel Hopkins
- Michael Inman

Attendees:

IPOPIF Staff:

- Richard White, Executive Director
- Kent Custer, Chief Investment Officer
- Regina Tuczak, Chief Financial Officer/ Assistant Executive Director
- Amy Zick, Senior Accountant
- Kate Cobb, Administrative Analyst
- Samantha Lambert, Administrative Analyst
- Joe Miller, Information Technologist

- Steve Yoon, Investment Officer
- Barbara Meyer, Investment Officer

Others Present:

- Rick Reimer, General Legal Counsel, Reimer, Dobrovolny & Labardi PC
- Taylor Muzzy, Fiduciary Legal Counsel, Jacobs Bums Orlove & Hernandez, LLP
- Bukola Bello, Vision MAI (Zoom)
- Scott Whalen, Verus
- Tim McEnery, Verus
- Kim Shepherd, Shepherd Communications (Zoom)
- Members of the Public (Zoom)

Agenda

All members of the Board of Trustees, staff, legal counsel, and the public were provided with a copy of the agenda. The agenda was also posted on the IPOPIF website, IPOPIF office door, and on the door of the meeting room.

Call to Order

The meeting was called to order by Chairperson Suess at 9:00 A.M.

Roll Call

2.1- Roll Call: Discussion and Potential Action:

A roll call was conducted. Eight (8) Trustees were present. One (1) Trustee was absent. A quorum was established with the required number of six Trustees present in the meeting room.

Board of Trustees:

Present:

- Philip Suess, Chairperson
- Paul Swanlund, Vice Chairperson
- Lee Catavu, Secretary
- Mark Poulos
- Scott Bowers
- Brad Cole
- Elizabeth Holleb
- Daniel Hopkins

Absent:

- Michael Inman (Arrived at 9:06 AM)

All individuals present are reflected in the list of attendees.

Board of Trustees

3.1, 3.2, 3.3, and 3.4- Board of Trustees Meeting Minutes- Open Session Minutes March 8, 2024, Closed-Session Minutes February 9, 2024, Open Session Litigation Committee March 8, 2024, and Closed-Session Minutes March 8, 2024: Discussion and Potential Action:

Chairperson Suess suggested that all the minutes be approved at a single time, unless there were any questions or discussion by the Board of Trustees.

A motion was made by Trustee Hopkins and seconded by Trustee Bowers to approve the minutes of the March 8, 2024, Board of Trustees Meeting, to approve the closed session meeting of the Board of Trustees from February 9, 2024, to approve the Litigation Committee meeting open session minutes from March 8, 2024, and to approve the closed session minutes of the Litigation Committee from March 8, 2024.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Poulos, Suess, and Swanlund

Nayes- None

Absent- Trustee Inman

3.5- Litigation Committee- Dissolve Committee: Discussion and Potential Action:

On March 26, 2021, The Board of Trustees established the Litigation Committee as a Special Committee of the Board to be responsible for establishing direction, monitoring legal proceedings, and approving legal issues that directly involve the Fund, members of the Board, and staff in litigation matters. The Fiduciary Counsel was designated as Legal Counsel to the Litigation Committee.

The litigation matter became a final decision in favor of the Fund and other Appellees with the decision filed by the Illinois Supreme Court on January 19, 2024. With the conclusion of the legal proceedings and with the business of the Litigation Committee completed in combination with this matter, it is recommended that the Board dissolve the Litigation Committee.

The motion will dissolve the Litigation Committee upon passage.

A motion was made by Trustee Poulos and seconded by Trustee Hopkins to dissolve the Litigation Committee as a Special Committee under Section 309 (Committees of the Board) of the IPOPIF Bylaws.

Motion carried by roll call vote.

Ayes- Trustee Suess, Catavu, Poulos, Bowers, Hopkins, Inman, Holleb, Cole

Nayes- None

Absent:- Trustee Inman

3.6- Memorandum of Understanding with IDOI: Discussion and Potential Action:

Executive Director White presented to the Board of Trustees a memorandum of understanding drafted by the Illinois Department of Insurance (IDOI).

The Pension Code statute authorizing the consolidation of investment assets sets forth several functions for the Illinois Police Officers' Pension Investment Fund (IPOPIF) which are being transferred from the IDOI and others that will require the use of IDOI resources to complete. The IDOI requests that the roles and responsibilities be formalized by way of a Memorandum of Understanding (MOU).

The MOU considers these obligations and duties between the IDOI and the IPOPIF:

1. Conduct 'audits' (Agreed Upon Procedures) of the Article 3 participating police pension funds, per the statutory requirements. Please note that the Board of Trustees has considered these 'audits' in the past and recently approved the start of this process using an 'agreed upon procedures' method, which the IDOI is aware of.
2. Confirms that the Article 3 participating police pension funds will no longer be required to pay an annual compliance fee to the IDOI. The IPOPIF will pay an annual compliance fee of \$8K to the IDOI.
3. Confirms the completion of the annual actuarial valuation reports will be done by the IPOPIF. The IPOPIF has been completing these reports as mandated by the statute.
4. Confirms that the Article 3 participating police pension funds will continue to file their required annual statements with the IDOI through the existing database system and that the IPOPIF will have access to these reports via the system.
5. Confirms that the IDOI may complete the Certified Investment Asset List (CIAL) process for certain Article 3 participating police pension funds. The IPOPIF has been using the retained CPA firms for the CIAL process during the transition because the MOU was not completed. The IPOPIF will continue to use these CPA firms for the transfer scheduled for October 1, 2024.
6. Provides for revisions to the MOU.

Executive Director White answered all questions.

Trustee Inman joined the meeting at 9:06 AM.

A motion was made by Trustee Cole and seconded by Trustee Poulos to approve the Memorandum of Understanding with the Illinois Department of Insurance.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

Abstain- Trustee Inman

3.7- Strategic Plan- Quarterly Review: Discussion and Potential Action:

Executive Director White conducted a strategic plan quarterly review with the Board of Trustees to discuss goals and objectives that were set forth by both the Board of Trustees and the IPOPIF Staff for 2024-2026.

The Strategic Plan includes IPOPIF's mission, vision, and core values of accountability, stewardship, excellence, trust, and respect. Executive Director White proceeded to provide the Board of Trustees with the projected first-quarter objectives and their current status as of today's date. With most objectives on track for completion, there is one that is at risk as noted by CIO Custer.

In the months to come, the goals and objectives in the Strategic Plan will continue to guide the work plans for IPOPIF Staff.

CIO Custer reviewed the status, issues, and action plans for investment objectives.

CFO Tuczak reviewed goals and objectives with the Board of Trustees including budget and financial reporting presentation, Agreed Upon Procedures for the Article 3 Funds, and evaluation of the newly assumed roles and responsibilities of the Finance team. CFO Tuczak discussed internal controls, implementation of new tools and processes to complete tasks of the Finance and Accounting team, and consideration of other stakeholder needs and the resources required to support these needs and other necessary services.

Executive Director White covered the effectiveness of the Board and Organization, good governance policy and procedures, implementation of the information technology roadmap to align technology with the best practices and team resources to achieve organizational goals, and effectively provide information to participating police pension funds, participants, beneficiaries, municipalities, and stakeholders.

Executive Director White, CIO Custer, and CFO Tuczak answered all questions.

No formal action was taken by the Board of Trustees.

3.8- Report on Transition of Assets: Discussion and Potential Action:

Executive Director White presented a report to the Board of Trustees outlining the details of the three-year transition of assets from January 1, 2020, through December 31, 2022.

The provided report includes many of the activities and achievements accomplished by IPOPIF as an entity, although the day-to-day work was undertaken by numerous individuals working diligently directly for the IPOPIF or indirectly through service providers under contract with the IPOPIF.

Executive Director White answered all questions.

No formal action was taken by the Board of Trustees.

Investments

4.1- US Treasury Allocation- Recommendation- Discussion and Potential Action:

CIO Custer briefed the Board of Trustees on the recommendation to initiate an investment in US Treasury bonds. The long-term asset allocation to US Treasury bonds (UST) is 3.0%. The recently completed asset allocation study recommended funding the UST allocation to the long-term target. State Street Global Advisors has agreed to include the UST strategy in the "Beta Partnership," which has a marginal fee of 0.5 basis points for IPOPIF. This would equate to \$15,000 annually for a \$300M investment. There would be no increase in IPOPIF fees since the same fee structure applies to IPOPIF's investment in the SSGA short-term bond strategy.

CIO Custer answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Hopkins to approve an investment in the SSGA US Treasury Fund with a target allocation of 3% of the total fund to be funded from a 3% reduction in the allocation to short-term bonds, to approve related changes to the Investment Policy Statement, including the Interim Target Allocation in Appendix A2 and the Policy Benchmark in Appendix A3, and to approve an amendment to the SSGA Investment Management Agreement.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Inman, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

4.2- Emerging Markets Equity Portfolio Structure: Discussion and Potential Action:

CIO Custer provided an overview to the Board of Trustees regarding the Emerging Markets Equity (EME) Portfolio Structure and considerations regarding exposure to China equities.

Scott Whalen, Verus Advisory (Verus), presented detailed information to the Board about China exclusion, including: common divestiture rationale, historical performance, risks, potential impact, and implementation considerations.

Trustee Cole offered perspective regarding recent events pointing to decoupling of the US and China and historical parallels. He expressed his opinion that IPOPIF should take action to gradually exclude China from the EME portfolio.

CIO Custer and Mr. Whalen answered all questions.

Mr. Custer suggested that, based on the Board discussion, the Board should consider a motion directing the CIO to gradually transition the passively managed EME portfolio to EME ex China, to be completed by the end of 2024. Mr. Custer informed the Board that the investment team and Investment Consultant require additional time to evaluate the use of active management vis-à-vis an EME ex China mandate.

A motion was made by Trustee Cole and seconded by Trustee Hopkins directing the CIO to gradually transition the passively managed EME portfolio to EME ex China, to be completed by the end of 2024.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Inman, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

4.3- Investment Policy- Special Investment Principles: Discussion and Potential Action:

The Board has requested reexamining the discussion about investment and policy considerations relating to investment in or contracting with businesses that have supported activities that are contrary to the interests of IPOPIF, such as anti-police or anti-pension initiatives or organizations.

CIO Custer highlighted work and agenda materials developed in early 2022 by Staff, Verus, and Fiduciary Counsel, which was presented to the Board at the April 2022 meeting, including a draft Statement of Principle. Mr. Custer suggested that a Board Committee or Liaison Team could be formed to work with Staff, Verus, and Counsel to develop Board recommendations. The Board may also want to consider defining and prioritizing this initiative as a strategic goal and related objectives.

Trustee Hopkins commented that the Statement of Principle in his opinion does not say enough and does not do enough and that IPOPIF should not be investing in companies that are getting police officers hurt and killed.

CIO Custer, Investment Consultant Whalen, and Fiduciary Counsel Muzzy answered all questions.

Chair Suess suggested that CIO Custer reach out to individual Trustees to get input on the Statement of Principle and to come back to the Board of Trustees at the June Board of Trustees meeting.

Trustee Holleb suggested that with the Governance Committee meeting in May, it would be best to bring it to the Committee first for revision and approval.

The Board of Trustees directed that the special investment principles be reviewed with the Governance Committee at the May meeting, with continued discussion by the Board of Trustees at the June meeting.

4.4- Investment Update: Discussion and Potential Action:

CIO Custer provided an Investment update covering performance, cash flow, asset allocation, searches, new manager funding, and rebalancing activity.

CIO Custer answered all questions.

Finance

5.1- Monthly Financial Statement- January 2024: Discussion and Potential Action:

Chief Financial Officer Tuczak briefed the Board of Trustees on the February 2024 Monthly Financial Statement. February Contributions were \$35,940,356 and February Withdrawals were \$44,737,637. There were 163 cash contributions and 180 cash withdrawals in February (a total of 343). State Street reported 888 unique Cash Management users on eCFM as of February 26, 2024. The Fund's Net Position (Restricted) reached its highest level reported on a monthly financial statement of \$10,157,064,537.

CFO Tuczak answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Bowers to approve the monthly financial statement for February 2024.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Inman, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

5.2- Warrants #2024-10: Discussion and Potential Action:

CFO Tuczak briefed the Board of Trustees on Warrant #2024-10 and answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Poulos to ratify Warrant #2024-10.

Motion carried by roll call vote.

Ayes- Trustees Bowers, Catavu, Cole, Holleb, Hopkins, Inman, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

5.3- Finance and Accounting Update: Discussion and Potential Action:

CFO Tuczak provided an update on Finance and Accounting initiatives to the Board of Trustees.

Efforts to construct and initiate the Agreed Upon Procedures of the Article 3 Police Pension Funds are in process. Engagement letters with two of the three Independent CPA firms have been finalized. IPOPIF is currently awaiting information from the Illinois Department of Insurance (IDOI). A planning meeting with the Independent CPA firms and the IDOI will be scheduled pending finalization of all engagement letters.

Recruitment for the Senior Accountant/Auditor has begun. The job listing was posted on Indeed, IGFOA, and IPOPIF website. The volume of applicants is lower than anticipated. The budget for Fiscal Year 2025 is in development, and some changes are expected in the presentation of Investment Manager fees.

CFO Tuczak answered all questions.

Administration

7.1- Administration and Operations Report: Discussion and Potential Action:

Executive Director White provided the Board of Trustees with an Operations Update. This included the monthly investment reports through February 2024 that have been posted to the website for each of the Article 3 funds.

The March 2024 newsletter was published, posted to the website, and sent out to subscribed members and Authorized Agents.

Executive Director White will be speaking at the Melrose Park Police Pension Fund on April 15, 2024, as well as the IPFA Pension Seminar on May 3, 2024, and two upcoming Regional Stakeholder Meetings on May 8, 2024, in Galena, and July 10, 2024, in Rock Island.

There are upcoming Committee Meetings on Friday, May 17, 2024, and a tentative schedule for that day was provided to the Board of Trustees.

The next Board of Trustees Meeting is scheduled for June 14, 2024. The next Committee Meetings are scheduled for May 17, 2024.

Executive Director White also touched on the Statement of Economic Interest that each Trustee member is asked to complete to ensure IPOPIF is compliant with the Illinois Governmental Ethics Act. These must be completed by May 1, 2024.

Executive Director White answered all questions.

Governmental Liaison

6.1- Governmental Liaison Monthly Report: Discussion and Potential Action:

Government Liaison Bello provided a verbal report on the current legislative session to the Board of Trustees.

Ms. Bello stated that it is getting to the end of this session. The Senate is in session today voting on bills and the House will go into session later today as well. There are approximately six weeks left for this session's bills to be voted on. Regarding the OMA there are two bills filed- one with the Senate (SB3927) and one with the House (HB5812) regarding both. The bills contain language that would allow both consolidated investment funds to meet remotely at Committee meetings if the Chair of the Board of Trustees determined that there is a threat to public health and safety.

Next week there will be a subject matter hearing on pensions, and it will include pension reforms. A report containing a summary will be provided to Staff upon its conclusion.

Governmental Liaison Bello answered all questions.

General Legal Counsel

General Legal Counsel Reimer had no report to provide.

Attorney Reimer noted that a closed session meeting log is being completed to ensure all minutes are completed and reviewed.

Fiduciary Legal Counsel

Fiduciary Counsel Muzzy had no report to provide.

Closed Session (if necessary)

No closed session meeting was held.

Public Comment

11.0- Public Comment:

An opportunity for public comment was provided at 11:08 A.M. No comments were heard, and no discussion was provided.

Adjournment

12.0-Adjournment:

A motion was made by Trustee Inman and seconded by Trustee Hopkins to adjourn.

Motion was carried by a roll call vote:

Ayes: Trustee Bowers, Catavu, Cole, Holleb, Hopkins, Inman, Poulos, Suess, and Swanlund

Nayes- None

Absent- None

Meeting adjourned at 11:09 A.M.

Respectfully submitted by:

Kate Cobb, Administrative Analyst

Approved by:

Phil Suess, Chairperson, Board of Trustees

Lee Catavu, Secretary, Board of Trustees

Date Approved by the Board of Trustees: June 14, 2024



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR
RE: TRUSTEE ELECTION POLICY AND ELECTION PROCESS
DATE: JUNE 14, 2024

RECOMMENDATIONS:

- Authorize Marisel Hernandez, JBOSH, to serve as Conflict Counsel for the Trustee Election, under the current engagement/retainer agreement.
- Adopt the Election Policy, as revised on June 14, 2024, and approve the election process for the seats on the Board of Trustees.

Per IPOPIF By Laws, the approval of the Election Policy and rules for the election of trustees requires the affirmative vote of at least six (6) trustees:

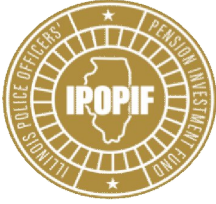
§208 Quorum

A quorum of the Board shall consist of six (6) Trustees. The approval of all Board business shall require the affirmative vote of at least five (5) Trustees at any given meeting, except.

- a) *The following actions shall require the affirmative vote of at least six (6) Trustees: the adoption of actuarial assumptions; the selection of a chief investment officer; fiduciary counsel; of a consultant defined under Section 1-101.5 of the Illinois Pension Code; **the adoption of rules for the election of trustees; and the adoption of asset allocation policies and investment policies.***

Background:

The pension code authorizes the Board of Trustees to administer the election of Board of Trustees and to establish rules for the conduct of the election. It is anticipated that the Board of Trustees will approve the revised Election Policy and approve the trustee election process at this meeting.



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

The Election Committee reviewed the election policy and process at their May 17, 2024, meeting and made recommendations to the Board of Trustees to approved the Election Policy and procedures, as presented at this meeting.

During the discussion about the election of trustees' procedures, one or more members of the Election Committee expressed concern about the proposed schedule of events for the September 13, 2024, meeting, which scheduled multiple decisions by the Board for the same meeting and the Committee asked whether this scheduling would be achievable?

After this meeting, staff reviewed the discussion by the Election Committee and is recommending revisions to the calendar of events for the nomination of candidates to allow sufficient time for the processing of challenges to the nomination process and for the Board of Trustees to be able to review and approve the candidates for the election with enough time for the election vendor to prepare the ballots and election packet.

The schedule change necessitates that a **Special Board of Trustees meeting for August 23, 2024**, be added for the purpose of the trustee election, with the decision on the nomination challenge decision being the primary focus. Please note that after staff review, it is not possible to move or consolidate the regular July board meeting onto the August meeting date.

Conflict Counsel

The Election Committee discussed the status of the appointment of the Conflict Counsel and recommended that the Board of Trustees consider the approval of Fiduciary Legal Counsel and Marisel Hernandez for Conflict Counsel.

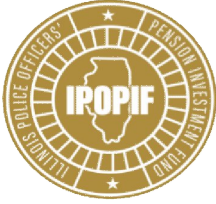


ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

The Board of Trustees had previously retained Marisel Hernandez, Jacobs, Burns, Orlove & Hernandez, LLP (JBOSH) for the Conflict Counsel role in November 2020 for the purposes of the 2020 election (recall that the previous Conflict Counsel resigned in October 2020). Attorney Hernandez has performed Conflict Counsel responsibilities for the 2022 and 2023 elections and has been consulted for this election, as well.

The Fund has an engagement/retainer agreement with JBOSH which in Paragraph 1(e) refers to “other such legal matters as the Fund’s Board of Trustees or the Fund’s Executive Director may determine.” After consultation with Fiduciary Legal Counsel Muzzy, it was confirmed that the Conflict Counsel services are included and can be performed in accordance with the current engagement/retainer agreement. It is recommended that the Board of Trustees continue to retain Marisel Hernandez as Conflict Counsel. As noted in previous communications with the Board of Trustees, Attorney Hernandez has extensive experience with the administration and oversight of elections.

Recommendation: Authorize Marisel Hernandez, JBOSH, to serve as Conflict Counsel for the Trustee Election, subject to the current retainer agreement.



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Trustee seats subject to election.

The elected trustees serve 4-year terms of office with the election on a two-year staggered election cycle. The trustee seats subject to election currently are listed below. The elected trustees will be seated in January 2025 and serve through December 2028.

- Municipal Member Trustee
 - Trustee Seat #2: Trustee Elizabeth Holleb
 - Trustee Seat #3: Trustee Michael Inman
- Active Member Trustee
 - Trustee Seat #6: Trustee Scott Bowers
- Beneficiary Member Trustee
 - Trustee Seat #8: Trustee Mark Poulos

Trustee Seat #9 is the seat appointed by the Governor as recommended by the Illinois Municipal League and with the advice and consent of the Senate. The appointment is for a two-year term of office and will run from January 2025 through December 2026.

Election Process Milestones.

The process to be followed will be like the elections conducted in 2023, 2022, and 2020 which will include these major milestone steps:

1. Board of Trustees approval of Election Policy and approval for the election process of the Board of Trustees.

The Election Policy provides guidance for the rules and administrative steps to conduct the trustee election. The policy for review and approval by the Board of Trustees has been updated after review by Conflict Legal Counsel to ensure the policy and process conforms with administrative and legal requirements, as well as reviewed by the Election Committee in advance of this meeting.

The Board of Trustees will authorize the opening of the election process at the June 14, 2024, meeting.



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

2. Nomination Period for Board Member Candidates

The nominations for election will be conducted using a 'paper nomination' process similar to the past nomination procedure and will be coordinated by the Executive Director. The Election Policy, starting on page 5, defines the eligibility requirements for a candidate, the number of signatures required for nomination, and the specific class of elector that may sign a nomination petition.

The nomination period for all trustee seats will run for a period of over six weeks from June 17, 2024, through July 31, 2024.

The Election Policy provides the administrative rules for challenges to the nomination petition process and for the resolution of these challenges. The timeline for this process, which begins after the close of the nomination period, is detailed in the election policy.

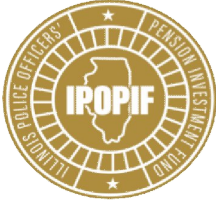
As aforementioned, the Board of Trustees will make the final decision about challenges to the nomination process at the special Board meeting scheduled for August 23, 2024.

The Board of Trustees will receive periodic updates on the nomination process from the Executive Director.

3. Board of Trustees approves candidate(s) and the election ballot process.

At the September 13, 2024, meeting, or alternatively at the August 23, 2024, meeting, the Board of Trustees will approve the candidate(s) and the election process for the trustee seats.

The Executive Director has the responsibility to approve the final ballot and biographical statement for each candidate that will be mailed to each elector.



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The eligible electors are those in each class for the active members of Article 3 police pension funds, the retirees and beneficiaries of Article 3 police pension funds, and the municipal representative from each of the 357 municipalities. The Fund is responsible for compiling the database of eligible electors and supplying the database to the election services provider.

If only one candidate for each position is properly nominated in petitions received, that candidate shall be deemed the winner and no election under this Section shall be required, per Section 22B-116(d)(2).

4. Election Period for Trustee Seats

Upon approval of the election process, the election services provider (Survey and Ballot Systems) will mail via US Postal Service to each eligible elector a packet that contains the paper election ballot, the candidate biographical statements, and a return envelope. For information, Survey and Ballot Systems is under contract to conduct this election and was the election services provider in all the previous elections dating back to 2020.

The election period will run from September 16, 2024, to October 4, 2024.

5. Election Date and Final Tabulation of Election Ballots.

Once cast, the election ballots are mailed directly to the election services provider where they are reviewed for completeness in accordance with the rules and accepted for tally. The tally of the election results will be finalized on the election date, October 4, 2024, with the election process used by the election vendor audited by an independent CPA firm. Once approved, the results will be provided to the Executive Director. The Fund will post and distribute the election results on October 7, 2024.



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6. Certification of Election Results by Board of Trustees

The Election Policy provides the administrative rule for challenges to the election results and for the resolution of these challenges. The Board of Trustees makes the final decision based on the recommendation of the Conflict Legal Counsel, which if needed, is scheduled for the Board of Trustees meeting on October 18, 2024.

The Board of Trustees will review and certify the election results at the December 13, 2024, meeting.

7. Seating of the Board of Trustees

The elected Board of Trustees will have an Oath of Office administered and will be seated at the January 17, 2025, meeting (tentative date).

A full description of these steps and the calendar for their completion are detailed in the Election Policy on pages 18 – 19.

Attachments:

- Trustee Election Policy (PP-2020-03), Revised on June 14, 2024 (pending approval)

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**ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND
POLICY AND PROCEDURES**

POLICY NUMBER:	PP-2020-03
SUBJECT:	BOARD OF TRUSTEES ELECTION POLICY
EFFECTIVE DATE:	JULY 10, 2020
AMENDED:	AUGUST 14, 2020
AMENDED:	SEPTEMBER 11, 2020
AMENDED:	DECEMBER 2, 2020
AMENDED:	APRIL 8, 2022
AMENDED:	JULY 21, 2023
AMENDED:	JUNE 14, 2024

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A. INTRODUCTION

1. For the election of the permanent trustees, the Board of Trustees shall administer all elections. (40 ILCS5/22B-116)
2. Nothing in the Pension Code prohibits the Fund from contracting with a third party to administer the election in accordance with the Pension Code.
3. For the purposes of obtaining information necessary to conduct elections under this Section, participating pension funds shall cooperate with the Fund. [40 ILCS5/22B-116(a)].

B. DEFINITIONS

1. The terms “**Fund**,” “**Board**,” “**Board of Trustees**,” or “**Pension Board**” shall refer to the Board of Trustees of the Illinois Police Officers’ Pension Investment Fund (IPOPIF) created by 40 ILCS 5/22B-101 et seq.
2. The term “**participating pension fund**” means any pension fund established pursuant to 40 ILCS 5/3 that will or has transferred securities, funds, assets, and moneys, and responsibility for custody and control of those securities, funds, assets, and moneys, to the Fund.
3. The term “**active member**” shall refer to an active police officer participating in an Article 3 Pension Fund.
4. The term “**beneficiary member**” shall refer to a retired pensioner, disabled pensioner, surviving spouse, minor children, disabled children, and dependent parents receiving benefits from an Article 3 Pension Fund. If a special need trust as described in Section 1396p(d)(4) of Title 42 of the United States Code, as amended from time to time, has been established for a disabled adult child, then the special needs trust may stand in lieu of the disabled adult child as a beneficiary for the purposes of this article.
5. The term “**municipal member**” shall refer to any mayor, president, chief executive officer, chief financial officer, or other officer, executive, or department head of a municipality that has a participating pension fund.
6. The term “**Illinois Municipal League**” refers to the unincorporated, nonprofit, nonpolitical association of Illinois cities, villages, and incorporated towns described in Section 1-8-1 of the Illinois Municipal Code.

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7. The term “**authorized agent**” means a firm or individual hired by the Board of Trustees or the Fund to conduct specified roles and responsibilities associated with the election of the Board of Trustees.
8. The term “**Conflict Counsel**” means a firm or individual hired by the IPOPIF Board of Trustees.
9. For language throughout this document not exclusively defined within this section, refer to the definitions under Article 1 (and Article 3) of the Illinois Pension Code, 40 ILCS 5.

C. COMPOSITION OF THE BOARD OF TRUSTEES OF THE FUND (40 ILCS5/22B-115(b)(1)(2)(3)(4))

1. The Board of Trustees shall consist of 9 members as follows:
 - a. Three members who are mayors, presidents, chief executive officers, chief financial officers, or other officers, executives, or department heads of municipalities that have participating pension funds and are elected by the mayors and presidents of municipalities that have participating pension funds.
 - b. Three members who are participants of participating pension funds and are elected by the participants of participating pension funds.
 - c. Two members who are beneficiaries of participating pension funds and are elected by the beneficiaries of participating pension funds.
 - d. One member recommended by the Illinois Municipal League who shall be appointed by the Governor with the advice and consent of the Senate.

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D. TERMS OF OFFICE (40 ILCS5/22B-116(f))

1. The elected trustees shall each serve for terms of 4 years commencing on the first business day of the first month after election commencing as of January 1, 2021:

a. Municipal Member Trustees (Item (1) of subsection (b) of Section 22B-115)

i. **Trustee 1:**

1. January 2021 – December 2022
2. January 2023 – December 2026

ii. **Trustee 2:**

1. January 2021 – December 2024
2. January 2025 – December 2028

iii. **Trustee 3:**

1. January 2021 – December 2024
2. January 2025 – December 2028

b. Active Member Trustees (Item (2) of subsection (b) of Section 22B-115)

i. **Trustee 4:**

1. January 2021 – December 2022
2. January 2023 – December 2026

ii. **Trustee 5:**

1. January 2021 – December 2022
2. January 2023 – December 2026

iii. **Trustee 6:**

1. January 2021 – December 2024
2. January 2025 – December 2028

c. Beneficiary Member Trustees (Item (3) of subsection (b) of Section 22B-115)

i. **Trustee 7:**

1. January 2021 – December 2022
2. January 2023 – December 2026

ii. **Trustee 8**

1. January 2021 – December 2024

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2. January 2025 – December 2028

2. The Illinois Municipal League trustee appointed pursuant to item (4) of subsection (b) of Section 22B-115 shall serve for a term of 2 years commencing as of January 1, 2021:

i. Trustee 9:

1. January 2021 – December 2022
2. January 2023 – December 2024
- 3. January 2025 – December 2026 (Appointment)**

E. NOMINATION OF CANDIDATES OF THE BOARD OF TRUSTEES

1. The Executive Director of the Fund (“Executive Director”) shall advise the Board of Trustees of the members and the categories of the trustee seats for whom the election is required.
 - a. The advice to the Board of Trustees shall include the process for the nomination and election of the trustees.
 - b. The Board of Trustees shall vote to affirm the advice received and authorize the opening of the Board election process.
 - c. The Board of Trustees shall set the opening of the nomination process and the closing date for when the completed nomination petitions shall be received by the Executive Director or authorized agent.
2. All nominations for election shall be conducted with a paper nomination process as presented in Section Q and will be available on the IPOPIF website (www.ipopif.org) for downloading by any potential candidate.
3. Each petition for an elected trustee shall be executed in full and contain at least the minimum number of required signatures as follows, **per (40 ILCS5/22B-116(b))**:
 - a. for **municipal member trustees** to be elected, by at least 20 such mayors and presidents.
 - i. **Municipal member trustee** nomination petitions will be available on the IPOPIF website (www.ipopif.org).
 - b. for **trustees to be elected by active participants**, by at least 400 participants.

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- i. **Active member trustee** nomination petitions will be available on the IPOPIF website (www.ipopif.org).
 - c. for **trustees to be elected by beneficiaries**, by at least 100 beneficiaries.
 - i. **Beneficiary member trustee** nomination petitions will be available on the IPOPIF website (www.ipopif.org).
4. Each petition page will allow for up to ten signatures and will be required to include the requested information to identify the signers, the Circulator's name and original signature along with a Notary stamp and seal.
5. Following the authorization of the nomination process for the election of the members of the Board of Trustees, the Executive Director or authorized agent shall notify all qualified electors in the participating pension funds of the election.
 - a. Notification of the qualified electors shall take place as soon as practical following the Board's authorization of the election process.
 - b. The notification shall include the class of the seat to be elected and information about the candidate application and nomination petition process.
 - c. Any qualified candidate that is interested in participating in the election for a Board Trustee seat will be required to obtain a nomination petition from the IPOPIF website (www.ipopif.org).
 - i. Nomination petitions may be requested at any time during the nomination process.
 - ii. Only completed nomination petitions will be considered for the election.
 - d. The interested candidate will be required to provide appropriate contact information to the Executive Director, or authorized agent on a Statement of Candidacy form, as presented in Section Q, and will be available on the IPOPIF website (www.ipopif.org) for downloading by any potential candidate.
 - e. This contact information will be confidential and will be used solely to assist IPOPIF in the conduct of the nomination and election process.
6. Upon the closing of the nomination period, the Executive Director and/or authorized agent will examine the nomination petitions from each class for accuracy and verify that each nominating petition complies with (a) 40 ILCS5/22B-116, (b) these Policies and

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Procedures, (c) any other standards and requirements the Fund may issue, and (d) contains the required number of respective qualified electoral signatures.

- a. Candidates who fail to furnish the required number of eligible signatures will be disqualified.
- b. Only electors of the specific class of trustee are qualified to sign the nomination petition(s) of candidates within their respective class.**
- c. The individuals signing the nomination petition must be members of the eligible electing class at the time they sign the petition.**
- d. Qualified electors may sign a nomination petition for more than one candidate in each election but may not sign any nomination petition more than once.

F. CANDIDATE BALLOT AND BIOGRAPHICAL STATEMENTS

1. The candidate may submit a *short ballot designation* that will be printed on the official ballot along with the candidate's name.
 - a. Such designation shall be limited to the candidate's title, office, employment classification or similar position held by the candidate.
 - b. This designation shall not be more than forty (40) characters in length, including spaces. If the ballot designation submitted by the candidate exceeds the foregoing space limitation, no ballot designation shall be printed for that candidate.
2. The candidate may submit a *biographical candidate statement* that will be included with the official ballot packet. The biographical candidate statement shall be no more than four hundred (400) words in length and must be contained on a single sheet of 8 ½ by 11-inch paper and shall be of camera-ready quality. Candidates may submit an electronic version of the statement to the Executive Director or authorized agent.
 - a. The Executive Director shall not edit a biographical candidate statement and will have sole authority to exclude a candidate statement provided the Executive Director can articulate the reasons for taking this action.
 - b. The Executive Director shall notify the candidate of the decision to exclude the candidate statement and shall provide the reason(s) for the decision.

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- c. A candidate shall be permitted to re-submit a candidate statement during the nomination process but in no case will a statement be accepted after the close of the nomination period.
3. The candidates' biographical statements will be included with the official ballot packet. The Fund shall determine the format of the biographical statement and may condense all biographies into one sheet. The Fund will not respond to requests for biographical candidate statements to be mailed to requesting parties.

G. ADDITIONAL CAMPAIGN MATERIALS

1. The distribution of any information, publications, fliers and similar materials used by a qualified candidate or interested third party shall be considered additional campaign materials.
2. There shall be no provision for the Fund or any authorized agent of the Fund to support a qualified candidate or interested third party in the distribution of additional campaign materials related to the election of the Board of Trustees.
3. In the event a qualified candidate or third party distributes additional campaign materials, such materials should disclose that they are not endorsed by the Fund or the Board of Trustees.

H. CHALLENGE OF NOMINATION PETITIONS AND ELECTION RESULTS

1. For purposes of this section, the filing of a written request to examine filed nomination petitions must be made simultaneously to the Executive Director and the Conflict Counsel via certified mail and email at the following addresses:
 - a. Illinois Police Officers' Pension Investment Fund
Attention: Richard White, Executive Director
456 Fulton Street, Suite 402
Peoria, IL 61602
[Email: rwhite@ipopif.org](mailto:rwhite@ipopif.org)
 - b. Marisel A. Hernandez
Jacobs, Burns, Orlove & Hernandez, LLP
One North LaSalle Street, Suite 1620
Chicago, IL 60602
[Email: mhernandez@jbosh.com](mailto:mhernandez@jbosh.com)

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2. Any person may request to examine filed nomination petitions following the submission deadline date by filing a written request with the Executive Director. Within a reasonable time, and during normal business hours, an appointment will be made to accommodate the request for examination, provided the following limitations are met:
 - a. Petitions to be examined will be duplicate copies of the original petitions filed, with any personal identifying information redacted.
 - b. Petitions will only be examined at a location determined by the Executive Director.
 - c. Petitions may not be removed, photocopied, or duplicated by any means, from the designated viewing location, except as required under the Illinois Freedom of Information Act.
3. Any prospective candidate or eligible voter may challenge the **nomination petition validation process** by submitting a written statement to the Executive Director and Conflict Counsel identifying the specific aspects of the nomination petition process that are being challenged.
 - a. **A written challenge to the nomination process may be submitted beginning on August 7, 2024, but must be physically received by the Executive Director and Conflict Counsel, as required under Section H-28 of this Election Policy, by 4:30 p.m. Central Time on August 8, 2024, to be considered.**
 - b. The Conflict Counsel shall consider the challenges between **August 13-14, 2024.**
 - c. Conflict Counsel's findings and recommendations shall be mailed to the challenger by 4:30 p.m. Central Time on **August 16, 2024.**
 - d. The Board of Trustees shall meet on ~~September 13, 2024~~, **August 23, 2024** and either: 1) issue a written decision and order adopting the findings and recommendation of the Conflict Counsel, or 2) issue its own written decision and order consistent with the record and applicable law. The Board of Trustees shall serve all parties with its written decision and order.
4. Any challenge to the **election results** may be made by submitting a written statement to the Executive Director and Conflict Counsel identifying the specific aspects of the election process that is being challenged.

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- a. **A written challenge to the election process or results may be submitted beginning on October 8, 2024, but must be physically received by the Executive Director and Conflict Counsel, as required under Section H-28 of this Election Policy, by 4:30 p.m. Central Time on October 9, 2024, to be considered.**
 - b. The Conflict Counsel shall consider the challenges between **October 10-11, 2024.**
 - c. A written notice of Conflict Counsel’s findings and recommendation shall be mailed to the challenger by **4:30 p.m. Central Standard Time on October 14, 2024.**
 - d. The Board of Trustees shall meet on **October 18, 2024** and either: 1) adopt the findings and recommendation of the Conflict Counsel, or 2) issue its own written decision and order consistent with the record and applicable law. The Board of Trustees shall serve all parties its written decision and order.
5. A challenge to the nomination petition or election result, as defined in this Section may be made only by an elector member of the same class as the candidate being challenged.
6. Processing Challenges
- a. No later than 4:30 PM CT on the business day after receipt of an objecting party (“Objector”) challenge, the Executive Director shall transmit to the Objector, the individual named as nominee in the nominating petition (“Candidate”), and the Fund’s Conflict Counsel (“Hearing Officer”) the following documents, including any attachments provided:
 - i. the Objector’s challenge;
 - ii. the Candidate’s petition being objected to; and
 - iii. the Objector’s, Candidate’s, and Hearing Officer’s contact information (physical address, telephone number and e-mail address).
 - iv. IPOPIF Election Policy and Procedures (Rules).
 - b. The Executive Director shall transmit this information via registered or certified mail, first class mail, and email. The Executive Director may, but is not required to, call the Objector, the Candidate, and/or the Hearing Officer. Such call shall be made strictly for notice purposes and the substance of the dispute shall not be discussed.

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- c. By 4:30 PM CT on the second business day after the Executive Director has transmitted the above-listed documents, the Objector, the Candidate, and the Hearing Officer shall agree upon the date and time at which the hearing on the Objector's challenge ("Hearing") shall take place. These hearings shall be conducted via a digital platform, such as Zoom.
- d. **Because time is of the essence, hearings will be scheduled as expeditiously as possible. However, in no case may the Hearing be scheduled for any date later than August 14, 2024 for Nomination Challenges or October 11, 2024 for Election Result Challenges.**
- e. Unless otherwise designated by the Hearing Officer, the location of the Hearing shall be the business office of the Fund. Any party that will be represented by counsel at the Hearing must disclose that fact by the time the Hearing is scheduled.

7. Hearing

- a. At the Hearing, the Hearing Officer shall adopt further rules and procedures for the introduction of evidence and the presentation of arguments as the Hearing Officer sees fit to do so. While strict rules of civil procedure shall not be followed, they are encouraged, and fundamental rules of fairness shall apply. Any other rules and procedures so adopted shall not be inconsistent with the rules and procedures set forth herein. The Hearing Officer shall have all powers necessary to conduct the hearing through the issuance of findings and recommendations by the Hearing Officer.
- b. The procedures to be utilized for the Hearing are as follows:
 - i. Each Hearing shall adjudicate only one objecting petition challenge unless (a) multiple objecting petition challenges present the same question of fact and (b) conducting a Hearing that adjudicates multiple objecting petition challenges would not prejudice the rights of any party to any petition challenge. In that case, the Hearing Officer may, in his or her discretion, adjudicate multiple objecting petition challenges in a single Hearing.
 - ii. No Hearing shall be continued for the sole purpose of allowing time to file a motion or a response thereto. However, all matters that are or would be

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- raised by motion, and all responses thereto, shall be heard fully at the Hearing.
- iii. The Objector has the burden of proving the petitions were improperly obtained, that signatures are invalid or that the petition process was otherwise faulty.
 - iv. A court reporter may attend the Hearing and record the testimony at the expense of the party, or parties, who desire one.
 - v. At the outset of each Hearing, the Hearing Officer will introduce as part of the record the Candidate's nomination petition(s), the objector's challenges to the petitions(s), and any attachments. Either the Objector or the Candidate may introduce other such evidence as exhibits that he or she believes are pertinent to the proceedings.
 - vi. Either the Objector or the Candidate will have the opportunity to make legal objections to any of this documentation or evidence. Rulings on all legal matters will be made by the Hearing Officer.
 - vii. Either the Objector or the Candidate may make an opening statement.
 - viii. The Objector is considered the moving party and will proceed first with his or her case in chief.
 - ix. Either the Objector or the Candidate may present evidence and testimony in support of their claims and cross-examine such witnesses that may testify, if any.
 - x. The Hearing Officer shall have the opportunity to cross-examine any witness.
 - xi. At the close of evidence, the Objector and the Candidate may make a closing statement. No post hearing briefs shall be allowed.
 - xii. In the event a Hearing cannot be completed on the date it begins, it shall be continued to a date agreeable to all parties until it has been completed.
 - xiii. After the conclusion of the Hearing, the Hearing Officer shall issue findings and recommendation for consideration by the Board of Trustees.

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xiv. The Board may adopt all, part or none of the Hearing Officer's findings and recommendation depending on the extent to which it is consistent with the record and applicable law.

c. **In any case, the Board shall approve and issue a written Decision and Order for Nomination Challenges and for Election Result Challenges.**

8. The written Decision and Order approved by the Board shall become the final administrative decision as to the Objector's objections for purposes of the Administrative Review Law. Such final written Decision and Order shall be subject to administrative review pursuant to the Illinois Code of Civil Procedure and the Administrative Review Law, 735 ILCS 5/3-101 *et seq.* The Board shall issue and serve on all parties its written Decision and Order pursuant to Admin. Rev. Law.

I. PROCEDURES FOR APPROVING CANDIDATES AND THE ELECTION PROCESS

1. The Executive Director shall advise the Board of Trustees of the results of the nomination process and identify the candidates that are qualified for the election. The Board of Trustees shall vote to approve the candidates and authorize the initial election process for the Board election.
2. Any candidate may, in writing, withdraw his or her nomination petition at any time. A candidate nomination petition that has been withdrawn may not be renewed.
3. If a candidate should withdraw or become ineligible for the Board position after submission of the candidate nomination petition, the Board of Trustees shall declare the candidate ineligible and remove the candidate from the election ballot. If a candidate should withdraw or become ineligible for the Board position after the printing of the ballots, that candidate's votes shall not be counted. All other votes for eligible candidates on the same ballot shall be counted.
4. Candidates may be disqualified from the election and removed from the ballot for any of the following reasons:
 - a. Submission of a nominating petition with less than the requisite number of signatures for their respective class. Candidates will be allowed to resubmit nominating petitions, provided they are physically received by the required date/time specified in Section E.

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- b. Failure to submit the completed nomination petition by the required date/time specified in Section E.
 - c. As further described in Section H, an approved decision by the Board of Trustees following a finding by Conflict Counsel that a candidate failed to comply with the Election Policy.
5. Following the authorization of the election process, the Executive Director or authorized agent shall notify all qualified electors.
6. There shall be no provision for write-in Candidates.

J. ADMINISTRATION OF ELECTIONS (40 ILCS5/22B-116)

1. The Executive Director or authorized agent shall cause the names of those persons nominated for the Board of Trustees to be printed upon ballots of such form as may be determined by the Fund.
- a. A separate black-and-white ballot shall be used for each class of trustee.
 - b. The board or authorized agent shall prepare and send ballots, biographical statements and ballot envelopes to the municipal representatives, participants and beneficiaries eligible to vote in accordance with these rules.
 - c. The ballots shall contain the names of all candidates in alphabetical order.
 - d. The ballot envelope shall have on the outside a form of certificate stating that the person voting the ballot is a municipal representative, participant or beneficiary entitled to vote.
 - e. Municipal representatives, participants and beneficiaries, upon receipt of the ballot, shall vote the ballot and place it in the ballot envelope, seal the envelope, execute the certificate thereon, and return the ballot to the Fund.
2. Election ballots shall be mailed to each qualified elector.
3. In lieu of conducting elections via mail balloting, as described in this Section, the Fund may instead adopt rules to provide for elections to be carried out in an electronic format.

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K. COMPILATION OF ELECTOR DATABASE (40 ILCS 5/22B-116)

1. In order to conduct the trustee election, the Fund, Executive Director, or authorized agent shall compile a database of eligible electors for each class of trustee.
 - a. For municipal representative(s), the Fund, or authorized agent, may submit a request to each municipality with a participating pension fund requesting the name, title, email and mailing address for the eligible elector of that city, town or village.
 - b. For participants and beneficiaries, the Fund, or authorized agent, may submit a request to each participating fund requesting:
 - i. Names, email and departmental mailing addresses for all eligible participant electors.
 - ii. Names, class or status (retired pensioner, disabled pensioner, surviving spouse, minor children, disabled children, and dependent parents), email and home mailing address for all eligible beneficiary electors.
2. Once compiled, the elector database will become sole property of the Fund, be kept confidential and will not be released to any requesting party, subject to the requirements of FOIA.
3. If the necessary information is not received, the Fund may consider the municipal representative, participants, and beneficiaries to be unable to participate in the trustee election.

L. VOTING IN THE ELECTION (40 ILCS5/22B-116)

1. At any election, voting shall be as follows:
 - a. Each person authorized to vote for a specific class of trustee may cast one vote for each related position for which such person is entitled to vote and may cast such vote for any candidate or candidates on the ballot for such trustee position.
 - i. There shall be no provision for cumulative voting of candidates.
 - ii. If more candidates are selected than the number of positions to be elected, the ballot is invalid and will not be counted.
 - iii. If the number of candidates selected is fewer than the number of positions to be elected, the ballot is valid and will be counted.

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- b. If only one candidate for each position is properly nominated in petitions received, that candidate shall be deemed the winner and no election under this Section shall be required, per Section 22B-116(d)(2).
 - c. The individuals voting in the election must be members of the same candidate class they are voting for at the time they cast the vote.
2. The qualified electors shall receive an official ballot from the Fund or authorized agent which shall contain the name of the candidate and the ballot designation of the candidate.
 3. The candidate's biographical statement will be included with the official ballot packet.
 4. Ballots must be physically received by the Fund or authorized agent by **5:00 p.m. Central Standard Time on October 4, 2024.**
 5. **OCTOBER 4, 2024**, shall be designated the election date.
 6. The authorized agent shall verify that each ballot is a qualified ballot for the election.
 7. Only verified ballots will be tabulated.

M. TABULATION OF THE BALLOTS

1. The tabulation of the ballots will be conducted at the Fund or location approved by the Board of Trustees.
2. The Board of Trustees authorizes the tabulation of ballots on a daily basis, as received, by the election services vendor in accordance with procedures approved by the election vendor and IPOPIF. The final tabulation date will be **October 7, 2024.**
3. The Election Vendor will prepare a report that describes the process used by the election vendor to assure the accuracy of the ballot tabulation process. This report will be made available to the candidates and others.
4. The candidate or candidates receiving the highest number of votes for each class of trustee shall be elected. In the case of a tie vote, the winner shall be determined in accordance with procedures developed by the Department of Insurance.
5. The results of the election will be posted on the Fund's website by **5:00 p.m. Central Time on October 7, 2024.**

N. CERTIFICATION OF ELECTION RESULTS (40 ILCS5/22B-116)

1. The results of the election will be submitted for certification to the Board of Trustees.

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2. The results shall be entered in the minutes of the first meeting of the Board following the certification of the election results.

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O. EVENT SCHEDULE OF THE BOARD OF TRUSTEE 2024 ELECTION

- May 17, 2024
 - Election Committee Meeting and recommendation of Election Policy and Process
- June 14, 2024
 - Board of Trustees approval of revised Election Policy
 - Board of Trustees approves Election of the Board of Trustees
- June 17, 2024 – July 31, 2024
 - Nomination Period for Board Member Candidates is open.
- July 31, 2024
 - Nomination Period Closed
- August 7-8, 2024
 - Nomination Challenge Period
- August 13-14, 2024
 - Nomination Challenge Determination Period
- August 16, 2024
 - Nomination Challenge Decision Date
- August 23, 2024
 - Board of Trustees Special Meeting
 - Review findings and issue determination of Nomination Challenge Decision by Conflict Counsel.
 - Deadline for participating police pension funds to provide elector information to IPOPIF.
 - Elector information is provided to election services vendor.
- September 13, 2024
 - Approval of candidate(s) and appropriate action to begin election ballot process, if necessary.
- September 16, 2024
 - Official ballot packets are mailed to qualified electors.
- September 16 – October 4, 2024
 - Election Period. Ballots returned directly to the election services vendor.
- October 4, 2024
 - Election Date. Ballots must be received by 5:00 PM (Central Time).
- October 7, 2024
 - Election vendor conducts the Final Tabulation of Election Ballots.
 - Election vendor delivers electronic results of the election tabulation to IPOPIF.
 - IPOPIF will publicize the election results on the IPOPIF website by 5:00 PM (Central Time).

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EVENT SCHEDULE OF THE BOARD OF TRUSTEE 2024 ELECTION (CON'T)

- October 8-9, 2024
 - Election Challenge Period for Candidates
- October 10-11, 2024
 - Election Result Challenge Determination Period
- October 14, 2024
 - Election Result Challenge Decision Date
- October 18, 2024
 - Board of Trustees Regular Meeting
 - Review findings of Election Challenge Decision by Conflict Counsel
- November 15, 2024
 - Election Committee Meeting
 - Board of Trustee Special Meeting (If necessary)
- December 13, 2024
 - Board of Trustee Regular Meeting
 - Certification of Election Results by Board of Trustees
- January 17, 2025
 - Seating of the Board of Trustees
 - Results of trustee election entered into the minutes of the meeting.

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P. ELECTION POLICY REVIEW

1. The Policy is subject to change in the exercise of the Board of Trustees' judgement.
2. This Policy was adopted by the Board of Trustees on July 10, 2020.
3. This Policy was amended by the Board of Trustees on August 14, 2020:
 - a. Section H – 32; 33; 34; 35 (added to Policy)
 - b. Section I – 37; 38; 39. (added to Policy)
 - c. Section K – 45a and 45b ('shall' changed to 'may')
4. This Policy was amended by the Board of Trustees on September 11, 2020:
 - a. Section F – 23; 24 (revised)
 - b. Section J – 42a; 42b (revised)
 - c. Section L – 50 (revised)
 - d. Section M – 55;56 (revised)
 - e. Section O – Timeline revised.
5. This Policy was amended by the Board of Trustees of Trustees on December 2, 2020
 - a. Section H – 28; 33e (revised)
6. This Policy was amended by the Board of Trustees on April 8, 2022.
7. This Policy was amended by the Board of Trustees on July 21, 2023, to address the procedures for a special election of the vacant active member trustee seat #6.
8. This Policy was amended by the Board of Trustees on June 14, 2024....



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: Board of Trustees

FROM: Richard White, Executive Director
Regina Tuczak, Chief Financial Officer

RE: Agenda Item 4.1 – Monthly Financial Statement – March 2024
Agenda Item 4.2 – Monthly Financial Statement – April 2024

DATE: June 14, 2024

RECOMMENDATION: Approve the Monthly Financial Statements for March 2024 and April 2024.

Participant fund activity was cash positive for both months of March and April. Participant fund contributions exceeded withdrawals by approximately \$8,248,114, and \$2,637,384 in March and April, respectively.

March Contributions	\$53,958,667	April Contributions	\$49,351,903
March Withdrawals	(\$45,710,553)	April Withdrawals	(\$46,714,519)

There were 171 cash contributions and 181 cash withdrawals in March (total of 352 transactions) and 135 cash contributions and 187 cash withdrawals in April (total of 322 transactions).

State Street reported 896 unique Cash Management users on eCFM as of May 9, 2024.

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND



MONTHLY FINANCIAL REPORT

FOR THE NINE MONTHS ENDED MARCH 31, 2024

MODIFIED CASH BASIS

PREPARED BY: THE STAFF OF THE ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

Illinois Police Officers' Pension Investment Fund
Statement of Fiduciary Net Position
As of March 31, 2024, and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Assets		
Cash		
Lake Forest Bank & Trust	\$ 110,767	\$ 236,853
Total Cash	110,767	236,853
Investments		
Investments	10,392,539,535	9,016,924,150
Total Investments	10,392,539,535	9,016,924,150
Other Assets		
Net IMRF Pension Asset	7,426	-
Total Other Assets	7,426	-
Total Assets	10,392,657,728	9,017,161,003
Deferred Outflows of Resources		
Deferred outflows related to IMRF Pension	80,309	-
Liabilities		
Illinois Finance Authority Loan	-	5,548,091
Capitalized Interest	-	79,635
Total Payables	-	5,627,726
Accrued Expenses		
Payroll & Related	142,227	103,393
Professional	7,740	8,149
General	-	56,499
Total Accrued Expenses	149,967	168,041
Total Liabilities	149,967	5,795,767
Net Position Restricted	10,392,588,070	9,011,365,236

Illinois Police Officers' Pension Investment Fund
Statement of Changes in Fiduciary Net Position
For the Nine Months Ended March 31 2024, and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Additions		
Proceeds		
Cash Received from Local Funds	384,590,707	278,503,212
Investments Received from Local Funds	13,100,419	5,684,408,222
Total Proceeds	397,691,126	5,962,911,434
Investment Income (Loss)		
Lake Forest Bank & Trust	461	7,766
Interest	44,322,724	43,941,844
Net appreciation (depreciation) in fair value of investments	935,400,262	348,903,191
Net Investment Income (Loss)	979,723,447	392,852,801
Total Additions	1,377,414,573	6,355,764,235
Deductions		
Administrative Expenses		
Board of Trustees & Meetings	(70,525)	(12,884)
Administrative Operations	(1,349,947)	(1,582,618)
Investment Operations	(1,701,485)	(1,956,499)
Total Administrative Expenses	(3,121,957)	(3,552,001)
Participating Fund Withdrawals	(368,300,566)	(75,595,432)
Total Deductions	(371,422,523)	(79,147,433)
Net Increase (Decrease)	1,005,992,050	6,276,616,802
Net Position Restricted		
Beginning of the Year	9,386,596,020	2,734,748,434
End of the Period	10,392,588,070	9,011,365,236

Illinois Police Officers' Pension Investment Fund

Additions Report for the Nine Months Ended March 31, 2024

	<u>Received this Month</u>	<u>Budgeted this Month</u>	<u>Received this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Additions				
<u>Consolidated Funds</u>				
Cash Received from Local Funds	53,958,667	-	384,590,707	-
Investments Received from Local Funds	-	-	13,100,419	-
	53,958,667	-	397,691,126	-
<u>Investment Income (Loss)</u>				
Interest & Dividends	6,350,295	-	44,323,185	-
Net appreciation (depreciation)	221,446,109	-	935,400,262	-
	227,796,404	-	979,723,447	-
Total Additions	281,755,071	-	1,377,414,573	-

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Nine Months Ended March 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
Board of Trustees and Meetings				
<u>Board of Trustees and Meetings Expenses</u>				
Professional Services				
<i>Administrative Services</i>	-	267	3,200	3,200
<i>Election Services</i>	-	2,518	23,850	30,216
Education and Training	2,552	1,500	6,199	18,000
Meeting Expenses	5,903	3,792	31,331	45,500
Board Member Reimbursements	690	1,296	5,945	15,555
Municipal Reimbursements	-	871	-	10,457
	<u>9,145</u>	<u>10,244</u>	<u>70,525</u>	<u>122,928</u>
Administrative Operations				
<u>Personnel</u>				
Administrative Personnel	64,020	66,665	553,500	799,975
Employment Expenses				
<i>FICA/Medicare</i>	4,887	4,519	35,367	54,233
<i>Medical/Dental Benefits</i>	7,949	9,340	81,931	112,075
<i>Unemployment</i>	18	100	1,085	1,200
<i>Retirement Benefits</i>	3,848	3,923	29,715	47,077
	<u>80,722</u>	<u>84,547</u>	<u>701,598</u>	<u>1,014,560</u>
<u>Professional Services</u>				
Finance				
<i>Accounting</i>	2,038	1,866	17,431	22,394
<i>Audit - Financial</i>	-	4,792	57,500	57,500
<i>Agreed Upon Procedures - Article 3</i>	-	7,000	-	84,000
Government Liaison	5,700	5,700	51,300	68,400
Actuarial Services	-	15,738	121,775	188,855
Outsourced Human Resources	1,838	833	6,025	10,000
Legal Services				
<i>Legal Services - General</i>	-	5,000	14,299	60,000
<i>Legal Services - Fiduciary</i>	15,618	10,083	58,513	121,000
Technology Services	-	500	3,337	6,000
Other Consulting Services	-	3,167	23,998	37,998
Communication Services	3,000	1,500	13,500	18,000
	<u>28,194</u>	<u>56,179</u>	<u>367,678</u>	<u>674,147</u>

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Nine Months Ended March 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
<u>Bank Services and Fees</u>				
Local Bank Fees	207	208	1,812	2,500
	207	208	1,812	2,500
<u>Services & Supplies</u>				
Assets under \$5,000	491	4,167	43,023	50,000
Insurance	(520)	8,909	106,386	106,906
Office Lease/Rent	5,375	5,375	48,375	64,500
Printing & Postage	39	1,667	13,278	20,000
Supplies & Maintenance	411	833	5,175	10,000
Telecommunication	1,320	1,250	11,679	15,000
Contingency	(3)	1,000	(2)	12,000
Dues / Licenses	24,307	6,549	32,575	78,586
Training & Education	-	500	1,470	6,000
Travel & Transportation	268	833	5,260	10,000
Utilities	-	583	(835)	7,000
Website	200	1,667	12,475	20,000
	31,888	33,333	278,859	399,992
Investment Operations				
<u>Personnel</u>				
Investment Operations Personnel	53,542	58,917	486,079	706,998
Employment Expenses				
<i>FICA/Medicare</i>	3,964	3,514	26,944	42,163
<i>Medical/Dental Benefits</i>	5,096	5,379	45,438	64,552
<i>Unemployment</i>	-	53	525	640
<i>Retirement Benefits</i>	2,076	3,627	30,584	43,529
	64,678	71,490	589,570	857,882
<u>Investment & Banking</u>				
General Investment Consultant	-	35,625	213,750	427,500
Database Subscription(s)	-	3,181	38,172	38,172
Investment Management	306,151	188,333	653,008	2,260,000
Custodial Services	-	38,333	206,985	460,000
	306,151	265,472	1,111,915	3,185,672
Total Expenditures	520,985	521,473	3,121,957	6,257,681
Participating Fund Withdrawals	45,710,553		368,300,566	
Total Deductions	46,231,538		371,422,523	

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND



MONTHLY FINANCIAL REPORT

FOR THE TEN MONTHS ENDED APRIL 30, 2024

MODIFIED CASH BASIS

PREPARED BY: THE STAFF OF THE ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

Illinois Police Officers' Pension Investment Fund
Statement of Fiduciary Net Position
As of April 30, 2024, and 2023

	<u>April 30, 2024</u>	<u>April 30, 2023</u>
Assets		
Cash		
Lake Forest Bank & Trust	\$ 112,236	\$ 118,163
Total Cash	112,236	118,163
 Investments		
Investments	10,132,317,669	9,146,885,445
Total Investments	10,132,317,669	9,146,885,445
 Other Assets		
Net IMRF Pension Asset	7,426	-
Total Other Assets	7,426	-
Total Assets	10,132,437,331	9,147,003,608
Deferred Outflows of Resources		
Deferred outflows related to IMRF Pension	80,309	-
Liabilities		
Accrued Expenses		
Payroll & Related	143,631	100,716
Professional	7,240	1,813
General	-	56,499
Total Accrued Expenses	150,871	159,028
Total Liabilities	150,871	159,028
Net Position Restricted	10,132,366,769	9,146,844,580

Illinois Police Officers' Pension Investment Fund
Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2024, and 2023

	<u>April 30, 2024</u>	<u>April 30, 2023</u>
Additions		
Proceeds		
Cash Received from Local Funds	433,942,610	355,521,278
Investments Received from Local Funds	13,100,419	5,690,044,004
Total Proceeds	447,043,029	6,045,565,282
Investment Income (Loss)		
Lake Forest Bank & Trust	516	7,822
Interest	48,958,710	48,666,902
Net appreciation (depreciation) in fair value of investments	668,136,605	425,390,489
Net Investment Income (Loss)	717,095,831	474,065,213
Total Additions	1,164,138,860	6,519,630,495
Deductions		
Administrative Expenses		
Board of Trustees & Meetings	(73,327)	(30,553)
Administrative Operations	(1,466,228)	(1,930,600)
Investment Operations	(1,813,471)	(2,305,942)
Total Administrative Expenses	(3,353,026)	(4,267,095)
Participating Fund Withdrawals	(415,015,085)	(103,267,254)
Total Deductions	(418,368,111)	(107,534,349)
Net Increase (Decrease)	745,770,749	6,412,096,146
Net Position Restricted		
Beginning of the Year	9,386,596,020	2,734,748,434
End of the Period	10,132,366,769	9,146,844,580

Illinois Police Officers' Pension Investment Fund

Additions Report for the Ten Months Ended April 30, 2024

	<u>Received this Month</u>	<u>Budgeted this Month</u>	<u>Received this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Additions				
<u>Consolidated Funds</u>				
Cash Received from Local Funds	49,351,903	-	433,942,610	-
Investments Received from Local Funds	-	-	13,100,419	-
	<u>49,351,903</u>	<u>-</u>	<u>447,043,029</u>	<u>-</u>
<u>Investment Income (Loss)</u>				
Interest & Dividends	4,636,041	-	48,959,226	-
Net appreciation (depreciation)	(267,263,656)	-	668,136,605	-
	<u>(262,627,615)</u>	<u>-</u>	<u>717,095,831</u>	<u>-</u>
Total Additions	(213,275,712)	-	1,164,138,860	-

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Ten Months Ended April 30, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
Board of Trustees and Meetings				
<u>Board of Trustees and Meetings Expenses</u>				
Professional Services				
<i>Administrative Services</i>	-	267	3,200	3,200
<i>Election Services</i>	-	2,518	23,850	30,216
Education and Training	-	1,500	6,199	18,000
Meeting Expenses	1,413	3,792	32,744	45,500
Board Member Reimbursements	1,389	1,296	7,334	15,555
Municipal Reimbursements	-	871	-	10,457
	<u>2,802</u>	<u>10,244</u>	<u>73,327</u>	<u>122,928</u>
Administrative Operations				
<u>Personnel</u>				
Administrative Personnel	64,020	66,665	617,520	799,975
Employment Expenses				
<i>FICA/Medicare</i>	4,887	4,519	40,254	54,233
<i>Medical/Dental Benefits</i>	7,939	9,340	89,870	112,075
<i>Unemployment</i>	-	100	1,085	1,200
<i>Retirement Benefits</i>	3,848	3,923	33,563	47,077
	<u>80,694</u>	<u>84,547</u>	<u>782,292</u>	<u>1,014,560</u>
<u>Professional Services</u>				
Finance				
<i>Accounting</i>	-	1,866	17,431	22,394
<i>Audit - Financial</i>	-	4,792	57,500	57,500
<i>Agreed Upon Procedures - Article 3</i>	-	7,000	-	84,000
Government Liaison	5,700	5,700	57,000	68,400
Actuarial Services	7,725	15,738	129,500	188,855
Outsourced Human Resources	250	833	6,275	10,000
Legal Services				
<i>Legal Services - General</i>	-	5,000	14,299	60,000
<i>Legal Services - Fiduciary</i>	8,084	10,083	66,597	121,000
Technology Services	270	500	3,607	6,000
Other Consulting Services	1,400	3,167	25,398	37,998
Communication Services	1,500	1,500	15,000	18,000
	<u>24,929</u>	<u>56,179</u>	<u>392,607</u>	<u>674,147</u>

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Ten Months Ended April 30, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
<u>Bank Services and Fees</u>				
Local Bank Fees	211	208	2,023	2,500
	<u>211</u>	<u>208</u>	<u>2,023</u>	<u>2,500</u>
<u>Services & Supplies</u>				
Assets under \$5,000	-	4,167	43,023	50,000
Insurance	-	8,909	106,386	106,906
Office Lease/Rent	5,375	5,375	53,750	64,500
Printing & Postage	1,086	1,667	14,364	20,000
Supplies & Maintenance	929	833	6,104	10,000
Telecommunication	1,324	1,250	13,003	15,000
Contingency	-	1,000	(2)	12,000
Dues / Licenses	799	6,549	33,374	78,586
Training & Education	-	500	1,470	6,000
Travel & Transportation	360	833	5,620	10,000
Utilities	-	583	(835)	7,000
Website	574	1,667	13,049	20,000
	<u>10,447</u>	<u>33,333</u>	<u>289,306</u>	<u>399,992</u>
Investment Operations				
<u>Personnel</u>				
Investment Operations Personnel	53,542	58,917	539,621	706,998
Employment Expenses				
<i>FICA/Medicare</i>	3,964	3,514	30,908	42,163
<i>Medical/Dental Benefits</i>	5,199	5,379	50,637	64,552
<i>Unemployment</i>	-	53	525	640
<i>Retirement Benefits</i>	3,218	3,627	33,801	43,529
	<u>65,923</u>	<u>71,490</u>	<u>655,492</u>	<u>857,882</u>
<u>Investment & Banking</u>				
General Investment Consultant	-	35,625	213,750	427,500
Database Subscription(s)	-	3,181	38,172	38,172
Investment Management	11,905	188,333	664,913	2,260,000
Custodial Services	34,159	38,333	241,144	460,000
	<u>46,064</u>	<u>265,472</u>	<u>1,157,979</u>	<u>3,185,672</u>
Total Expenditures	231,070	521,473	3,353,026	6,257,681
Participating Fund Withdrawals	46,714,519		415,015,085	
Total Deductions	46,945,589		418,368,111	

Warrant #24-11 Paid 5-1-2024



Expenses for Ratification - June 14, 2024 Board Meeting

BOARD OF TRUSTEES and MEETINGS

Education and Training

	Richard White	
4/24/2024	Out of pocket reimbursement for the NCPERS Trustee Education Seminar Fee for Trustee Catavu on May 18-19, 2024	\$500.00
4/24/2024	Out of pocket reimbursement for the NCPERS Annual Conference Fee for Trustee Catavu on May 19-22, 2024	\$1,050.00
	Total Board of Trustees and Meetings Education and Training Expense	\$1,550.00

Meeting Expenses

	Sound & Light Creations by Scott Fort	
4/28/2024	Sound system with table top microphones, video screen, and projector for Board Meeting, April 12, 2024, Invoice #4122401	\$1,413.00
	Richard White	
4/24/2024	Out of pocket reimbursement for meeting space at Peoria Marriott Pere Marquette for Board Meeting, April 12, 2024	\$2,111.46
	Total Board of Trustees and Meetings Meeting Expense	\$3,524.46

Board Member Reimbursements

	Lee Catavu	
4/12/2024	Out of pocket reimbursement for travel for April 12, 2024, Board Meeting	\$158.12
	Elizabeth Holleb	
4/18/2024	Out of pocket reimbursement for travel for April 12, 2024, Board Meeting	\$261.30
	Daniel Hopkins	
4/12/2024	Out of pocket reimbursement for hotel, travel and meal for April 12, 2024, Board Meeting	\$338.14
	Philip Suess	
4/24/2024	Out of pocket reimbursement for hotel and travel for April 12, 2024, Board Meeting	\$400.83
	Total Board of Trustees and Meetings Board Member Reimbursements	\$1,158.39

TOTAL BOARD OF TRUSTEES AND MEETINGS EXPENSES **\$6,232.85**

ADMINISTRATIVE OPERATIONS

Professional Services - Government Liaison

	Vision M.A.I. Consulting	
5/1/2024	Professional services rendered for May 2024, Invoice #5	\$5,700.00

Warrant #24-11 Paid 5-1-2024



Expenses for Ratification - June 14, 2024 Board Meeting

ADMINISTRATIVE OPERATIONS (continued)

Professional Services - Legal

General

	Reimer Dobrovlny & Labardi PC	
4/22/2024	Legal services rendered and out-of-pocket disbursements for the period November 2, 2023, to January 19, 2024, Invoice #30449	\$6,596.05

Fiduciary & Litigation

	Jacobs Burns Orlove & Hernandez LLP	
4/9/2024	Legal services rendered in March 2024 regarding general matters, Emerging Markets Debt Search, and Litigation, Invoice #569	\$5,368.00

Professional Services - Communication

	Shepherd Communications	
4/29/2024	Professional Service Fee for May 2024	\$1,500.00

Office Lease

	City of Peoria	
5/1/2024	Rent for May 2024	\$5,375.00

Supplies & Maintenance

	CityBlue Technologies, LLC	
4/17/2024	Epson AM-C4000 Ink-Magenta, Invoice I267944	\$337.00
	The Cleaning Source	
4/26/2024	Weekly cleaning service for April 2024, Invoice IP0424	\$193.00
	ODP Business Solutions, LLC	
4/3/2024	Office supplies, Certificate Stationery, 50 pk, Invoice #360335820001	\$18.69
4/3/2024	Office supplies, Certificate Foil, 11.8x5, qty 3, Invoice #360336301001	\$34.47
4/2/2024	Office supplies, HP Ink, 4-pack, Invoice #360336304001	\$105.29
	Total Services and Supplies, Supplies & Maintenance	\$688.45

Telecommunications

	AmeriCALL	
4/4/2024	Monthly telephone charges, 4/4/24 - 5/3/24, Invoice #3256271	\$313.42
	Comcast	
4/12/2024	Monthly data, voice secure packaged services, 4/16/24 - 5/15/24	\$252.14
	Total Services and Supplies, Telecommunications	\$565.56

Warrant #24-11 Paid 5-1-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Services and Supplies (continued)

Dues & Licenses

	ADP, Inc.	
3/29/2024	Processing charges for period ending March 15, 2024, Debit #657563787	\$99.53
4/12/2024	Processing charges and state fee for period ending March 31, 2024, Debit #658617343	\$108.48
	Central Illinois Security	
4/1/2024	Annual license renewal for Access Control, Invoice 205910	\$390.00
	Levi, Ray & Shoup, Inc.	
4/4/2024	LRS Axcient CloudFinder for Office 365 backup, 25 licenses, March 2024, Invoice #317869	\$125.00
4/19/2024	SentinelOne Control - Cloud antivirus agent, qty 20, Invoice #318474	\$800.00
	Thomson Reuters	
4/16/2024	NetStaff CS Web Services fees and Manual processing, March 2024, Invoice #WS11316677	\$466.00
	Total Services and Supplies, Dues & Licenses	\$1,989.01

Website

	Levi, Ray & Shoup, Inc.	
4/4/2024	Website hosting and related support, March 2024, Invoice #317868	\$200.00

TOTAL ADMINISTRATIVE OPERATIONS EXPENSES **\$27,982.07**

INVESTMENT OPERATIONS

Investment & Banking

General Investment Consultant

	Verus Advisory, Inc.	
3/31/2024	Services for the quarter ending March 2024, Invoice INV036313	\$106,875.00

Investment Management

	Acadian	
4/29/2024	Investment Management Services for the quarter ending March 2024 \$224,789,911 AUM, 55 to 62 bps, Invoice #1154381	\$166,809.00
	LSV Asset Management	
4/11/2024	Investment Management Services for March 2024 \$62,152,835 AUM, 92 bps, Invoice ISIPOPF20240331	\$47,685.00

Warrant #24-11 Paid 5-1-2024



**Expenses for Ratification - June 14, 2024
Board Meeting**

Investment Management (continued)

	RhumbLine Advisors	
4/15/2024	Investment Management Services for March 2024 \$2,950,634,297 AUM, .5bps, Invoice #gipop12024March	\$12,294.00
	Total Investment Management Investment & Banking Expenses	\$226,788.00
TOTAL INVESTMENT OPERATIONS EXPENSES		\$333,663.00
TOTAL EXPENSES FOR RATIFICATION		\$367,877.92

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

BOARD OF TRUSTEES and MEETINGS

Education and Training

	Lee Catavu	
5/26/2024	Out of pocket reimbursement for hotel and travel for NCPERS Trustee Education Seminar, May 18-19, 2024, and NCPERS Annual Conference, May 19-22, 2024	\$2,471.07

Meeting Expenses

	Sound & Light Creations by Scott Fort	
5/30/2024	Sound system with table top microphones, video screen, and projector for Committee Meetings, May 17, 2024, Invoice 5172404	\$1,150.00
	Richard White	
5/17/2024	Out of pocket reimbursement for catering for Committee Meetings, May 17, 2024	\$379.26
	Total Board of Trustees and Meetings Meeting Expense	\$1,529.26

Board Member Reimbursements

	Lee Catavu	
5/17/2024	Out of pocket reimbursement for travel for May 17, 2024, Committee Meetings	\$158.12
	Elizabeth Holleb	
5/17/2024	Out of pocket reimbursement for travel for May 17, 2024, Committee Meetings	\$261.30
	Michael Inman	
5/1/2024	Out of pocket reimbursement for travel for April 12, 2024, Board Meeting	\$109.87
	Philip Suess	
5/24/2024	Out of pocket reimbursement for travel for May 17, 2024, Committee Meetings	\$213.58
	Total Board of Trustees and Meetings Board Member Reimbursements	\$742.87

TOTAL BOARD OF TRUSTEES AND MEETINGS EXPENSES **\$4,743.20**

ADMINISTRATIVE OPERATIONS

Professional Services - Finance

Accounting

	Lauterbach & Amen, LLP	
3/15/2024	Accounting support services for February 2024, Invoice 88695	\$726.25
4/19/2024	Accounting support services for March 2024, Invoice 89869	\$556.25
5/16/2024	Accounting support services for April 2024, Invoice 91208	\$1,331.25
	Total Accounting Professional Services Expenses	\$2,613.75

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Professional Services - Government Liaison

	Vision M.A.I. Consulting	
6/1/2024	Professional services rendered for June 2024, Invoice 6	\$5,700.00

Professional Services - Actuarial Services

	Foster & Foster, Inc.	
5/16/2024	Preparation of Fiscal Year 2022 Actuarial Valuation Reports for 3 participating pension fund and Fiscal Year 2023 Actuarial Valuation Reports for 12 participating pension funds, Invoice 31049	\$7,680.00

Professional Services - Human Resources

	Lauterbach & Amen, LLP	
3/8/2024	Professional services rendered for February 2024, Invoice 88599	\$641.39
4/12/2024	Professional services rendered for March 2024, Invoice 89737	\$1,277.19
5/9/2024	Professional services rendered for April 2024, Invoice 91129	\$1,291.85
	Total Human Resources Professional Services Expenses	\$3,210.43

Professional Services - Legal

General

	Reimer Dobrovolny & Labardi PC	
5/31/2024	Legal services rendered and out-of-pocket reimbursement for the period February 9, 2024, to May 17, 2024, Invoice 30523	\$6,958.20

Fiduciary & Litigation

	Jacobs Burns Orlove & Hernandez LLP	
5/9/2024	Legal services rendered in April 2024 regarding general matters, Invoice 623	\$10,313.50

Professional Services - Communication

	Shepherd Communications	
5/31/2024	Professional Service Fee for June 2024	\$1,500.00

Services and Supplies

Office Lease

	City of Peoria	
6/1/2024	Rent for June 2024	\$5,375.00

Supplies & Maintenance

	AAA Certified Confidential Security Corp	
4/30/2024	On-site confidential records destruction April 2024, Invoice 107605	\$42.40
	The Cleaning Source	
5/31/2024	Weekly cleaning service for May 2024, Invoice IP0524	\$193.00
	Total Services and Supplies, Supplies & Maintenance	\$235.40

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Services and Supplies (continued)

Telecommunications

	AmeriCALL	
5/4/2024	Monthly telephone charges, 5/4/24 - 6/3/24, Invoice 3291390	\$313.42
	Comcast	
5/12/2024	Monthly data, voice secure packaged services, 5/16/24 - 6/15/24	\$252.14
	Total Services and Supplies, Telecommunications	\$565.56

Dues & Licenses

	Association of International Certified Professional Accountants (AICPA)	
5/30/2024	Annual membership dues for Regular AICPA Membership, August 1, 2024 to July 31, 2025	\$560.00
	Kent Custer	
5/10/2024	Out of pocket reimbursement for CFA Institute Professional Society Annual dues ending June 30, 2025	\$399.00
	IL Department of Insurance	
4/23/2024	Annual State Pension Funds Compliance Fee fiscal year 2025 Invoice H45664	\$8,000.00
	Levi, Ray & Shoup, Inc.	
5/7/2024	LRS Axcient CloudFinder for Office 365 backup, 25 licenses, April 2024, Invoice 319857	\$125.00
6/3/2024	Microsoft 365 Business Premium 1 year, 25 licenses, Invoice 320795	\$6,971.50
	Barbara Meyer	
5/10/2024	Out of pocket reimbursement for CFA Institute Professional Society Annual dues ending June 30, 2025	\$499.00
	Next Request	
7/1/2024	FOIA Workflow Platform annual license for the period July 1, 2024 to June 30, 2025, Invoice #301289	\$12,271.35
	Thomson Reuters	
5/9/2024	Annual Accounting CS Server Based Network Module, Terminal Server Maintenance Fee, and Payroll Compliance Annual Renewal Fee through 3/1/2025, Invoice 4014646	\$2,808.00
5/15/2024	NetStaff CS Web Services fees and Manual processing, April 2024, Invoice WS11348535	\$466.00
	Richard White	
5/24/2024	Out of pocket expense reimbursement for Adobe license annual renewal, 10 licenses	\$2,878.80

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Services and Supplies

Dues & Licenses (continued)

	Richard White	
5/24/2024	Out of pocket expense reimbursement for Survey Monkey license, May 20, 2024 to May 19, 2025	\$900.00
5/29/2024	Out of pocket expense reimbursement for the International Foundation of Employee Benefit Plans organizational membership	\$1,385.00
	Steve Yoon	
5/9/2024	Out of pocket reimbursement for CFA Institute Professional Society Annual dues	\$350.00
	Total Services and Supplies, Dues & Licenses	\$37,613.65

Training & Education

	Steve Yoon	
5/9/2024	Out of pocket reimbursement for CAIA Level I and Level II continuing education, study material and exam fees	\$3,833.37

Travel & Transportation

	Katherine Cobb	
3/4/2024	Out of pocket reimbursement for parking fees, April 2024	\$81.00
3/4/2024	Out of pocket reimbursement for parking fees, May 2024	\$81.00
	Kent Custer	
3/4/2024	Out of pocket reimbursement for hotel and travel to the Regional Stakeholder Meeting at the IPFFA Illinois Pension Conference in Galena, May 8, 2024	\$404.48
	Regina Tuczak	
5/20/2024	Out of pocket reimbursement for hotel and travel to the Regional Stakeholder Meeting at the IPFFA Illinois Pension Conference in Galena, May 8, 2024	\$374.33
	Richard White	
5/17/2024	Out of pocket reimbursement for hotel and travel to the Regional Stakeholder Meeting at the IPFFA Illinois Pension Conference in Galena, May 8, 2024	\$348.88
	Amy Zick	
5/16/2024	Out of pocket reimbursement for parking fees, 20 park pass, and misc daily parking fees	\$101.00
	Total Services and Supplies, Travel & Transportation	\$1,390.69

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Services and Supplies (continued)

Utilities

	City of Peoria	
5/15/2024	Q3 - Q4 2023 Utility Reimbursement, Invoice #52687	\$2,912.20

Website

	Levi, Ray & Shoup, Inc.	
5/7/2024	Website hosting and related support, April 2024, Invoice 319856	\$200.00

TOTAL ADMINISTRATIVE OPERATIONS EXPENSES **\$90,101.75**

INVESTMENT OPERATIONS

Investment Management

	State Street Global Advisors	
5/14/2024	Investment Management services for January, February, March 2024, Emerging Markets Equity Index Fund \$656,089,944 AUM, .87 bps, Invoice SSGABA3972386	\$14,335.53
5/14/2024	Investment Management services Additional Fees for January, February, March 2024, Emerging Markets Equity Index Fund \$656,089,944 AUM, 2.70 bps, Invoice SSGABA3972387	\$44,219.23
5/14/2024	Investment Management services for January, February, March 2024, Non-US Small Cap Index Fund \$287,654,730 AUM, .87 bps, Invoice SSGABA3972388	\$6,285.24
5/14/2024	Investment Management services for January, February, March 2024, Non-US Developed Index Fund \$1,646,221,355 AUM, .87 bps, Invoice SSGABA3972394	\$40,186.92
5/14/2024	Investment Management services for January, February, March 2024, US Agg Bond Index Fund \$366,424,334 AUM, .87 bps, Invoice SSGABA3972390	\$8,006.35
5/14/2024	Investment Management services for January, February, March 2024, US REIT Index Fund \$418,311,314.24, .87 bps, Invoice SSGABA3972389	\$9,140.08
5/14/2024	Investment Management services for January, February, March 2024, US ST Gov/Credit Bond Fund \$1,327,881,670 AUM, .87 bps, Invoice SSGABA3972391	\$29,014.14
5/14/2024	Investment Management services for January, February, March 2024, US High Yield Bond Index Fund \$901,257,994 AUM, .87 bps, Invoice SSGABA3972392	\$19,692.43

Warrant #24-12 Paid 6-3-2024



Expenses for Ratification - June 14, 2024 Board Meeting

Investment Management (continued)		
5/14/2024	Investment Management services Additional Fees for January, February, March 2024, US High Yield Bond Index Fund \$901,257,994 AUM, 2.70 bps, Invoice SSGABA3972393	\$60,743.09
5/14/2024	Investment Management services for January, February, March 2024, US TIPS 0-5 Yrs Fund \$274,971,404 AUM, .87 bps, Invoice SSGABA3972395	\$6,008.11
5/14/2024	Investment Management services for January, February, March 2024, Emerging Market Bond Index Fund \$612,720,087 AUM, .87 bps, Invoice SSGABA3972396	\$13,387.90
5/14/2024	Investment Management services Additional Fees for October, November, and December, 2023 - Emerging Markets Bond Index Fund \$612,720,087 AUM, 2.70 bps, Invoice SSGABA3972397	\$41,296.18
	Total Investment Management Investment & Banking Expenses	\$292,315.20
	TOTAL INVESTMENT OPERATIONS EXPENSES	\$292,315.20
	TOTAL EXPENSES FOR RATIFICATION	\$387,160.15



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES

FROM: RICHARD WHITE, EXECUTIVE DIRECTOR
REGINA TUCZAK, CHIEF FINANCIAL OFFICER/ASSISTANT EXECUTIVE
DIRECTOR

RE: IPOPIF COMMERCIAL INSURANCE COVERAGE -RENEWAL

DATE: JUNE 14, 2024

RECOMMENDED ACTION: Approve Insurance Policy Contracts for the term of July 1, 2024, to June 30, 2025.

The IPOPIF receives commercial insurance coverage through Cook Castle Associates, LLC , which was awarded the original contract in 2020, for services through a competitive bid process and have included annual renewals of the policies since then.

At the May 17, 2024, meeting of the Contract Committee, the insurance coverages were reviewed and discussed with Mr. Greg Kiesewetter, Certified Insurance Counselor (CIC), Cook Castle Associates, Inc. The Committee recommended by a vote of 3 aye with 1 absent that the Board of Trustees approve the insurance policies with increases in coverages, as noted on the attached renewal summary. Among the reasons for increasing coverages includes the growth in assets under management, the increase in full-time staff and the increased cyber risk in society.

The premium amounts will be included in the Fiscal Year 2025 budget.

Mr. Greg Kiesewetter, CIC, Cook Castle Associates, Inc. will be available for the Board of Trustees.

Attachment: Commercial Insurance Renewal Summary

Presented By:
Greg G. Kiesewetter, CIC
Cook Castle Associates, LLC

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND COMMERCIAL INSURANCE RENEWAL SUMMARY

COVERAGE	LIMITS	RETENTION	EXPIRING	RENEWAL
			PROGRAM*	PROGRAM
			2023-07-01 / 2024-07-01	2024-07-01 / 2025
FIDUCIARY LIABILITY	Hudson Insurance Company ENC			
aggregate limit of liability	\$10,000,000	\$50,000	\$81,386	
additional limit option	\$15,000,000	\$50,000		\$104,885
MANAGEMENT LIABILITY	Hudson Insurance Company ENC			
DIRECTORS & OFFICERS LIABILITY			\$10,863	\$10,863
aggregate limit of liability	\$1,000,000	\$50,000		
EMPLOYMENT PRACTICES LIABILITY				
aggregate limit of liability	\$1,000,000	\$50,000		
COMMERCIAL CRIME	F&D Companies of MD Zurich			
employee theft	\$3,000,000	\$30,000	\$3,152	<i>renews 2025-07-01</i>
forgery or alteration	\$3,000,000	\$50,000		
computer & funds transfer fraud	\$3,000,000	\$50,000		
money orders & counterfeit	\$3,000,000	\$50,000		
increased limit – insuring agreements	\$5,000,000	\$50,000		+\$575
reased limit – fraudulent impersonation	\$100,000	\$10,000		<i>included above</i>
CYBER RISK	Coalition Insurance Company ENC			
first party insuring agreements	\$3,000,000	\$5,000	\$8,711	\$8,714
third party insuring agreements	\$3,000,000	\$5,000		
BUSINESS OWNERS POLICY	ACE Property & Casualty Chubb			
business personal property	\$250,000	\$1,000	\$2,331	\$2,897
combined liability aggregate	\$2,000,000	n/a		
per liability occurrence	\$1,000,000	n/a		
WORKERS' COMPENSATION	Executive Risk Indemnity Chubb			
workers' compensation	Statutory		\$3,615	\$3,644
employers liability	\$1,000,000			
PROGRAM TOTAL			\$106,906	\$131,578
			\$ PREMIUM CHANGE:	\$24,672
			% PREMIUM CHANGE:	23.08%

Presented By:
 Greg G. Kiesewetter, CIC
 Cook Castle Associates, LLC

NOTEABLE CHANGES IN COVERAGE, TERMS & CONDITIONS

FIDUCIARY LIABILITY	Coverage terms, conditions, limits, & exclusions remain the same as the expiring policy term with following exceptions: <ul style="list-style-type: none"> Renewing w/\$15,000,000 Limit option
MANAGEMENT LIABILITY	Coverage terms, conditions, limits, & exclusions remain the same as the expiring policy term with following exceptions: <ul style="list-style-type: none"> NONE
COMMERCIAL CRIME	No change in coverages, limits, terms, conditions & exclusions; <ul style="list-style-type: none"> Increasing all 4 Insuring Agreements to \$5,000,000 & Fraudulent Impersonation to \$100,000 option
CYBER RISK	Coverage terms, conditions, limits, & exclusions remain the same as the expiring policy term with following exceptions: <ul style="list-style-type: none"> NONE
BUSINESS OWNERS POLICY	Coverage terms, conditions, limits, & exclusions remain the same as the expiring policy term with following notable coverage changes: <ul style="list-style-type: none"> Business Personal Property Limit increased to \$250,000 from expiring limit of \$200,000.
WORKERS' COMPENSATION	Coverage terms, conditions, limits, & exclusions remain the same as the expiring policy term with the following exceptions: <ul style="list-style-type: none"> Estimated annual payroll increased to \$2.517m from expiring \$2.421m estimate. Payroll is subject to audit at policy expiration. Base rate decreased \$0.01/\$100 Payroll; discretionary pricing increased 0.06 from the expiring policy.
	* Expiring premiums <u>were not adjusted</u> for exposure changes; EXPIRING PROGRAM TOTAL excludes COMMERCIAL CRIME premium. Specimen copies of the listed policies with endorsements are available by request. Underwriting Company detailed proposals on file w/Executive Director. Blue Type: program changes approved via 5/17 Contract Committee meeting.



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: Board of Trustees

FROM: Richard White, Executive Director
Regina Tuczak, Chief Financial Officer

RE: Item 4.6 Fiscal Year 2025 Annual Budget: Discussion and Potential Action

DATE: June 14, 2024

RECOMMENDATION: Adopt Resolution 2024-02: Approving the Budget for Fiscal Year 2025.

FISCAL YEAR 2025 BUDGET REPORT- Summary

	Actual Fiscal Year 2023	Final Adopted Budget FY 2024	Expenses thru June 1, 2024	Expected FY 24 Expenses	Proposed Budget FY 2025
Board of Trustees and Meetings	\$75,150	\$122,928	\$84,501	\$91,210	\$114,025
Administrative Operations					
Personnel	\$613,897	\$1,014,560	\$863,005	\$980,020	\$1,217,235
Professional Services	\$1,172,059	\$674,146	\$450,247	\$492,682	\$940,535
Bank Services and Fees	\$233,991	\$2,500	\$2,086	\$2,272	\$2,500
Services and Supplies	\$434,303	\$399,992	\$349,993	\$361,790	\$414,178
Less: IMRF Pension (Income)	(\$87,735)	-	-	-	-
Investment Operations					
Personnel	\$796,297	\$857,883	\$721,208	\$815,628	\$1,381,653
Investment and Banking	\$1,690,241	\$3,185,672	\$1,783,957	\$3,082,992	\$1,026,390
(Less: Investment Mgr Fees)	(\$849,323)	(\$2,260,000)	(\$1,184,016)	(\$2,188,676)	-
Professional Services	\$1,163,655	-	-	-	-
Total – Board, Administrative And Investment Operations	\$5,242,535	\$3,997,681	\$3,070,981	\$3,637,918	\$5,096,516
Investment Manager Fees					
Paid Directly from the Fund	\$849,323	\$2,260,000	See	\$2,188,676	\$4,138,695
Charged Net from Invest Returns	<u>\$1,289,648</u>		Exhibit B	<u>\$1,842,628</u>	<u>\$5,912,275</u>
Total Investment Manager Fees	\$2,138,971			\$4,031,304	\$10,050,970



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

The Fund's Chief Financial Officer met with the Executive Director on May 2 and discussed Fiscal Year 2025 planning. Prior to this meeting, communications with the Fund's Chief Investment Officer were conducted, with subsequent analysis prepared to support Fiscal Year 2025 planning. These communications, along with analysis of Fund year-to-date and expected expenses, were utilized in the adoption of the Fiscal Year 2025 draft budget which is summarized above.

Information regarding changes from the Final Budget for FY 2024 (FY 2024 Budget) as compared to the Proposed Budget for FY 2025 (FY 2025 Budget) is provided in the attached worksheet (Exhibit A), which includes comments on changes of note.

A draft of the FY 2025 Budget was presented to the Audit and Budget Committee at its meeting on May 17, 2024. The original draft of the FY 2025 Budget removed the Investment Management Fees from the presentation but was included as supplementary information. In FY 2024, the Board approved retention of five new investment managers, inclusive of the manager fees provided in the proposal documents. Some of the new investment managers are not able to invoice the Fund directly for investment management fees. Instead, the fees are directly deducted from the investment vehicle. The investment earnings are thus provided net of fees paid within the commingled fund results. This is a common industry practice within commingled funds products. To provide full disclosure of all expected investment manager fees, Exhibit B is provided with the budget materials detailing all estimated investment manager fees, regardless of fee payment method.

The Audit and Budget Committee discussed the Investment Manager Fee presentation and requested that the investment management fees continue to be included in the annual budget presentation. No other changes were requested by the Committee, who recommended presentation of a final draft to the Board of Trustees at its Meeting on June 14, 2024.¹

With a budget document that includes all investment manager fees, including fees directly deducted from commingled funds, a recommended change has been made to the presentation. The investment manager fees are separated from Board, Administrative and Investment Operations expenditures. Consequently, to align with presentation on the Monthly Financials, it is also recommended that Investment Manager Fees paid directly from IPOPIF's custody account be classified separately as a reduction of Investment Income (Loss) on the Statement of Changes in Fiduciary Net Position. An additional line should be added "Investment Income (Loss) net of Management Fees". A sample presentation using the March 2024 Monthly Financial Statements is provided as Exhibit C. This presentation would commence with the July 2024 Monthly Financial Statements. Reporting of all investment manager fees, including investment manager



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

fees charged net of investment results, will be provided in quarterly investment reporting and disclosed in the Fund's Annual Comprehensive Financial Report.

Further information is summarized below:

Board of Trustees and Meetings

The FY 2025 Budget reflects a reduction of approximately \$8,900 from the FY 2024 Budget, with no significant changes noted. The budget includes expenses associated with an election for 4 members of the Board of Trustees, although a first installment retention payment was made prior to June of 2024. In addition, the budget includes an estimate of \$11,900 for municipal reimbursements associated with the Active Officer Board members' attendance of Board meetings. To date such reimbursements have not been requested, however, they are permissible as provided by the Illinois Pension Code.

Administrative Operations

Personnel

Costs of current personnel are expected to increase by approximately \$203,000 in the FY 2025 Budget. The FY 2025 Budget includes a staff of eight administrative members (Executive Director, Chief Financial Officer, 2 Senior Accountants/Auditors, 2 Administrative Analysts, an Information Technologist, and a Communications Specialist). The current administrative team consists of six staff members, with active recruiting underway for a Senior Accountant/Auditor. The estimated start date of the Senior Accountant/Auditor is July 1; the estimated start date of the Communications Specialist is October 1. Salary increases, which are estimated to range between 2.5% and 7.5%, are included in the FY 2025 budget, consistent with the proposed FY 25 Pay Plan which is included as Exhibit D. The budgeted salary does not include an increase for the Executive Director. Also included in the FY 2025 Budget is a significant increase in the IMRF employer contribution rate, which is expected to increase from 6.01% to 13.94% effective January 1, 2025.

Professional Services

Costs of professional services are expected to increase by approximately \$266,000 in the FY 25 Budget. There are several significant elements of this change:

- a) Increase of \$44,850 in Certified Asset List Audit Services to support the final transfer of assets on October 1, 2024. This estimate includes the transfer of assets of 24 Article 3 Funds.
- b) Increase of \$257,775 for Independent CPA firms to perform Agreed Upon Procedures (AUPs) of Article 3 Funds. The budgeted amount assumes 120 AUPs will be conducted in FY 25.



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

- c) Reduction of \$37,998 in Other Consulting Services due to the conclusion of the Strategic Plan consulting services performed by MCS Consulting LLC.

Services and Supplies

Costs of services and supplies are expected to increase by approximately \$14,000 in the FY 2025 Budget. There are several elements of this change:

- a) Reduction of \$40,000 in purchases of Assets under \$5,000. With the conclusion of the office buildout, including all furniture purchases for current and anticipated staffing needs, purchases of assets are expected to significantly decrease.
- b) Increase of \$11,650 for printing and postage due to the anticipated mailing of ballots to eligible voters associated with the election of 4 trustees.
- c) An increase of \$17,500 primarily related to anticipated private markets investment due diligence travel.

Investment Operations

Personnel

Costs of current personnel are expected to increase by approximately \$524,000 in the FY 2025 Budget. The FY 2025 Budget includes a staff of five investment staff members. The current investment staff consists of three staff members. Pending Board of Trustee approval, the additional staff include a Deputy Chief Investment Officer, with a start date of July 1, and an additional investment officer with a start date of August 1. Salary increases, which are estimated to range between 2.5% and 7.0%, are included in the FY 2025 budget, consistent with the proposed FY 25 Pay Plan which is included as Exhibit D. The budgeted salary does not include an increase for the Chief Investment Officer. Also included in the FY 2025 Budget is a significant increase in the IMRF employer contribution rate, which is expected to increase from 6.01% to 13.94% effective January 1, 2025.

Investment and Banking

Investment and Banking expenses are expected to decrease by approximately \$2,190,000 in the FY 2025 Budget. Of this decrease, \$2,260,000 is due to the removal of Investment Management fees from this budget classification. This reduction is slightly offset by an increase of \$61,850 in custodial services. The increase in custodial service expense is due to an anticipated higher AUM and a greater quantity of transactions.

Investment Manager Fees

Investment manager fees included in the budget presentation include all estimated fees of retained managers as of June 30, 2024, regardless of billing practice. These amounts are based



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

on executed investment manager agreements and are estimated with IPOPIF Assets Under Management of \$10,000,000,000 as of July 1, 2024, increasing to \$12,256,000,000 as of June 30, 2025.

Changes from the version submitted to the Audit and Budget Committee on May 17, are as follows:

- a. Board of Trustee Election Services (decrease of \$4,797) to reflect first installment paid in FY 2024
- b. Administrative Operations Personnel (increase of \$36,000) to reflect additional IMRF Employer contributions effective January 1, 2025
- c. Human Resources Professional Services (increase of \$2,500) to reflect recent invoices received and anticipated recruiting efforts for additional budgeted staff
- d. General Legal Counsel Professional Services (decrease of \$10,000) to reflect invoices recently received and consistency with anticipated FY 2025 services
- e. Fiduciary Counsel Professional Services (increase of \$25,000) to reflect anticipated private market implementation legal costs
- f. Insurance Professional Services (increase of \$24,074) to reflect additional coverage recommended by the Contract Committee at its May 17, 2024, meeting
- g. Printing and Postage costs (increase of \$7,800) to reflect increased mailing of ballots for 4 trustee elections.
- h. Dues and Licenses (increase of \$4,450) to reflect invoices recently received and anticipated rate increases
- i. Travel and Transportation (increase of \$20,000) to reflect anticipated private markets investment due diligence travel
- j. Utilities (increase of \$1,000) to reflect recent invoice received
- k. Investment Operations Personnel (increase of \$168,000) to reflect hiring of a Deputy CIO and additional IMRF Employer contributions effective January 1, 2025
- l. Database Subscriptions (increase of \$34,000) to reflect anticipated private equity database subscriptions

456 Fulton Street, Suite 402
Peoria, IL. 61602
(309) 280-6464

Illinois Police Officers' Pension Investment Fund (IPOPIF)
 FY 2025 Operations Budget

as of 6/07/2024

Function						
Category						
Sub-Category						
Sub-Category Detail						
	Actual	Actual	Expected	Final	Proposed	
	FY 23	thru	Actual	Adopted	Budget	Notes
		June 1	FY 24	Budget	FY 25	
				FY 24		
EXPENDITURES						
Board of Trustees and Meetings						
<u>Board of Trustees and Meetings Expenses</u>						
Professional Services						
<i>Administrative Services</i>	51,500	3,200	3,200	3,200	-	Services performed internally
<i>Election Services</i>	(6,366)	23,850	23,850	30,216	20,900	1st Installment for 2024 Election Paid
Education and Training	11,125	10,220	10,220	18,000	18,000	
Meeting Expenses	16,797	37,996	42,500	45,500	45,550	
Board Member Reimbursements	2,094	9,235	11,440	15,555	17,675	
Municipal Reimbursements	-	-	-	10,457	11,900	
Total Board of Trustees and Meetings	75,150	84,501	91,210	122,928	114,025	
Administrative Operations						
<u>Personnel Costs</u>	613,897	863,005	980,020	1,014,560	1,217,235	Add 2 positions & increased IMRF ER rate in 2025
<u>Professional Services</u>						
Finance						
<i>Accounting Support Services</i>	24,000	20,045	22,045	22,394	20,000	To support CIAs for October 1
<i>Audit - Financial</i>	27,500	57,500	57,500	57,500	59,800	
<i>Audit - Certified Asset List</i>	360,335	-	-	-	44,850	October 1 final transfer.
<i>Audit - Transition</i>	13,750	-	-	-	-	
<i>Chief Financial Officer</i>	181,369	-	-	-	-	
<i>Agreed Upon Procedures - Article 3</i>	-	-	-	84,000	341,775	Assume 120 AUPs
Administrative Services	77,200	-	-	-	-	
Government Liaison	62,700	68,400	68,400	68,400	68,400	
Actuarial Services	187,350	137,680	188,855	188,855	194,210	
Human Resources	17,589	9,485	12,485	10,000	12,500	

Function						
Category						
Sub-Category						
Sub-Category Detail						
	Actual	Actual	Expected	Final	Proposed	
	FY 23	thru	Actual	Adopted	Budget	Notes
		June 1	FY 24	Budget	FY 25	
				FY 24		
Professional Services (continued)						
Legal Services						
<i>General</i>	53,099	27,853	33,424	60,000	50,000	
<i>Fiduciary and Litigation</i>	76,675	82,279	59,868	121,000	125,000	Refund of litigation fees of \$40,000 in FY 24
<i>Auxiliary Legal Counsel</i>	-	-	-	-	-	
Technology Services	58,092	3,607	4,607	6,000	6,000	
Communication Services	24,000	18,000	18,000	18,000	18,000	
Other Consulting Services	8,400	25,398	27,498	37,998	-	Services concluded in FY 24
Total Professional Services	1,172,059	450,247	492,682	674,147	940,535	
Bank Services and Fees						
Local Bank Fees	3,426	2,086	2,272	2,500	2,500	
Loan Interest Expense	230,565	-	-	-	-	
Total Bank Services and Fees	233,991	2,086	2,272	2,500	2,500	
Services and Supplies						
Assets under \$10,000	153,804	43,023	44,000	50,000	10,000	Buildout of office complete
Insurance	84,418	106,386	106,386	106,906	131,578	Increased coverages
Office Lease	48,375	64,500	64,500	64,500	64,500	
Printing & Postage	7,759	14,364	18,064	20,000	31,650	Two elections in FY 25
Supplies & Maintenance	12,479	7,028	7,500	10,000	10,000	
Telecommunication	15,182	14,084	15,409	15,000	17,500	
Contingency	-	(2)	-	12,000	12,000	
Dues / Licenses	65,623	72,967	74,565	78,586	81,450	
Training & Education	135	5,303	5,303	6,000	6,000	
Travel & Transportation	2,868	6,813	7,137	10,000	27,500	Increase for Private Mkt due diligence travel
Utilities	5,821	2,077	5,277	7,000	7,000	
Website	37,839	13,449	13,649	20,000	15,000	
Total Services and Supplies	434,303	349,993	361,790	399,992	414,178	
IMRF Pension Expense (Income)	(87,735)	-	-	-	-	
Total Administrative Operations	2,366,515	1,665,332	1,836,764	2,091,199	2,574,448	

Function						
Category				Final	Proposed	
Sub-Category	Actual	Actual	Expected	Adopted	Budget	
Sub-Category Detail	FY 23	thru June 1	Actual FY 24	Budget FY 24	FY 25	Notes
Investment Operations						
<u>Personnel Costs</u>	796,297	721,208	815,628	857,883	1,381,653	Add 2 positions & increased IMRF ER rate in 2025
<u>Investment & Banking</u>						
General Investment Consultant	427,500	320,625	427,500	427,500	427,500	
Database Subscription(s)	37,050	38,172	38,172	38,172	77,040	Increase for private equity databases
Investment Management	849,323	1,184,016	2,188,676	2,260,000	-	Removed from operations budget - see below
Custodial Services	376,368	241,144	428,644	460,000	521,850	Increased AUM and transactions
Total Investment & Banking	1,690,241	1,783,957	3,082,992	3,185,672	1,026,390	
<u>Professional Services</u>						
Project Architect	28,175	-	-	-	-	
Transition Management	847,718	-	-	-	-	
Transition Consultant/Services	287,762	-	-	-	-	
Total Professional Services	1,163,655	-	-	-	-	
Total Investment Operations	3,650,193	2,505,165	3,898,620	4,043,555	2,408,043	
TOTAL EXPENDITURES - BOARD, ADMINISTRATIVE AND INVESTMENT OPERATIONS	<u>6,091,858</u>	<u>4,254,998</u>	<u>5,826,594</u>	<u>6,257,682</u>	<u>5,096,516</u>	
INVESTMENT MANAGER FEES						
Manager fees paid directly from the Fund					4,138,695	Removed from Operations Budget
Manager fees charged/net from Investment Returns					5,912,275	Consistent with industry std for commingled product
TOTAL ESTIMATED INVESTMENT MANAGER FEES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,050,970</u>	

Investment Manager Fees

Exhibit B

	Actual FY 23	Full Accrual Estimated at May 1	Expected Actual FY 24	Final Adopted Budget FY 24	Estimate for FY 25	Notes
<u>Invoice Billing to IPOPIF</u>						
Rhumblin Advisors	\$ 79,741	\$ 108,559	\$ 133,147	\$ 130,773	\$ 161,294	
State Street Global Advisors	769,582	982,309	1,171,529	1,175,477	1,016,161	
Acadian Asset Management	-	300,395	567,566	635,417	1,734,139	
LSV Asset Management	-	137,268	316,434	318,333	1,227,101	
Total Invoice Billing to IPOPIF	\$ 849,323	\$ 1,528,531	\$ 2,188,676	\$ 2,260,000	\$ 4,138,695	
<u>Direct Fees from Investment Vehicle</u>						
Principal Life Insurance Company	\$ 1,289,648	\$ 1,106,500	\$ 1,327,800	\$ -	\$ 1,605,266	
Ares Management	-	31,336	73,176	-	287,500	
Aristotle Pacific Capital	-	80,281	187,509	-	690,000	
Emerging Market Debt Manager - NEW	-	-	-	-	780,000	1.5% Allocation 11/1/2024
Emerging Market Equity Manager - NEW	-	-	-	-	1,541,420	3% Allocation 1/1/2025
WCM Investment Management	-	108,048	254,144	-	1,008,089	
Total Direct Fees from Investment Vehicle	\$ 1,289,648	\$ 1,326,165	\$ 1,842,629	\$ -	\$ 5,912,275	
GRAND TOTAL	\$ 2,138,971	\$ 2,854,695	\$ 4,031,304		\$ 10,050,970	
Assets Under Management	At June 30, 2023	At April 30, 2023		Estimated	Estimated	
	\$ 9,092,831,539	\$ 10,131,337,469		\$10,000,000,000	\$10,000,000,000	July 1, 2024
					\$12,256,000,000	June 30, 2025

Exhibit C

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND



MONTHLY FINANCIAL REPORT

FOR THE NINE MONTHS ENDED MARCH 31, 2024

MODIFIED CASH BASIS

PREPARED BY: THE STAFF OF THE ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

Illinois Police Officers' Pension Investment Fund
Statement of Fiduciary Net Position
As of March 31, 2024, and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Assets		
Cash		
Lake Forest Bank & Trust	\$ 110,767	\$ 236,853
Total Cash	110,767	236,853
Investments		
Investments	10,392,539,535	9,016,924,150
Total Investments	10,392,539,535	9,016,924,150
Other Assets		
Net IMRF Pension Asset	7,426	-
Total Other Assets	7,426	-
Total Assets	10,392,657,728	9,017,161,003
Deferred Outflows of Resources		
Deferred outflows related to IMRF Pension	80,309	-
Liabilities		
Illinois Finance Authority Loan	-	5,548,091
Capitalized Interest	-	79,635
Total Payables	-	5,627,726
Accrued Expenses		
Payroll & Related	142,227	103,393
Professional	7,740	8,149
General	-	56,499
Total Accrued Expenses	149,967	168,041
Total Liabilities	149,967	5,795,767
Net Position Restricted	10,392,588,070	9,011,365,236

Illinois Police Officers' Pension Investment Fund
Statement of Changes in Fiduciary Net Position
For the Nine Months Ended March 31, 2024, and 2023

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Additions		
Proceeds		
Cash Received from Local Funds	384,590,707	278,503,212
Investments Received from Local Funds	13,100,419	5,684,408,222
Total Proceeds	397,691,126	5,962,911,434
Investment Income (Loss)		
Lake Forest Bank & Trust	461	7,766
Interest	44,322,724	43,941,844
Net appreciation (depreciation) in fair value of investments	935,400,262	348,903,191
Investment Income (Loss)	979,723,447	392,852,801
Less: Investment Management Fees Paid from the Fund	(3,008)	33,867
Investment Income (Loss) net of Management Fees	979,070,439	392,818,934
Total Additions	1,376,761,565	6,355,730,368
Deductions		
Administrative Expenses		
Board of Trustees & Meetings	(70,525)	(12,884)
Administrative Operations	(1,349,947)	(1,582,618)
Investment Operations	(1,048,477)	(1,922,632)
Total Administrative Expenses	(2,468,949)	(3,518,134)
Participating Fund Withdrawals	(368,300,566)	(75,595,432)
Total Deductions	(370,769,515)	(79,113,566)
Net Increase (Decrease)	1,005,992,050	6,276,616,802
Net Position Restricted		
Beginning of the Year	9,386,596,020	2,734,748,434
End of the Period	10,392,588,070	9,011,365,236

Illinois Police Officers' Pension Investment Fund

Additions Report for the Nine Months Ended March 31, 2024

	<u>Received this Month</u>	<u>Budgeted this Month</u>	<u>Received this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Additions				
<u>Consolidated Funds</u>				
Cash Received from Local Funds	53,958,667	-	384,590,707	-
Investments Received from Local Funds	-	-	13,100,419	-
	53,958,667	-	397,691,126	-
<u>Investment Income (Loss)</u>				
Interest & Dividends	6,350,295	-	44,323,185	-
Net appreciation (depreciation)	221,446,109	-	935,400,262	-
Investment Management Fees Paid from the Fund	(306,151)	(188,333)	(653,008)	(2,260,000)
	227,490,253	(188,333)	979,070,439	(2,260,000)
Total Additions	281,448,920		1,376,761,565	

SAMPLE PRESENTATION

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Nine Months Ended March 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
Board of Trustees and Meetings				
<u>Board of Trustees and Meetings Expenses</u>				
Professional Services				
<i>Administrative Services</i>	-	267	3,200	3,200
<i>Election Services</i>	-	2,518	23,850	30,216
Education and Training	2,552	1,500	6,199	18,000
Meeting Expenses	5,903	3,792	31,331	45,500
Board Member Reimbursements	690	1,296	5,945	15,555
Municipal Reimbursements	-	871		10,457
	<u>9,145</u>	<u>10,244</u>	<u>70,225</u>	<u>122,928</u>
Administrative Operations				
<u>Personnel</u>				
Administrative Personnel	64,020	6,665	553,500	799,975
Employment Expenses				
<i>FICA/Medicare</i>	4,887	4,519	35,367	54,233
<i>Medical/Dental Benefits</i>	7,900	9,340	81,931	112,075
<i>Unemployment</i>	18	100	1,085	1,200
<i>Retirement Benefits</i>	5,848	3,923	29,715	47,077
	<u>80,722</u>	<u>84,547</u>	<u>701,598</u>	<u>1,014,560</u>
<u>Professional Services</u>				
Finance				
<i>Accounting</i>	2,038	1,866	17,431	22,394
<i>Audit - Financial</i>	-	4,792	57,500	57,500
<i>Agreed Upon Procedures - Article 3</i>	-	7,000	-	84,000
Government Liaison	5,700	5,700	51,300	68,400
Actuarial Services	-	15,738	121,775	188,855
Outsourced Human Resources	1,838	833	6,025	10,000
Legal Services				
<i>Legal Services - General</i>	-	5,000	14,299	60,000
<i>Legal Services - Fiduciary</i>	15,618	10,083	58,513	121,000
Technology Services	-	500	3,337	6,000
Other Consulting Services	-	3,167	23,998	37,998
Communication Services	3,000	1,500	13,500	18,000
	<u>28,194</u>	<u>56,179</u>	<u>367,678</u>	<u>674,147</u>

Illinois Police Officers' Pension Investment Fund

Deductions Report for the Nine Months Ended March 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
Expenditures				
<u>Bank Services and Fees</u>				
Local Bank Fees	207	208	1,812	2,500
	<u>207</u>	<u>208</u>	<u>1,812</u>	<u>2,500</u>
<u>Services & Supplies</u>				
Assets under \$5,000	491	4,167	43,023	50,000
Insurance	(520)	8,909	106,386	106,906
Office Lease/Rent	5,375	5,375	48,375	64,500
Printing & Postage	39	1,667	13,250	20,000
Supplies & Maintenance	411	833	5,375	10,000
Telecommunication	1,320	1,250	11,679	15,000
Contingency	(3)	1,000	(2)	12,000
Dues / Licenses	24,307	6,549	32,575	78,586
Training & Education	-	500	1,470	6,000
Travel & Transportation	268	833	5,260	10,000
Utilities	-	583	(835)	7,000
Website	200	1,667	12,475	20,000
	<u>51,888</u>	<u>33,333</u>	<u>278,859</u>	<u>399,992</u>
Investment Operations				
<u>Personnel</u>				
Investment Operations Personnel	53,542	58,917	486,079	706,998
Employment Expenses				
<i>FICA/Medicare</i>	3,964	3,514	26,944	42,163
<i>Medical/Dental Benefits</i>	5,096	5,379	45,438	64,552
<i>Unemployment</i>	-	53	525	640
<i>Retirement Benefits</i>	2,076	3,627	30,584	43,529
Manager fees removed	64,678	71,490	589,570	857,882
<u>Investment & Banking</u>				
General Investment Consultant	-	35,625	213,750	427,500
Database Subscription	-	3,181	38,172	38,172
Custodial Services	-	38,333	206,985	460,000
	<u>-</u>	<u>77,139</u>	<u>458,907</u>	<u>925,672</u>
Total Expenditures	214,834	333,140	2,468,949	3,997,681
Participating Fund Withdrawals	45,710,553		368,300,566	
Total Deductions	45,925,387		370,769,515	

**ILLINOIS POLICE OFFICERS PENSION INVESTMENT FUND (IPOPIF)
FY 25 PAY PLAN**

POSITION	# FTEs	FY24 PAY PLAN		FY25 PROPOSED PAY PLAN	
		MINIMUM	MAXIMUM	MINIMUM	MAXIMUM
Executive Director	1	Contract	Contract	Contract	Contract
Chief Investment Officer	1	Contract	Contract	Contract	Contract
Deputy CIO⁷	1	N/A	N/A	\$175,000	\$250,000
Chief Financial Off/Asst. ED	1	\$130,000	\$187,200 ¹	\$130,000	\$191,880
Investment Officer	4	\$135,000	\$200,000 ²	\$135,000	\$205,000
Senior Accountant/Auditor	2	\$65,000	\$95,000 ³	\$65,000	\$97,375
Administrative Analyst	2	\$65,000	\$88,400 ⁴	\$65,000	\$90,600
Information Technologist	1	\$85,000	\$105,000 ⁵	\$85,000	\$107,625
Communications Specialist	1	\$50,000	\$65,000 ⁵	\$50,000	\$66,625

Pay Plan Guidelines:

- Contract employees shall be compensated based on employment agreement and performance appraisals as approved by the Board of Trustees.
- Non-Contract employees are eligible for a merit salary adjustment annually pursuant to an annual performance review. Merit increases are included in budgeted salary levels for the subsequent fiscal year (currently FY 25).
- Maximum salary levels will be adjusted by an inflationary index. Inflationary salary adjustments will be applied annually, subject to satisfactory performance. The inflationary index used shall be the Consumer Price Index for Urban Consumers⁶.

ATTACHMENT C

¹Approved at July 8, 2022 Board Meeting, then increased by CPI-U of 4% at July 21, 2023, Board Meeting.

²Approved at June 9, 2023 Board Meeting.

³Approved at February 10, 2023 Board Meeting.

⁴Approved at September 9, 2022 Board Meeting, then increased by CPI-U at July 21, 2023, Board Meeting.

⁵Approved at April 14, 2023 Board Meeting.

⁶See attached Peoria Area Economic Summary dated May 29, 2024, published by the Bureau of Labor Statistics.

⁷Pending Board approval.

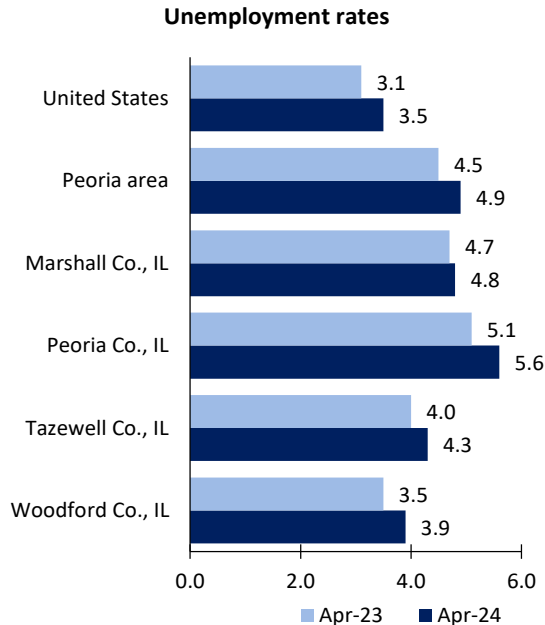
DRAFT

Peoria Area Economic Summary

Updated May 29, 2024

This summary presents a sampling of economic information for the area; supplemental data are provided for regions and the nation. Subjects include **unemployment, employment, wages, prices, spending, and benefits**. All data are not seasonally adjusted and some may be subject to revision. Area definitions may differ by subject. For more area summaries and geographic definitions, see www.bls.gov/regions/economic-summaries.htm.

[Unemployment rates for the nation and selected areas](#)

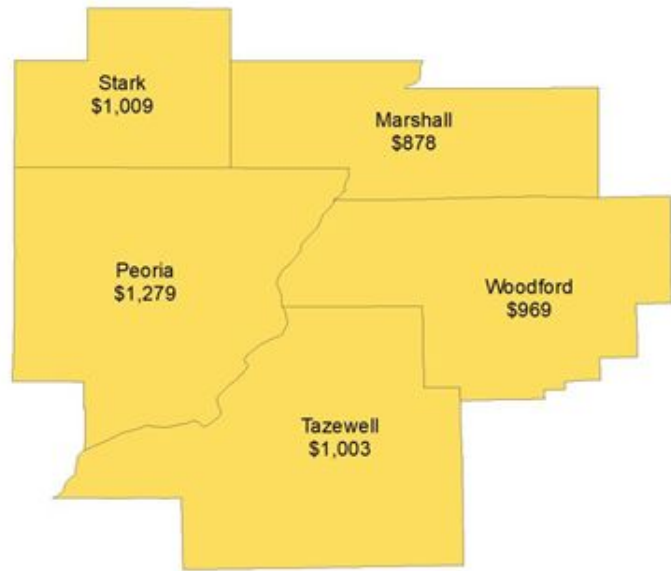


Source: U.S. BLS, Local Area Unemployment Statistics.

[Average weekly wages for all industries by county](#)

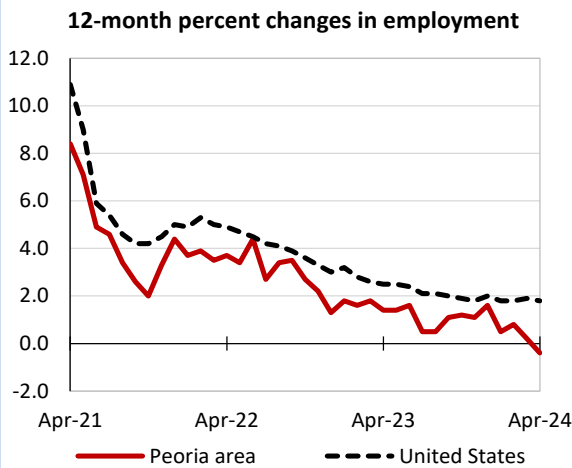
Peoria area, third quarter 2023

(U.S. = \$1,334; Area = \$1,170)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

[Over-the-year changes in employment on nonfarm payrolls](#) and employment by major industry sector



Source: U.S. BLS, Current Employment Statistics.

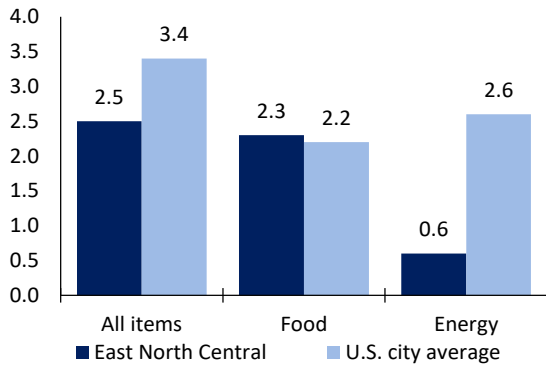
Peoria area employment (number in thousands)	Apr. 2024	Change from Apr. 2023 to Apr. 2024	
		Number	Percent
Total nonfarm	170.0	-0.6	-0.4
Mining, logging, and construction	7.9	-0.3	-3.7
Manufacturing	23.7	0.2	0.9
Trade, transportation, and utilities	29.5	-0.5	-1.7
Information	1.6	-0.1	-5.9
Financial activities	6.8	0.1	1.5
Professional and business services	22.1	-1.2	-5.2
Education and health services	34.0	0.4	1.2
Leisure and hospitality	15.4	-0.5	-3.1
Other services	7.9	0.2	2.6
Government	21.1	1.1	5.5

Source: U.S. BLS, Current Employment Statistics.



Over-the-year change in the prices paid by urban consumers for selected categories

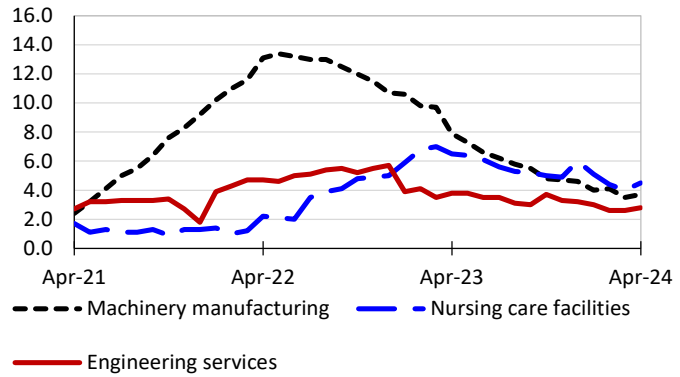
12-month percent change in CPI-U, April 2024



Source: U.S. BLS, Consumer Price Index.

Over-the-year changes in the selling prices received by producers for selected industries nationwide

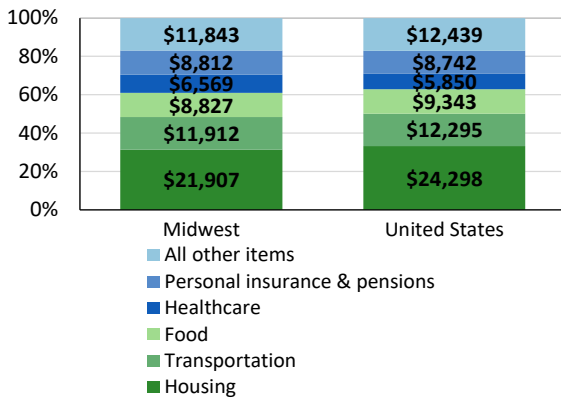
12-month percent changes in PPI



Source: U.S. BLS, Producer Price Index.

Average annual spending and percent distribution for selected categories

Average annual expenditures, United States and Midwest, 2022



Source: U.S. BLS, Consumer Expenditure Survey.

Average hourly wages for selected occupations

Occupation	Peoria area	United States
All occupations	\$28.93	\$31.48
Medical and health services managers	61.34	64.64
Registered nurses	37.41	45.42
Welders, cutters, solderers, and brazers	24.44	25.31
Industrial truck and tractor operators	23.37	21.98
Office clerks, general	20.10	20.94
Waiters and waitresses	15.48	17.56

Source: U.S. BLS, Occupational Employment and Wage Statistics, May 2023.

Employer costs per hour worked for wages and selected employee benefits by geographic division

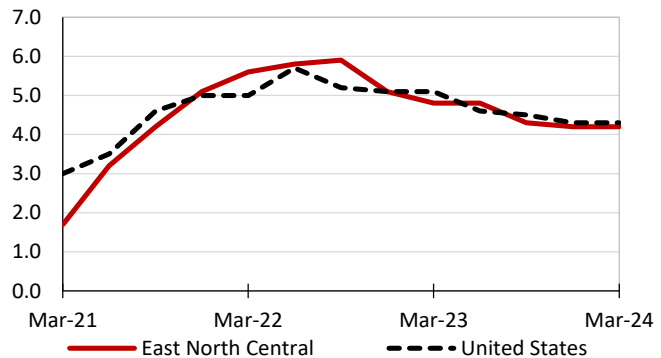
Private industry, December 2023	East North Central (1)	United States
Total compensation	\$41.90	\$43.11
Wages and salaries	29.01	30.33
Total benefits	12.89	12.77
Paid leave	3.05	3.26
Vacation	1.61	1.67
Supplemental pay	1.94	1.71
Insurance	3.31	3.14
Retirement and savings	1.60	1.50
Legally required benefits	3.00	3.17

(1) The states that compose the East North Central census division are: IL, IN, MI, OH, and WI.

Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries

12-month percent changes in ECI



Source: U.S. BLS, Employment Cost Index.



IPOPIF

FY 2025 Budget

Dues and Licenses Worksheet

Administrative Operations - Services and Supplies, Due and Licenses

<u>Description - Vendor</u>	<u>Budgeted</u> <u>FY 24</u>	<u>Actual FY 24</u> <u>as of June 1, 2024</u>	<u>Expected FY 24</u> <u>Total Expense</u>	<u>Budgeted</u> <u>FY 25</u>
AICPA	\$315.00	\$900.00	\$900.00	\$560.00
Adobe Licenses	\$3,900.00	\$3,606.67	\$3,606.67	\$5,050.00
ADP, Inc.	\$1,725.00	\$2,244.84	\$2,660.76	\$3,500.00
CAIA		\$350.00	\$350.00	\$350.00
Entity Lobbyist Registration Fee	\$315.00	\$306.75	\$306.75	\$315.00
GFOA	\$250.00	\$710.00	\$710.00	\$750.00
IGFOA	\$150.00	\$291.65	\$291.65	\$300.00
LRS Axient Cloudfinder	\$1,500.00	\$1,250.00	\$1,500.00	\$1,500.00
Cloud Antivirus Agent	\$800.00	\$800.00	\$800.00	\$800.00
Microsoft 365 Recurring Licenses	\$7,320.08	\$6,197.50	\$6,197.50	\$6,500.00
Notary Public Recertification			\$0.00	\$106.00
Accounting CS Web Services	\$10,000.00	\$2,808.00	\$2,808.00	\$2,950.00
Monthly user fees for Accounting CS	\$4,410.00	\$4,222.06	\$5,154.06	\$5,808.00
CFA Dues and Chapter Membership	\$775.00	\$898.00	\$898.00	\$1,297.00
Diligent Collaboration Software	\$21,060.00	\$21,060.00	\$21,060.00	\$22,750.00
Next Request Software	\$12,902.40	\$12,271.35	\$12,271.35	\$12,890.00
DOI Compliance Fee	\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00
International Foundation of EB Plans	\$1,600.00	\$1,385.00	\$1,385.00	\$1,425.00
IPPFA	\$795.00			\$795.00
NCPERS	\$1,165.00	\$2,445.00	\$2,445.00	\$2,445.00
Survey Monkey	\$0.00	\$900.00	\$900.00	\$927.00
Women Investment Professionals			\$0.00	\$100.00
Other, Estimated	\$1,603.00	\$2,320.18	\$2,320.18	\$2,332.01
TOTAL	\$78,585.48	\$72,967.00	\$74,564.92	\$81,450.00

RESOLUTION NO. 2024-02

**RESOLUTION ADOPTING THE BUDGET
FOR THE FISCAL YEAR
JULY 1, 2024 – JUNE 30, 2025**

JUNE 14, 2024

WHEREAS, §22B-118(e) of the Illinois Pension Code requires the Illinois Police Officers' Pension Investment Fund (hereinafter the "Board") to annually adopt a budget to support its operations and administration;

WHEREAS, in compliance with the cited statutory requirements, the Board of Trustees has reviewed the proposed budget for fiscal year 2025,

BE IT RESOLVED by the Board:

1. The Board find as facts the recitals hereinabove set forth. The Board further finds that the Budget approved hereby is appropriate for the operation and administration of the Fund.

2. The Board hereby approves and adopts the Budget for fiscal year 2025, July 1, 2024, through June 30, 2025, totaling \$5,096,516 for Board, Administrative and Investment Operations.

3. The Budget for fiscal year 2025 for the Fund is adopted as shown on Exhibit 1 attached hereto and made a part hereof;

4. Any policy or resolution of the Fund that conflicts with the provisions of this Resolution shall be and are hereby repealed to the extent of such conflict;

5. This Resolution shall be in full force and effect upon its passage and approval in the manner provided by law.

Approved and effective this 14th day of June 2024 by vote as follows:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

ILLINOIS POLICE OFFICERS'
PENSION INVESTMENT FUND

By: _____
Philip Sues, Chairperson

ATTEST:

By: _____
Lee Catavu, Secretary



MEMORANDUM

DATE: June 5, 2024
 TO: IPOPIF Board of Trustees
 FROM: Kent Custer, Chief Investment Officer
 SUBJECT: Investment Staffing

Recommendation

That the Board of Trustees approve the job description for the Deputy Chief Investment Officer with a starting salary range of \$175,000 to \$250,000 per year.

Governance Committee Guidance

Investment staffing status and solutions, as summarized below, were discussed with the Governance Committee on May 17, 2024. The Governance Committee provided the following guidance.

1. Seek approval of the Deputy CIO position at the June 2024 Board meeting.
2. Continue with investment professional recruitment, including specific candidate identified for senior role implementing private market investments.
3. Continue preference for Peoria based employees but remote/hybrid arrangements may be considered if necessary to recruit qualified investment professionals.

Background

- CIO Kent Custer joined IPOPIF in May 2021. Investment Officer Steve Yoon joined in August 2021, and Barbara Meyer joined in July 2022.
- The CIO provided staffing perspective at the April 14, 2023, Board meeting, and the Board approved the recruitment of two additional Investment Officers.
- An investment officer recruiting campaign was conducted following the Board action.
 - The job posting specified that the position would be expected to work from the Peoria office.
 - Three qualified candidates were interviewed in Peoria and subsequently offered positions with IPOPIF. All offers were declined. Two candidates accepted other positions. One candidate elected to stay with the current employer.
 - An additional candidate was interviewed in Peoria and joined IPOPIF in October 2023 but left for personal reasons near the end of the year.
- Peoria Office Issues and Opportunities
 - The current investment officer positions are “Peoria Based,” but they work remotely from Chicago.
 - The CIO works primarily from the Peoria office.
 - Investment Staff video conferences daily and interacts frequently on the Microsoft Teams platform.

- The hybrid work structure appears to be broadly normalizing for USA knowledge workers.
- Board input has identified the need for succession planning.

Current Structure and Responsibilities

- Investment Officer, Steve Yoon
 - Responsible for active Credit and Real Asset Investments including High Yield, Bank Loans, EMD, Private Credit, Real Estate, and Infrastructure.
 - He is currently leading the search for an EMD manager and is planning our implementation of private credit.
 - Future searches are expected for High Yield, Infrastructure, and Real Estate.
 - Steve has successfully passed the two examinations necessary to become a Chartered Alternative Investment Analyst (CAIA).
- Barbara Meyer
 - Responsible for Public Equities, all passive investments (RhumbLine and SSGA), and performance.
 - Barb holds the Certificate in Investment Performance Measurement (CIPM) from the CFA institute.
 - Barb is planning a search for EME ex China active management for 2024.
 - Future searches will be considered for US small cap as well as US and International large cap.
 - Barb takes the lead on performance reporting and evaluation. Developing the State Street performance platform is a key project.

Staffing Needs

- Private equity implementation.
- Real assets implementation.
- Investment Administration.
- Compliance and Communication.
- Redundancy and Succession planning. Increased depth would mitigate the impact of staff turnover and improve the pace and quality of investment implementation.
- Increased collaboration on RFPs and other investment initiatives.

Solutions and Options

1. Private Equity Investment Officer – Needed for private equity implementation.
2. Real Assets Investment Officer – Needed for Real Assets implementation. Position can potentially be combined with Private Credit or Private Equity.
3. Generalist Investment Officer – Find someone with public market and alternative investment experience and task them with building the private equity and/or real assets portfolio in collaboration with consultant/discretionary resources.

4. Investment Analyst – We could hire a junior person to take on some investment tasks. However, additional supervision and dispersion of monitoring focus are potential detractors.
5. Deputy CIO – A new position could be established to add senior investment leadership, idea generation, and staffing resilience. This role could potentially take on responsibilities in Private Equity and Real Assets.
6. Executive Recruiter – This is a typical path for replacing the Chief Investment Officer. This option may identify superior candidates at a point in time, however, a “promote from within” strategy will foster institutional knowledge and organizational resilience.
7. Increase IPOPIF flexibility to allow remote/hybrid work to expand candidate pool.
8. Flexible office space in Chicago might be beneficial.
 - a. Easier location for some staff.
 - b. Better location to capture Chicago investment manager meeting flow.
 - c. Expanded employee candidate pool.

Deputy Chief Investment Officer

In consideration of investment staff succession planning, initial conversations with Chair Sues followed by discussion with the Governance Committee have identified the benefits of a senior investment position to provide succession depth to the CIO.

Next Steps

1. Continue recruitment of a specific experienced candidate for a senior role implementing private equity investments. I have been in discussions with an investment professional, located in central Illinois, with substantial experience in Illinois Public Funds and private market investments. This situation was reviewed with the Governance Committee as a potential staff or consulting resource. Subsequent conversations have gravitated toward a senior staff role focused on private market implementation. There is also a good fit with the Deputy CIO position.
2. Board consideration of Deputy CIO job description.
3. Continue recruitments efforts to build the investment staff to people, CIO plus four investment professionals.

Attachments

1. Draft Job Description for Deputy CIO

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

POLICY NUMBER: PP-2024-XX
SUBJECT: DEPUTY CHIEF INVESTMENT OFFICER JOB DESCRIPTION
EFFECTIVE DATE: JUNE 14, 2024
AMENDED: N/A

INDEX

SECTION A: INTRODUCTION
SECTION B: DUTIES AND RESPONSIBILITIES
SECTION C: PREFERRED QUALIFICATIONS
SECTION D: POLICY REVIEW

A. INTRODUCTION

1. The Deputy Chief Investment Officer (Deputy CIO) reports to and will support the Chief Investment Officer (CIO) in the management and operation of the IPOPIF investment operation.
2. The Deputy CIO will develop comprehensive knowledge of the IPOPIF investment program such that this person could effectively assume the CIO role.
3. The Deputy CIO is selected by the Chief Investment Officer.

B. DUTIES AND RESPONSIBILITIES

1. Strategic Planning and Implementation
 - a. Formulate and recommend investment strategies and processes to achieve IPOPIF investment goals.
 - b. Support or lead assigned projects to accomplish Board approved investment objectives.
 - c. Track and report on strategic planning and objectives.
2. Administration
 - a. Oversee administration of the Investment Custodian.
 - b. Oversee investment performance reporting from the Consultant and Custodian, including performance reporting for the Participating Police Pension Funds.

- c. Oversee a formal process to ensure, document, and report compliance with all applicable statutes and policies.
 - d. Coordinate development of the Investment Budget.
 - e. Coordinate the provision of investment information for the Annual Comprehensive Financial Report (ACFR).
3. Investment Management
- a. Assume primary responsibility for asset classes or investment managers as assigned by the CIO.
 - b. Recommend optimum asset class structures.
 - c. Lead or support investment manager searches as assigned by the CIO.
 - d. Monitor IPOPIF investment managers.
4. Human Resources
- a. Assess the resource needs of the investment operations.
 - b. Manage and supervise assigned investment staff.
5. Communications
- a. Prepare materials for Board of Trustee and Committee meetings with assigned primary responsibility for one or more sections or segments.
 - b. Fluently present reports and memoranda before the Board or Committees.
 - c. Represent IPOPIF with stakeholders as delegated by the CIO.

C. PREFERRED QUALIFICATIONS

1. Education
- a. Graduation from an accredited university
 - b. CFA and/or CAIA certification
2. Experience
- a. Public Investment Fund
 - b. Investment experience outside of a public fund
 - c. Traditional and alternative investment assets
 - d. Employee supervision
 - e. Team collaboration
 - f. Demonstrated Success
3. Communication

- a. Confident presentations
 - b. Flexible and effective interpersonal communication skills
 - c. Ability to write a cogent report or memo
 - d. Conflict Resolution
4. Computer knowledge
- a. Advanced Excel modeling and interpretation
 - b. PowerPoint including development and management of slide masters and layouts
 - c. Microsoft Word including track changes and version control
 - d. Adobe Acrobat Pro
 - e. Microsoft Teams including conferencing, chat, and shared files
 - f. Investment industry databases and tools such as eVestment and PitchBook

D. POLICY REVIEW

1. The Policy is subject to change in the exercise of the Board's judgement.
2. The Board of Trustees will review this policy at least every two (2) years to ensure that it remains relevant and appropriate and consistent with state and federal laws and regulations.
3. In the event of legislative changes to the pertinent sections addressed in this policy, the Board will review the policy as appropriate.
4. This policy was originally adopted by the Board on [insert date]. The dates of subsequent review and adoption shall be recorded below.



PERIOD ENDING: March 31, 2024

Investment Performance Review for

Illinois Police Officer's Pension Investment Fund

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[VERUSINVESTMENTS.COM](https://www.verusinvestments.com)

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Executive Summary **Page 3**

Investment Landscape **Page 5**

Investment Performance **Page 26**

Executive Summary

Illinois Police Officers' Pension Investment Fund Period Ending: March 31, 2024

Executive Summary

- Total assets increased by nearly \$400 million to \$10.4 billion over the quarter, reflecting strong global equity returns, particularly in the U.S., as investor confidence grew regarding the Fed's ability to engineer a so-called "soft landing".
- The S&P 500 returned 10.6% in the first quarter, following on the heels of a strong 4th quarter that saw an 11.7% return, and although market gains were broad-based, the strongest returns came in the tech sector, particularly companies involved in AI. Notable performers included Nvidia and Meta with gains of 82% and 37%, respectively. The strong performance of mega-cap equities with AI exposure contributed significantly to overall market gains and continued a trend of mega-cap, growth stock outperformance.
- The IPOPIF Investment Portfolio returned 4.1% for the quarter, which was closely aligned with the Policy Index return of 4.2%, but below the Broad-Based Policy Index of 4.8%, which reflects its higher equity allocation.
- Since inception in April 2022, the IPOPIF Portfolio has returned 3.8% on an average annualized basis through the end of the 1st quarter, compared to the Policy Index of 3.9% and the Broad-Based Policy Index of 3.4%.
- The IPOPIF Portfolio performed better than its median peer and ranked in the 43rd percentile for the quarter in a representative universe of Public Pensions with assets greater than \$1 billion.
- While the portfolio remains predominately passively invested through the end of the quarter, a shift to actively managed investments began with the gradual funding of international small cap equity managers Acadian, WCM, and LSV, and bank loan managers Ares and Aristotle, totaling 4.7% and 1.5% of the total portfolio, respectively, at quarter-end.
- The IPOPIF investment team actively monitors current asset allocations vs. policy targets and conducts rebalancing trades as appropriate. As of 3/31/24, all asset classes except bank loans and cash were within policy targets. The noted variances were due to activity related to funding new mandates.

Notes:

The broad-Based Policy Index represents a passively invested 70/30 global stock / U.S. bond portfolio.

Investment Landscape

1st quarter summary

THE ECONOMIC CLIMATE

- Real GDP growth unexpectedly slowed in Q1 to 1.6% quarter-over-quarter (3.0% year-over-year), falling short of economist forecasts for 2.5% growth. The GDP release reflected positive but decelerating spending by households, slowing exports, and less government expenditures. Residential fixed investment accelerated partly driven by new single-family home construction, while private inventory investment fell. **p. 8**
- The U.S. job market has been incredibly resilient, with unemployment rising slightly from 3.7% to 3.8% but labor participation improving from 62.5% to 62.7%. Some economists and investors have begun to partially attribute surprisingly strong labor conditions to substantial immigration (both legal and illegal) in recent years. **p. 14**

PORTFOLIO IMPACTS

- The 10-year U.S. Treasury yield rose 32 basis points to 4.20% during Q1 on broad acknowledgment that disinflation trends have stalled and that the Federal Reserve may not cut rates in 2024 as significantly as markets had hoped for. **p. 21**
- Market-priced volatility (Cboe VIX Index) remained incredibly low during the quarter, ending at 13.0 in March. Historically, market volatility of this level has coincided with strong upward trending risk markets and investor enthusiasm. **p. 33**

THE INVESTMENT CLIMATE

- Equity markets delivered another quarter of large gains—much of the performance fueled by richer valuations rather than fundamentals. Credit spreads declined further to very low levels, leading to moderate returns for higher risk credit. Many markets appear to be priced to perfection as recession fears subside. **p. 45**
- U.S. inflation increased in Q1, following a handful of hotter-than-expected inflation and jobs reports. Headline inflation increased from 3.3% to 3.5% year-over-year in March, while core CPI (ex-food & energy) declined slightly from 3.9% to 3.8%. It now seems more likely that inflation ends this year closer to, or above, 3% rather than 2%. **p. 10**

ASSET ALLOCATION ISSUES

- U.S. equities (S&P 500 +10.6%) once again outpaced international developed equities (MSCI EAFE +5.8%) and emerging market equities (MSCI EM +2.4%) during the quarter. The domestic market has also delivered outperformance over the past year, fueled by the artificial intelligence boom. Telecom (+49.8%) and Technology (+46.0%) saw the biggest gains across the S&P 500. **p. 28**
- Style factor investing underperformed during Q1. Small cap lagged large cap by -5.1% (Russell 2000 +5.2% vs. Russell 1000 +10.3%). Value underperformed Growth by -2.4% (Russell 1000 Value +9.0% vs. Russell 1000 Growth +11.4%). Mega cap companies continue to dominate large cap index performance and affect style behavior. **p. 29**

Equity markets delivered another large rally in Q1, while credit showed mildly positive returns

Stubborn inflation and fewer Fed interest rate cuts seem likely for 2024

What drove the market in Q1?

“U.S. Consumer Prices Heat Up in March; Seen Delaying Fed Rate Cut”

FED FUNDS FUTURES IMPLIED RATES: END OF 2024

Jan 15th	Jan 31st	Feb 15th	Feb 29th	Mar 15th	Mar 31st
3.76%	3.86%	4.37%	4.48%	4.61%	4.66%

Article Source: Reuters, April 10th, 2024

“Resilient U.S. Boosts IMF Forecast for Global Economic Growth”

IMF WORLD ECONOMIC OUTLOOK 2024 GLOBAL GDP FORECAST

Jan 23	April 23	July 23	Oct 23	Jan 24	April 24
3.1%	3.0%	3.0%	2.9%	3.1%	3.2%

Article Source: U.S. News & World Report, January 30th, 2024

“A Persistently Strong Labor Market Delivers Economic Stability”

NONFARM PAYROLL GROWTH

Oct	Nov	Dec	Jan	Feb	Mar
165k	182k	290k	256k	270k	303k

Article Source: Forbes, January 27th, 2024

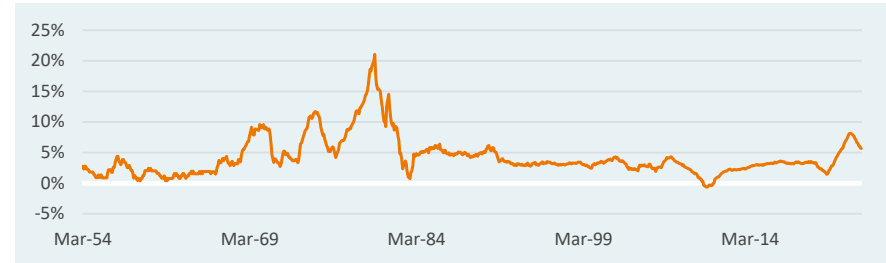
“Earnings, Big Tech Gave Investors Reasons to Buy U.S. Stocks”

S&P 500 YEAR-OVER-YEAR EARNINGS GROWTH (DECLINE)

Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
2.3%	-4.7%	-1.7%	-4.2%	4.9%	4.2%

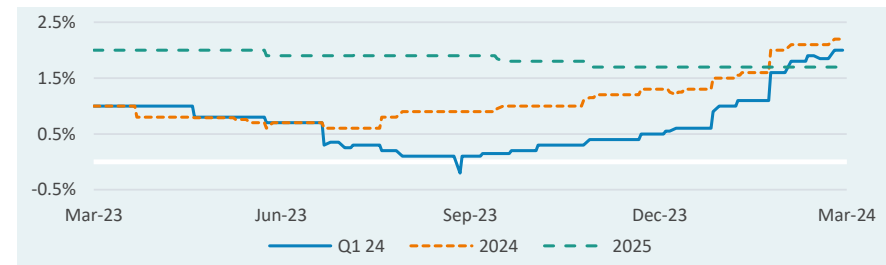
Article Source: Bloomberg, March 2nd, 2024

CPI COMPONENT: SHELTER (YEAR-OVER-YEAR)



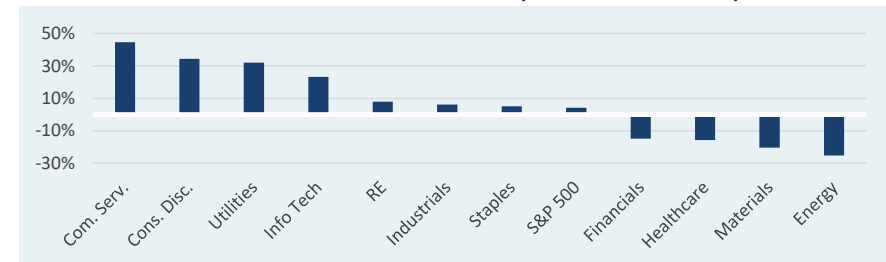
Source: BLS, as of 3/31/24

U.S. GDP FORECASTS



Source: Bloomberg, as of 3/31/24

Q4 2023 U.S. SECTOR EARNINGS GROWTH (YEAR-OVER-YEAR)



Source: FactSet, as of 3/31/24

U.S. economics summary

- Real GDP growth unexpectedly slowed in Q1 to 1.6% quarter-over-quarter (3.0% year-over-year), falling short of economist forecasts for 2.5% growth. The GDP release reflected positive but decelerating spending by households, slowing exports, and less government expenditures. Residential fixed investment accelerated partly driven by new single-family home construction, while private inventory investment fell.
- U.S. inflation increased in Q1, following a handful of hotter-than-expected inflation and jobs reports. Headline inflation increased from 3.3% to 3.5% year-over-year in March, while core CPI (ex-food & energy) declined slightly from 3.9% to 3.8%. It seems more likely that inflation ends this year closer to, or above, 3% rather than 2%.
- Inflation adjusted consumer spending has remained moderate, at 2.4% YoY in February. Purchases of services have materially outpaced purchases of goods in recent years, a reversal of the historically unprecedented boom in goods purchases that occurred during the pandemic.
- Employment has been incredibly resilient. Unemployment was stable during Q1, while labor participation increased. Some economists and investors have partially attributed labor market gains to substantial immigration (both legal and illegal) in recent years—with millions of immigrants being of working age and seeking work. Given the level of immigration, we expect official labor data has been, and will continue to be, meaningfully impacted.
- Consumer sentiment has jumped significantly on better financial situations of households, expectations that inflation will further ease, and a steadying economy. At the same time, The NFIB Small Business Optimism index deteriorated to the weakest level since 2012. Inflation remains a top concern, and business owners indicated they could not find qualified candidates to fill job openings.

	Most Recent	12 Months Prior
Real GDP (YoY)	3.0% 3/31/24	1.7% 3/31/23
Inflation (CPI YoY, Core)	3.8% 3/31/24	5.6% 3/31/23
Expected Inflation (5yr-5yr forward)	2.3% 3/31/24	2.2% 3/31/23
Fed Funds Target Range	5.25–5.50% 3/31/24	4.75–5.00% 3/31/23
10-Year Rate	4.20% 3/31/24	3.47% 3/31/23
U-3 Unemployment	3.8% 3/31/24	3.5% 3/31/23
U-6 Unemployment	7.3% 3/31/24	6.7% 3/31/23

Inflation

U.S. inflation increased in Q1, following a handful of hotter-than-expected inflation and jobs reports. Headline inflation increased from 3.3% to 3.5% year-over-year in March, while core CPI (ex-food & energy) declined slightly from 3.9% to 3.8%. It seems more likely that inflation ends this year closer to, or above, 3% rather than 2%. Certain goods and services have further moderated in price growth, such as Used Vehicles and Food, while other price trends remain hot such as Housing and Auto Insurance.

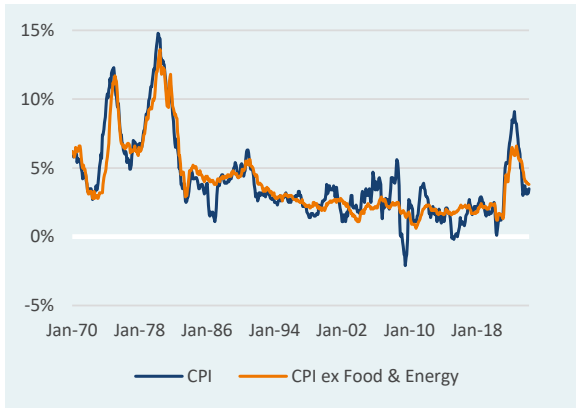
The outsized impact of Shelter—which makes up more than a third of the entire CPI basket—remains a major force keeping inflation elevated. While shelter prices reported by the Bureau

of Labor Statistics have moved closer to real-time price gauges, March’s 0.4% month-over-month increase still reflected an annualized rate of nearly 5%.

Inflation appears to be flattening out rather than continuing lower towards the Federal Reserve 2% target, which has been a catalyst for changing monetary policy expectations. Stubborn inflation combined with strong labor and other economic activity provides little incentive for the Federal Reserve to ease rates. At the beginning of the year the market expected six rate cuts in 2024. That has since fallen to two cuts.

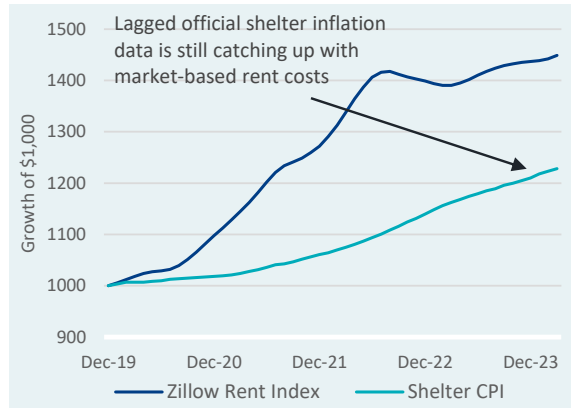
Q1 inflation remains above the Fed’s target, affecting market expectations for a “higher for longer” rate environment

U.S. CPI (YOY)



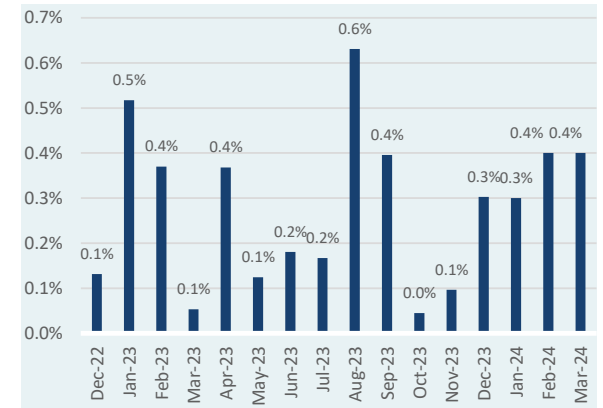
Source: BLS, as of 3/31/24

ZILLOW OBSERVED RENT VS. SHELTER CPI



Source: Zillow Observed Rent Index, FRED, of 3/31/24

MONTHLY PRICE MOVEMENT (CPI)



Source: BLS, as of 3/31/24

GDP growth

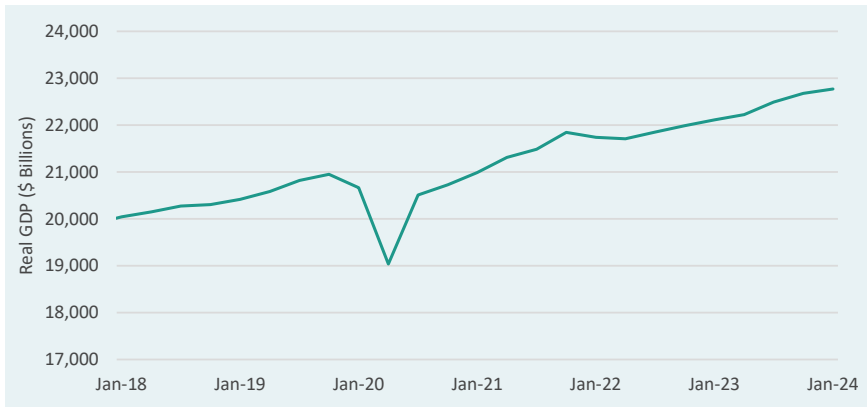
Real GDP growth unexpectedly slowed in Q1 to 1.6% quarter-over-quarter (3.0% year-over-year), falling short of economist forecasts for 2.5% growth. The GDP release reflected positive but decelerating spending by households, slowing exports, and less government expenditures. Residential fixed investment accelerated partly driven by new single-family home construction, while private inventory investment fell.

Slower economic growth in the first quarter appears to have been mostly driven by weakness in exports and imports, as well as a moderation in government spending. Other aspects of the economy such as consumer spending and investment

have slowed in recent quarters but growth remains moderately positive, as high inflation and weaker wage gains have not yet obviously resulted in a decline in spending. The first quarter GDP print marked the first instance of weak economic data after a seemingly months-long series of strong releases, from employment, to consumer sentiment, to spending. This was an abrupt change in direction of the data, and it will be important for investors to monitor whether it marks a true change in trend or is simply a bump in the road with further U.S. strength ahead.

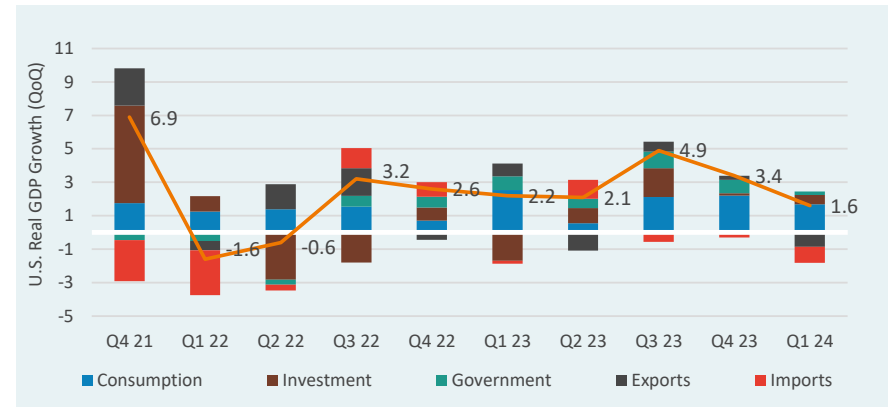
U.S. growth slowed a bit in Q1 but continues to show resilience despite aggressive monetary tightening

U.S. REAL GROSS DOMESTIC PRODUCT



Source: FRED, as of 3/31/24

U.S. REAL GDP COMPONENTS (QOQ)



Source: FRED, as of 3/31/24

The consumer

Inflation adjusted spending has remained moderate, at 2.4% year-over-year in February. Purchases of services have materially outpaced purchases of goods in recent years in terms of growth, since the historically unprecedented boom in goods purchases that occurred during the pandemic. We believe that extreme surge in goods purchases effectively *pulled forward* these purchases from future years, such as in home sales activity, home improvement projects, and recreational vehicle sales, which has led to the recent lull.

but have since fallen back to extremely low levels. The reason for this trend is unclear, though it coincides with a notable improvement in consumer sentiment, which suggests lower savings rates for some households might reflect an improved outlook for the economy and personal finances. However, high prices and cost of living is likely a greater contributing factor. Overall, Americans continue to spend rather freely despite higher costs of goods and services taking up a greater portion of take-home income. This includes nonessential spending such as for travel.

Personal savings rates had been improving through mid-2023

REAL PERSONAL SPENDING



Source: FRED, as of 2/29/24

GOODS VS. SERVICES SPENDING (REAL)



Source: FRED, as of 2/29/24

PERSONAL SAVINGS RATE



Source: FRED, as of 2/29/24

Labor market

The unemployment rate was fairly stable during the quarter, rising slightly from 3.7% to 3.8%. Meanwhile, labor participation improved from 62.5% to 62.7%.

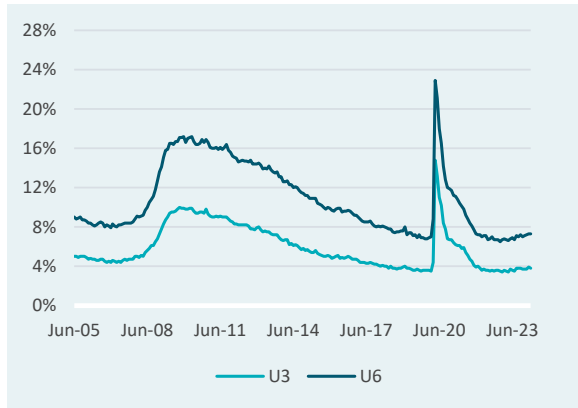
The U.S. job market has been incredibly resilient in the face of higher interest rates, and ongoing employment data releases continue to show outsized labor market gains. Some economists and investors have begun to partially attribute the record labor market gains to substantial immigration (both legal and illegal) into the country in recent years—with millions of immigrants being of working age and seeking employment. Given total immigration estimates, we would

expect that official jobs data, which is based on both phone surveys and also on employer payroll figures, to be meaningfully impacted.

Rebalancing within the labor market continued. The mismatch between the number of *workers available* and the number of *available jobs* was greater than 6 million in early 2022. Nearly two-thirds of that gap has now closed, with steady improvement over the past year.

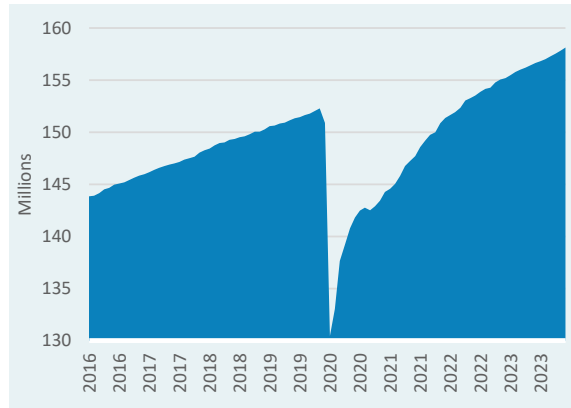
A substantial rise in different types of immigration over recent years may partially describe strong labor data

U.S. UNEMPLOYMENT



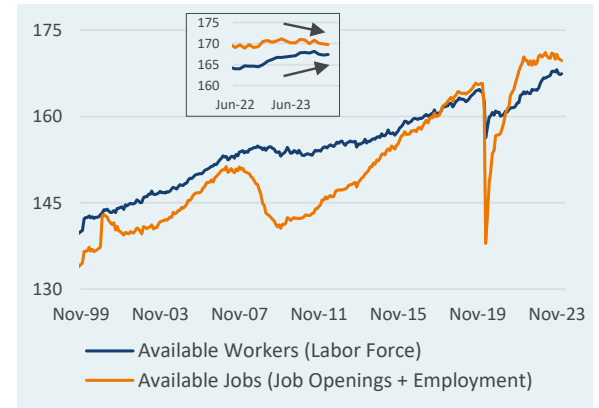
Source: FRED, as of 3/31/24

TOTAL U.S. EMPLOYMENT



Source: FRED, as of 3/31/24

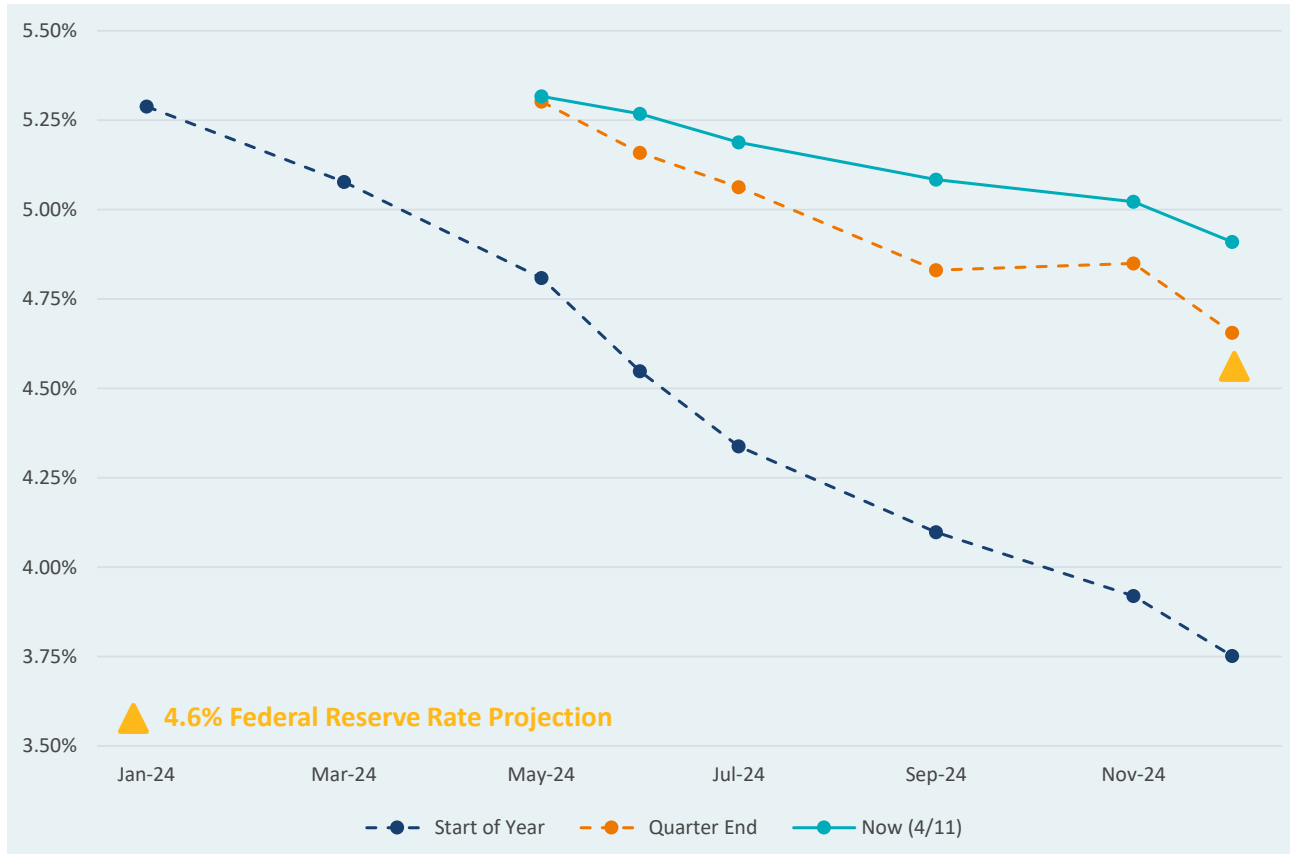
WORKERS AVAILABLE VS. AVAILABLE JOBS



Source: BLS, Verus, as of 2/29/24

Federal Reserve policy

FED FUNDS FUTURES IMPLIED 2024 RATE PATH



Markets started the year pricing in six rate cuts by the end of 2024

Implied pricing now indicates expectations for just two rate cuts, a tighter path relative to the three forecasted rate cuts projected in the Federal Reserve's Summary of Economic Projections

Source: Bloomberg, as of 4/11/24

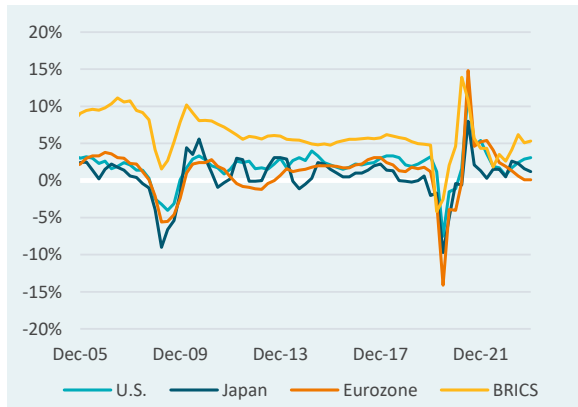
International economics

We believe the global narrative remains intact, and that many economies are set to slow in 2024 but will likely avoid recession. While hotter inflation data in the U.S. has led to changed policy expectations, inflation in international developed economies showed signs of moderation, putting central banks like the European Central Bank (ECB) and Bank of England (BOE) on a path to policy easing. The market is pricing three 25 bps interest rate cuts from the ECB and the BOE by end-of-year.

The IMF’s April World Economic Outlook (WEO) communicated a much more balanced economic environment, as steady growth and disinflation has resulted in a lower likelihood of a “hard landing”. The IMF sees global growth at 3.2% for 2024 and 2025, with the 2024 growth estimate revised up +0.1% from the January WEO update.

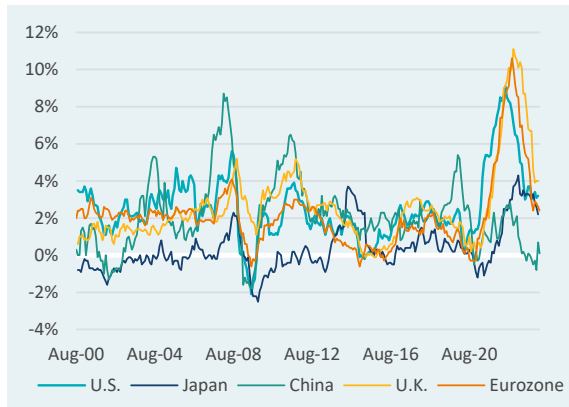
Going forward, we see material downside risks but also potential growth catalysts to the upside. Continuing and escalating conflicts in the Middle East and Eastern Europe have raised fears around energy market disruption, especially when considering that rising oil and natural gas prices were a major contributor to the recent four-decade-high bout of inflation. On the other hand, growth catalysts such as accelerated computing and artificial intelligence offer a broad range of applicability and impact that, although difficult to quantify, could act as a substantial driver of productivity and growth in the future. Additionally, if inflation pressures were to ease more quickly than expected, allowing for easier monetary policies, this may fuel growth and markets forward.

REAL GDP GROWTH (YEAR-OVER-YEAR)



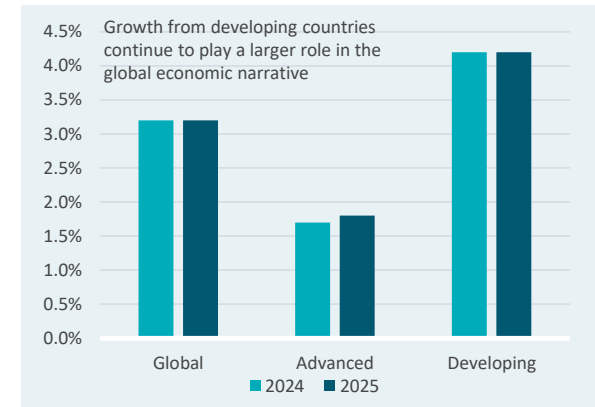
Source: Bloomberg, as of 12/31/23

INFLATION (CPI YEAR-OVER-YEAR)



Source: Bloomberg, as of 3/31/24 – or most recent release

IMF APRIL 2024 GDP FORECASTS



Source: IMF April World Economic Outlook, as of 4/16/24

Equity environment

- U.S. equities (S&P 500 +10.6%) continued an impressive rally during the first quarter, once again outpacing international developed equities (MSCI EAFE +5.8%) and emerging markets (MSCI EM +2.4%). The domestic market has also delivered outperformance over the past year, fueled by the artificial intelligence boom. Telecom (+49.8%) and Technology (+46.0%) saw the biggest gains during the period.
- The U.S. dollar gained in value during Q1, likely buoyed by the higher for longer interest rate narrative. A reassessment of the Federal Reserve policy path for 2024 has improved the outlook for the dollar, as currencies which offer higher interest rates, and relatively attractive prospects for continued higher interest rates, tend to better hold their value. Losses from unhedged Japanese currency exposure has been extreme (-9.3% over the quarter, -25.2% over the past year, as indicated by the TOPIX Index).
- Style investing underperformed during Q1. Small cap lagged large cap by -5.1% (Russell 2000 +5.2% vs. Russell 1000 +10.3%). Value underperformed Growth by -2.4% (Russell 1000 Value +9.0% vs. Russell 1000 Growth +11.4%). Style premia has also suffered over the past full year. Small cap underperformed large cap by -10.2% while value stocks underperformed growth by -18.7%.
- Market-priced volatility (Cboe VIX Index) remained incredibly low during the quarter, ending at 13.0 in March. Historically, market volatility of this level has coincided with strong upward trending risk asset prices and investor enthusiasm.

	QTD TOTAL RETURN		1 YEAR TOTAL RETURN	
	(unhedged)	(hedged)	(unhedged)	(hedged)
U.S. Large Cap (S&P 500)	10.6%		29.9%	
U.S. Small Cap (Russell 2000)	5.2%		19.7%	
U.S. Equity (Russell 3000)	10.0%		29.3%	
U.S. Large Value (Russell 1000 Value)	9.0%		20.3%	
US Large Growth (Russell 1000 Growth)	11.4%		39.0%	
Global Equity (MSCI ACWI)	8.2%	9.6%	23.2%	25.4%
International Large (MSCI EAFE)	5.8%	10.5%	15.3%	22.4%
Eurozone (EURO STOXX 50)	10.3%	13.1%	20.1%	23.6%
U.K. (FTSE 100)	3.0%	4.0%	10.7%	9.1%
Japan (TOPIX)	10.0%	19.3%	24.0%	49.2%
Emerging Markets (MSCI Emerging Markets)	2.4%	4.4%	8.2%	10.7%

Source: Russell Investments, MSCI, STOXX, FTSE, JPX, as of 3/31/24

Domestic equity size & style

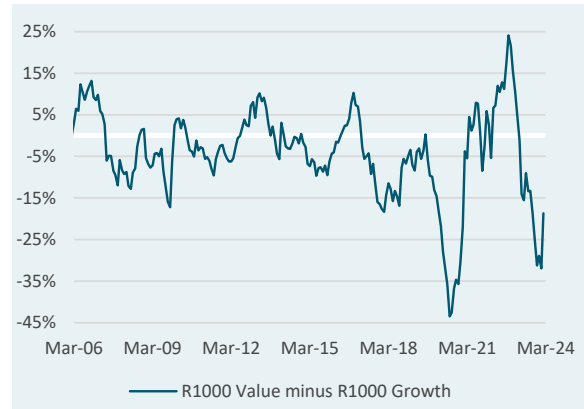
Small cap and value style investing underperformed during Q1. Small cap lagged large cap by -5.1% (Russell 2000 +5.2% vs. Russell 1000 +10.3%). Value underperformed Growth by -2.4% (Russell 1000 Value +9.0% vs. Russell 1000 Growth +11.4%). These style premia also suffered over the past full year. Small cap underperformed large cap by -10.2% while value stocks underperformed growth by -18.7%.

Mega cap companies continue to dominate large cap index performance. The “Magnificent 7” securities, including Amazon, Netflix, Google, Meta, Nvidia, Apple, and Tesla, drove the index into drawdown territory during 2022, contributed to a strong bounce back rally in 2023, then have pushed the index higher still in 2024. However, performance of this group

has been a bit mixed year-to-date, with Apple and Tesla lagging the overall index materially. Index concentration has created headwinds for the performance of active managers, on average, and dominant growth stocks have pushed the overall index towards a higher multiple while depressing dividend yields.

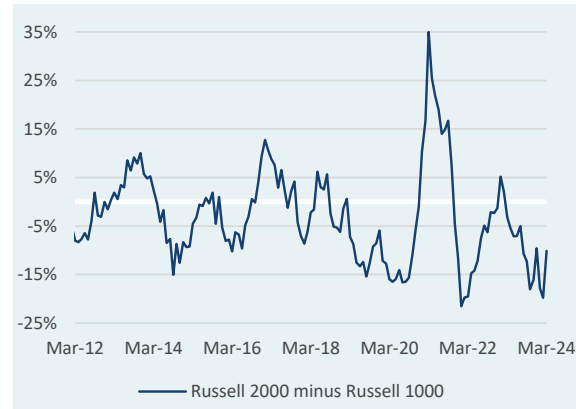
Variability in the behavior of style factors, often driven by idiosyncratic sector moves and broader macro themes, continues to provide evidence that style investing should typically be a longer-term endeavor. Short-term factor timing decisions should in most circumstances be pursued only in the rare occasion of obvious market mispricing and a foreseen catalyst for price correction.

VALUE VS. GROWTH 1-YR ROLLING



Source: FTSE, as of 3/31/24

SMALL CAP VS LARGE CAP 1-YR ROLLING



Source: FTSE, as of 3/31/24

1-YEAR SIZE & STYLE PERFORMANCE

	Value	Core	Growth
Large Cap	20.3%	29.9%	39.0%
Mid Cap	20.4%	22.3%	26.3%
Small Cap	18.8%	19.7%	20.3%

Source: FTSE, as of 3/31/24

International developed equity

International developed shares notched a strong first quarter, although returns trailed domestic equities. The MSCI EAFE index returned +5.8% in unhedged U.S. dollar terms, materially lower than the hedged return of +10.5%. The dollar's advance was likely fueled by higher rate expectations for the Federal Reserve, along with expected policy easing decisions from the European Central Bank and Bank of Japan, both of which are positive for the U.S. dollar (i.e. led to losses for unhedged investors).

Resilient global economic growth has been a tailwind to performance amongst international developed shares. All major regional equities (Eurozone, Japan, and United Kingdom)

saw positive returns over the period.

While performance has been better than expected, future growth catalysts remain uncertain. Falling Eurozone inflation boosted regional risk assets, as inflation fell from 3.1% to 2.4% in March. Easing inflation has taken some pressure off the ECB, resulting in rising expectations for rate cuts in June. In Japan, equities have carried forward positive momentum from 2023, evident by the Nikkei achieving a 34-year high in February. Easy monetary policy from the BOJ continues to provide a boost to local earnings, while poor inflation and wage growth metrics have provided little evidence for the BOJ to quickly move away from their low interest rate policy.

INTERNATIONAL DEVELOPED EQUITY



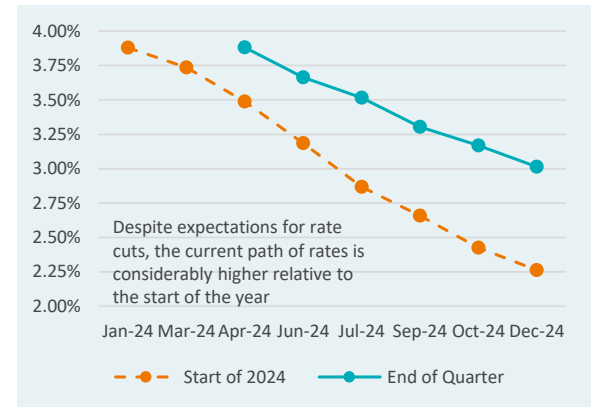
Source: MSCI, as of 3/31/24

NIKKEI 225 INDEX



Source: Bloomberg, Nikkei, as of 3/31/24

ECB RATE EXPECTATIONS



Source: Bloomberg, as of 3/31/24

Emerging market equity

Emerging markets have delivered mild gains year-to-date, rising +2.4%, and are up +8.2% over the past year. Chinese equities have continued to act as a drag the index, down -2.2% in 2024, and -17.1% over the past year.

From a sector perspective, the momentum behind accelerated computing carried into emerging markets, as the information technology sector outperformed (+9.5%), driven by gains from South Korea & Taiwan. Peru, Turkey, and Columbia were the best performing countries in the first quarter, seeing gains of +15.5%, +14.1%, and +12.5% - broadly gaining off strength in oil and copper.

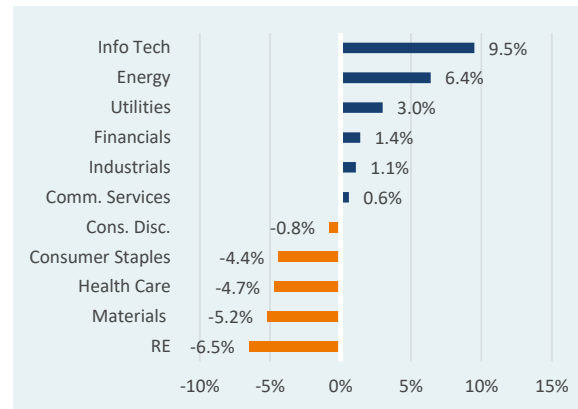
China remains a large question mark among emerging market country exposures, facing significant structural headwinds in the form of a declining population, imbalances in the real estate market, and a reversal in sentiment from the international community which contributed to a broad withdrawal of foreign direct investment, for example. Additionally, many U.S.-based institutional investors have centered on the possibility of top-down government restrictions on China investment that, if imposed, could result in losses to existing exposure as this could cause a way of selling activity. An invasion of Taiwan remains another risk, though we believe the chances of this are remote.

EMERGING MARKET EQUITY



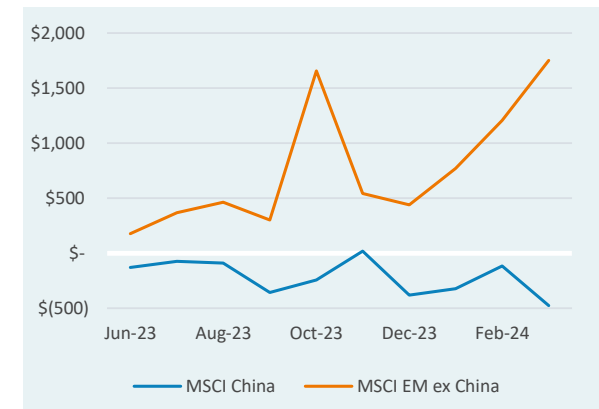
Source: MSCI, as of 3/31/24

MSCI EM Q1 2024 SECTOR RETURNS (USD)



Source: MSCI, J.P. Morgan, as of 3/31/24

ISHARES ETF MONTHLY FUND FLOWS (\$M USD)



Source: BlackRock, Bloomberg, as of 3/31/24

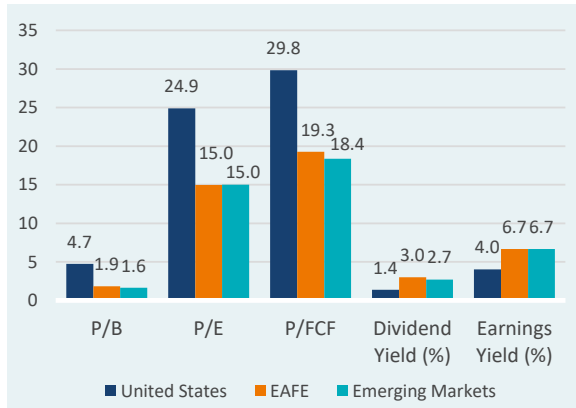
Equity valuations

Valuations drifted upward during the quarter, as the equity rally has been driven partially by higher price multiples. Larger multiples and a greater concentration of growth stocks in the index, which tend to have lower dividend payout ratios, have led the S&P 500 to offer a nearly all-time low dividend yield of 1.4%. In an environment where investors can receive more than a 5% yield from risk-free cash, this is testament to the rising attractiveness of fixed income relative to equities.

Domestic equities are priced at a 40% premium over international developed markets, and have shown little sensitivity so far to investors'

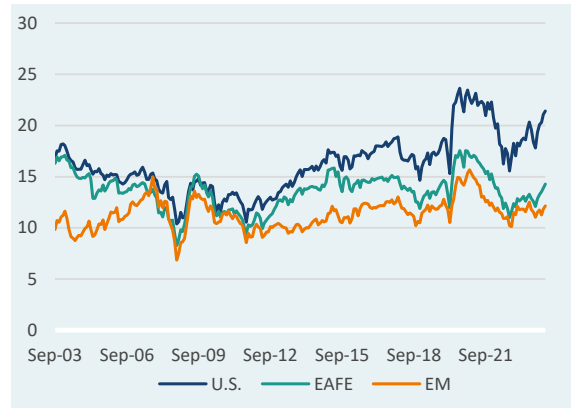
repricing of the interest rate path in 2024. Future stock market returns must come from either: corporate earnings growth, expansion of stock multiples (meaning stocks become more expensive), higher dividend yields (an increase in dividend payments), or higher inflation (assuming businesses pass this on by raising prices in line with inflation). In the current environment of already high stock multiples, a very low dividend yield, and high corporate profit margins, the likelihood of seeing another decade of performance like investors have received over the past ten years seems low.

MSCI VALUATION METRICS (3-MONTH AVG)



Source: Bloomberg, as of 3/31/24

FORWARD PRICE/EARNINGS RATIO



Source: MSCI, Bloomberg, as of 3/31/24

S&P 500 HISTORICAL DIVIDEND YIELD



Source: S&P, Bloomberg, as of 3/31/24

Fixed income environment

- The 10-year U.S. Treasury yield rose 32 basis points from 3.88% to 4.20% during Q1 on broad acknowledgment that disinflation trends have stalled and that the Federal Reserve may not cut rates in 2024 as significantly as markets had hoped for. Yields across the Treasury curve increased, with shorter-term rates rising more than longer-term.
- Domestic high-quality, duration-sensitive bonds experienced slight losses during the quarter, while most credit indices saw positive returns. High yield gained +1.5% (Bbg U.S. Corporate High Yield), while bank loans rose +2.5% (S&P/LSTA Leveraged Loan). Longer duration investment grade corporate bonds (Bloomberg U.S. Long Corporate Credit) declined by -1.7% during the quarter as both rising interest rates and concerns about inflation detracted from performance.
- The U.S. yield curve has remained inverted since June 6th, 2022, marking the longest yield curve inversion on

record. This is indicated by the 10-year minus 2-year Treasury yield—ending the quarter at -39bps, down slightly from -35bps in Q4. While the yield curve has historically been a reliable predictor of recession, economic growth remains robust.

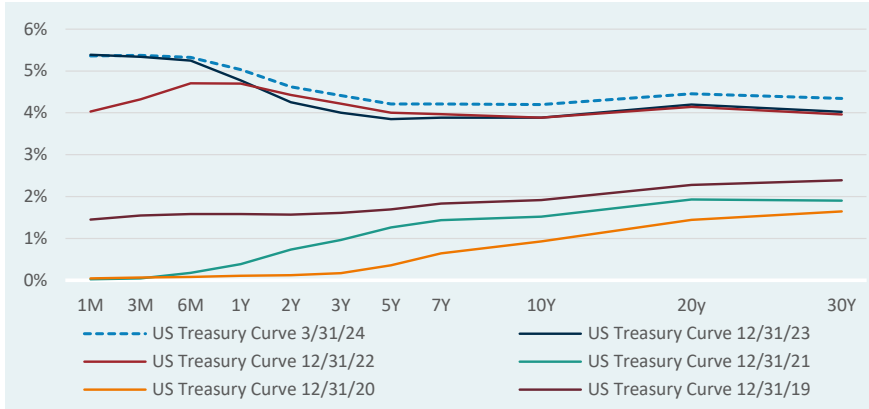
- Although default activity remains low, volumes increased as slowing economic growth and rising borrowing costs acted as headwinds. During the period, \$20.6 billion of bank loan and high yield bonds were affected by default or distressed exchanges, up from \$15.8 billion in the prior quarter. Notable company defaults included Jo-Ann’s (Retail), Hornblower (Travel & Leisure), and RobertShaw (Technology).
- Structured credit hedge funds, which focus on credit sectors such as CLOs, ABS (auto, credit card, etc), MBS, and CMBS, continue to deliver strong returns relative to traditional high yield and remain competitive versus leveraged loan indices.

	QTD Total Return	1 Year Total Return
Core Fixed Income (Bloomberg U.S. Aggregate)	(0.8%)	1.7%
Core Plus Fixed Income (Bloomberg U.S. Universal)	(0.5%)	2.7%
U.S. Treasuries (Bloomberg U.S. Treasury)	(1.0%)	0.1%
U.S. Treasuries: Long (Bloomberg U.S. Treasury 20+)	(3.8%)	(7.3%)
U.S. High Yield (Bloomberg U.S. Corporate HY)	1.5%	11.2%
Bank Loans (S&P/LSTA Leveraged Loan)	2.5%	12.4%
Emerging Market Debt Local (JPM GBI-EM Global Diversified)	(2.1%)	4.9%
Emerging Market Debt Hard (JPM EMBI Global Diversified)	2.0%	11.3%
Mortgage-Backed Securities (Bloomberg MBS)	(1.0%)	1.4%

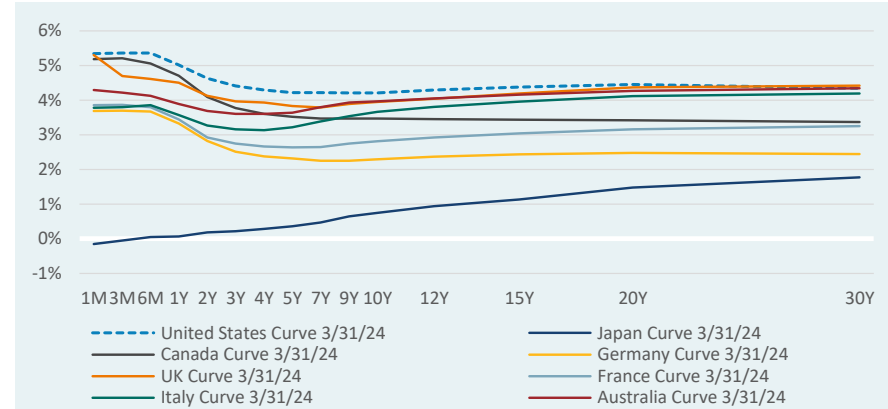
Source: Bloomberg, as of 3/31/24

Yield environment

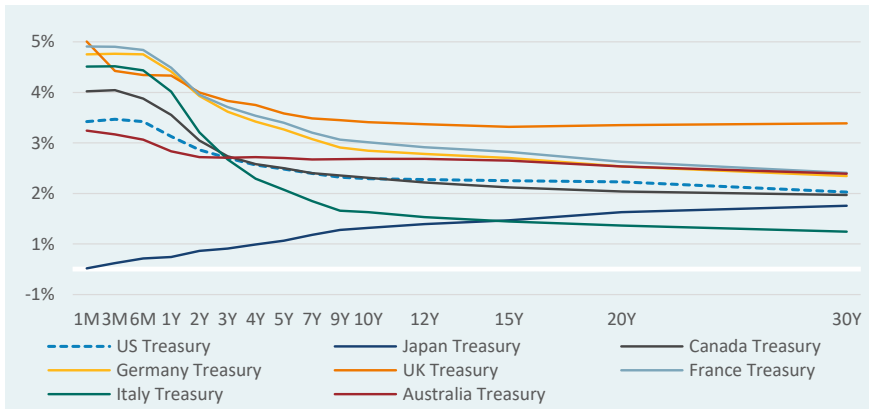
U.S. YIELD CURVE



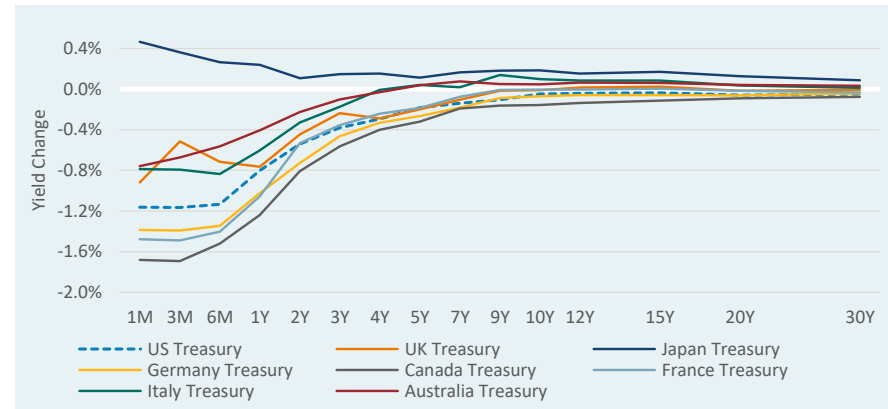
GLOBAL GOVERNMENT YIELD CURVES



YIELD CURVE CHANGES OVER LAST FIVE YEARS



IMPLIED CHANGES OVER NEXT YEAR



Source: Bloomberg, as of 3/31/24

Credit environment

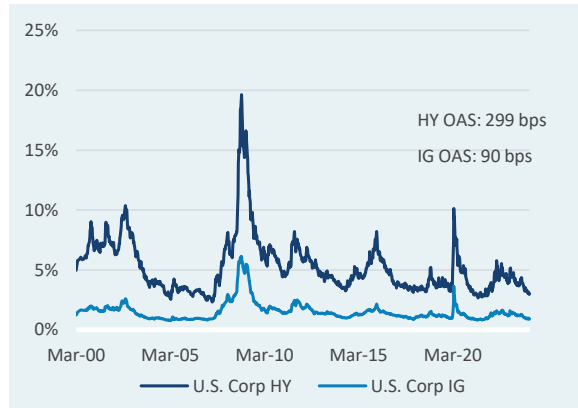
During the first quarter, credit markets delivered mixed returns with lower-quality credits such as high yield bonds and bank loans leading. Bank loans rose +2.5% (CS Leveraged Loans), while high yield bonds increased by +1.5% (Bbg U.S. Corporate High Yield). Longer duration investment grade corporate bonds (Bloomberg U.S. Long Corporate Credit) fell by -1.7% as pressure from both rising interest rates and higher expected inflation acted as a headwind to performance.

Returns across credit ratings were mixed during Q1. Higher-quality BB-rated bonds returned +1.3% compared to +1.0% for B-rated and +1.3% for and CCC-rated bonds, respectively. Lower-quality bank loans experienced strong returns with CCC-rated loans rising by +6.0%,

compared to +2.5% and +1.9% for BB- and B-rated loans, respectively,

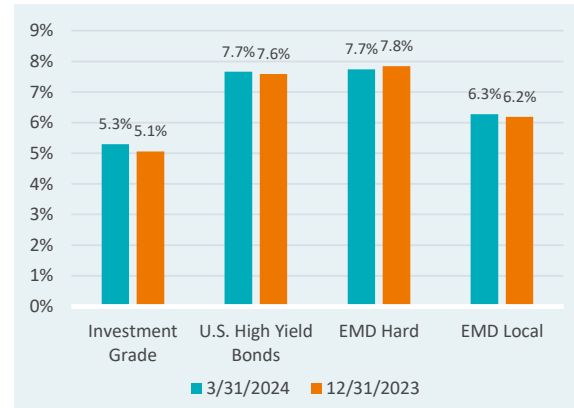
Credit spreads were slightly narrower during the quarter as stronger-than-expected economic growth eased concerns related to potential recession. Lower-quality high yield bond spreads fell by 0.2% to roughly 3.2%, while investment grade spreads decreased by roughly 0.1% to 1.2%. Broadly, spreads remain below their long-term historical averages, which suggests that investors are staying confident about the ability of those businesses to service debt. That said, slower U.S. economic growth could lead to wider credit spreads as investors might seek safety in higher quality assets.

SPREADS



Source: Barclays, Bloomberg, as of 3/31/24

YIELD TO WORST



Source: Bloomberg, J.P. Morgan as of 3/31/24

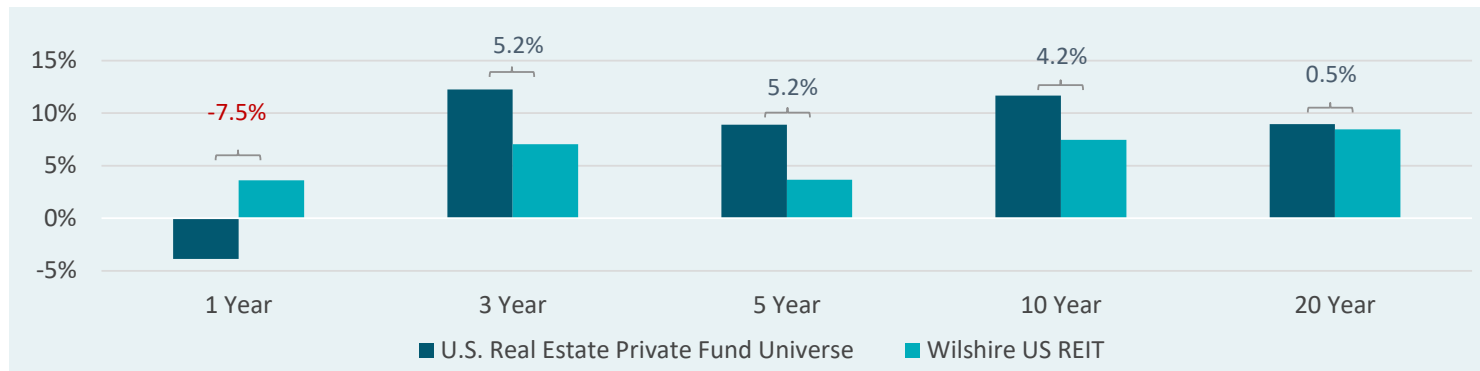
CREDIT SPREAD (OAS)

Market	3/31/24	3/31/23
Long U.S. Corp	1.1%	1.6%
U.S. Inv Grade Corp	0.9%	1.4%
U.S. High Yield	3.1%	4.6%
U.S. Bank Loans*	3.9%	3.7%

Source: Barclays, Credit Suisse, Bloomberg, as of 3/31/24
*Discount margin (4-year life)

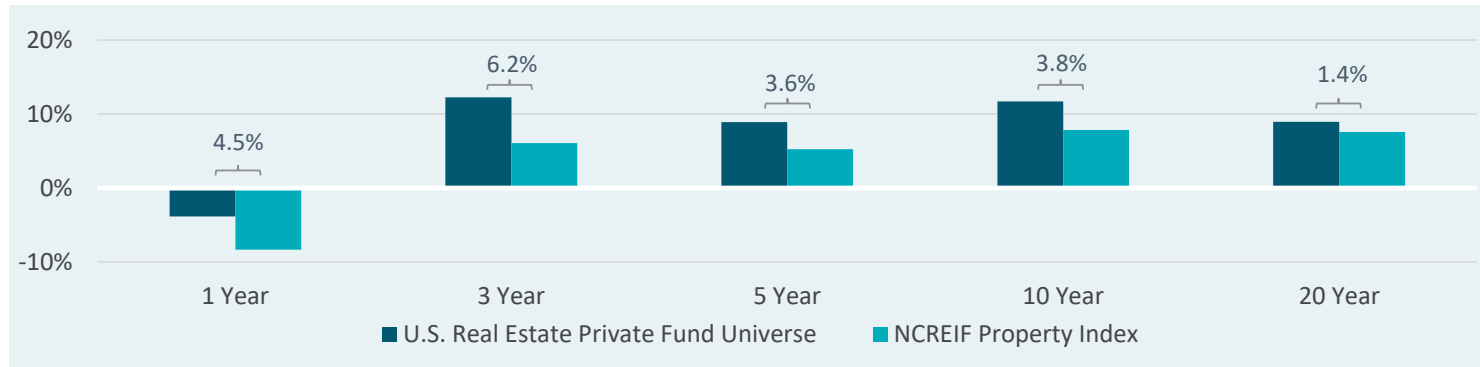
Private vs. liquid and core real estate performance

U.S. PRIVATE REAL ESTATE FUNDS VS. LIQUID UNIVERSE



U.S. Private R.E. funds outperformed the Wilshire U.S. REIT Index across most time periods, aside from the 1-year

U.S. PRIVATE REAL ESTATE FUNDS VS. CORE FUNDS



U.S. Private R.E. Funds outperformed the NCREIF Property Index across all time periods

Sources: Refinitiv PME: U.S. Real Estate universes as of September 30, 2023. Public Market Equivalent returns resulted from identical cash flows invested into and distributed from respective liquid real estate universes.

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	3.2	10.6	10.6	29.9	11.5	15.1	13.0
S&P 500 Equal Weighted	4.5	7.9	7.9	19.4	8.2	12.4	10.9
DJ Industrial Average	2.2	6.1	6.1	22.2	8.7	11.3	11.8
Russell Top 200	2.9	10.8	10.8	32.4	12.0	16.1	13.7
Russell 1000	3.2	10.3	10.3	29.9	10.5	14.8	12.7
Russell 2000	3.6	5.2	5.2	19.7	(0.1)	8.1	7.6
Russell 3000	3.2	10.0	10.0	29.3	9.8	14.3	12.3
Russell Mid Cap	4.3	8.6	8.6	22.3	6.1	11.1	9.9
Style Index							
Russell 1000 Growth	1.8	11.4	11.4	39.0	12.5	18.5	16.0
Russell 1000 Value	5.0	9.0	9.0	20.3	8.1	10.3	9.0
Russell 2000 Growth	2.8	7.6	7.6	20.3	(2.7)	7.4	7.9
Russell 2000 Value	4.4	2.9	2.9	18.8	2.2	8.2	6.9

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	3.1	8.2	8.2	23.2	7.0	10.9	8.7
MSCI ACWI ex US	3.1	4.7	4.7	13.3	1.9	6.0	4.3
MSCI EAFE	3.3	5.8	5.8	15.3	4.8	7.3	4.8
MSCI EM	2.5	2.4	2.4	8.2	(5.1)	2.2	2.9
MSCI EAFE Small Cap	3.7	2.4	2.4	10.4	(1.4)	4.9	4.7
Style Index							
MSCI EAFE Growth	2.3	7.0	7.0	13.3	2.8	7.8	5.9
MSCI EAFE Value	4.4	4.5	4.5	17.3	6.6	6.4	3.5
Regional Index							
MSCI UK	4.5	3.1	3.1	10.9	7.7	5.1	2.9
MSCI Japan	3.0	11.0	11.0	25.8	3.7	7.8	6.7
MSCI Euro	4.1	8.4	8.4	17.4	6.9	9.0	4.7
MSCI EM Asia	3.0	3.4	3.4	6.3	(6.5)	2.8	4.5
MSCI EM Latin American	1.0	(4.0)	(4.0)	22.6	10.5	3.7	1.7

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	0.8	(0.1)	(0.1)	0.5	(0.5)	2.5	2.2
Bloomberg US Treasury Bills	0.5	1.3	1.3	5.3	2.6	2.0	1.4
Bloomberg US Agg Bond	0.9	(0.8)	(0.8)	1.7	(2.5)	0.4	1.5
Bloomberg US Universal	1.0	(0.5)	(0.5)	2.7	(2.1)	0.7	1.8
Duration							
Bloomberg US Treasury 1-3 Yr	0.4	0.3	0.3	2.9	0.0	1.1	1.1
Bloomberg US Treasury Long	1.2	(3.3)	(3.3)	(6.1)	(8.0)	(2.8)	1.2
Bloomberg US Treasury	0.6	(1.0)	(1.0)	0.1	(2.7)	(0.1)	1.0
Issuer							
Bloomberg US MBS	1.1	(1.0)	(1.0)	1.4	(2.8)	(0.4)	1.1
Bloomberg US Corp. High Yield	1.2	1.5	1.5	11.2	2.2	4.2	4.4
Bloomberg US Agency Interm	0.4	0.2	0.2	3.2	(0.6)	0.8	1.2
Bloomberg US Credit	1.2	(0.4)	(0.4)	4.1	(1.9)	1.4	2.5

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	3.3	2.2	2.2	(0.6)	9.1	6.4	(1.6)
Wilshire US REIT	1.5	(0.0)	(0.0)	12.4	4.5	4.4	6.7
CS Leveraged Loans	0.8	2.5	2.5	12.4	5.8	5.3	4.6
S&P Global Infrastructure	4.6	1.3	1.3	4.1	5.5	4.9	5.2
Alerian MLP	4.9	14.7	14.7	37.3	29.2	10.4	2.9
Regional Index							
JPM EMBI Global Div	2.1	2.0	2.0	11.3	(1.4)	0.7	3.0
JPM GBI-EM Global Div	(0.0)	(2.1)	(2.1)	4.9	(1.6)	0.1	(0.3)
Hedge Funds							
HFRI Composite	2.5	4.9	4.9	12.1	4.3	7.0	5.0
HFRI FOF Composite	1.3	3.9	3.9	9.4	2.8	5.0	3.6
Currency (Spot)							
Euro	(0.2)	(2.2)	(2.2)	(0.6)	(2.8)	(0.8)	(2.4)
Pound Sterling	(0.1)	(0.9)	(0.9)	2.2	(2.9)	(0.6)	(2.7)
Yen	(1.1)	(6.9)	(6.9)	(12.1)	(10.0)	(6.1)	(3.8)

Source: Morningstar, HFRI, as of 3/31/24

Definitions

Bloomberg US Weekly Consumer Comfort Index - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (www.langerresearch.com)

University of Michigan Consumer Sentiment Index - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

NFIB Small Business Outlook - Small Business Economic Trends (SBET) is a monthly assessment of the U.S. small-business economy and its near-term prospects. Its data are collected through mail surveys to random samples of the National Federal of Independent Business (NFIB) membership. The survey contains three broad question types: recent performance, near-term forecasts, and demographics. The topics addressed include: outlook, sales, earnings, employment, employee compensation, investment, inventories, credit conditions, and single most important problem. (<http://www.nfib-sbet.org/about/>)

NAHB Housing Market Index – the housing market index is a weighted average of separate diffusion indices for three key single-family indices: market conditions for the sale of new homes at the present time, market conditions for the sale of new homes in the next six months, and the traffic of prospective buyers of new homes. The first two series are rated on a scale of Good, Fair, and Poor and the last is rated on a scale of High/Very High, Average, and Low/Very Low. A diffusion index is calculated for each series by applying the formula $(\text{Good-Poor} + 100)/2$ to the present and future sales series and $(\text{High/Very High-Low/Very Low} + 100)/2$ to the traffic series. Each resulting index is then seasonally adjusted and weighted to produce the HMI. Based on this calculation, the HMI can range between 0 and 100.

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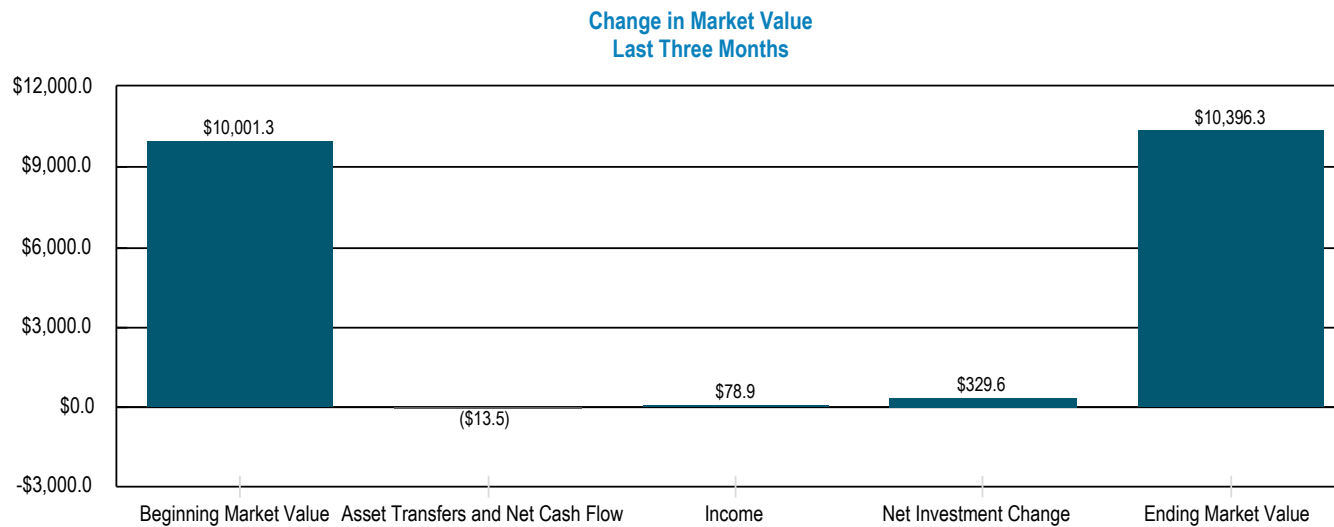
Verus⁷⁷⁷

Investment Performance

Total Fund
Portfolio Reconciliation

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

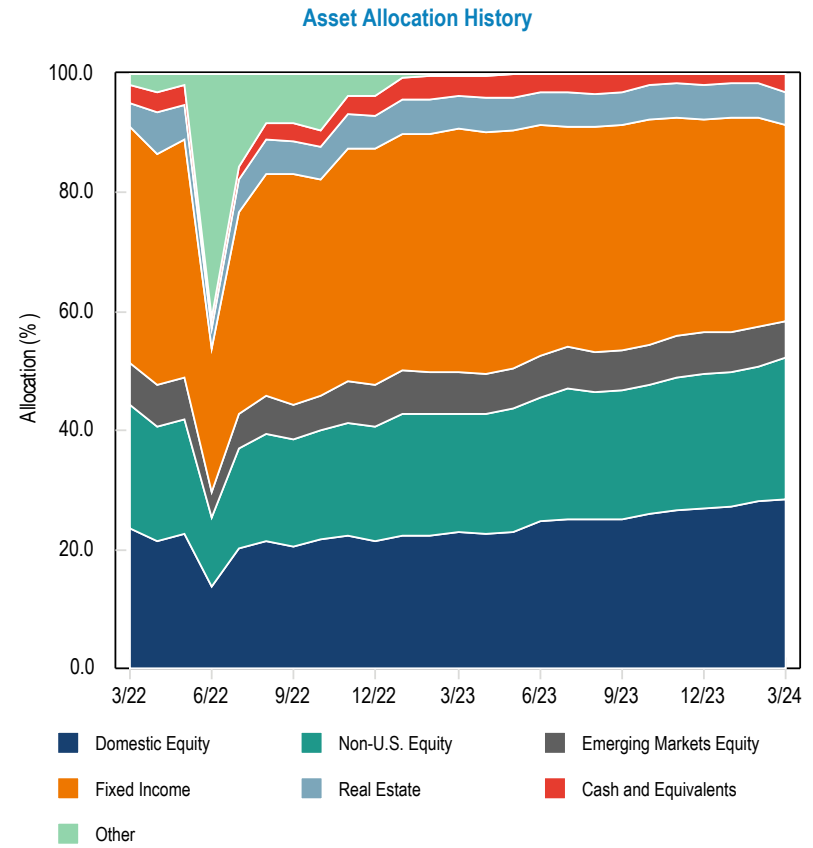
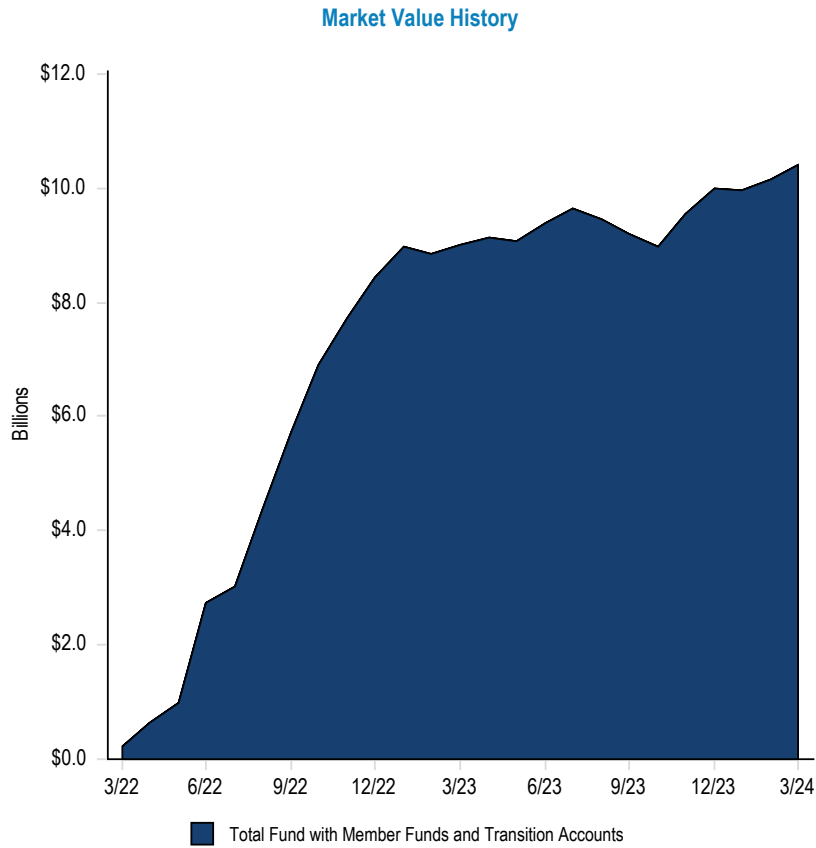
Portfolio Reconciliation		
	Quarter-To-Date	Fiscal Year-To-Date
Beginning Market Value	\$10,001,345,755	\$9,387,424,024
Asset Transfers and Net Cash	-\$13,487,843	\$25,384,024
Income	\$78,854,828	\$231,604,258
Net Investment Change	\$329,635,981	\$751,936,415
Ending Market Value	\$10,396,348,721	\$10,396,348,721



The portfolio reconciliation includes the Member Funds and Transition Account. Income excludes Member Funds and Transition Account. Income is calculated using the actual dividend and income received from separate accounts and estimated income and dividends for commingled funds. The income and dividends for RhumbLine Russell 1000 Index, RhumbLine Russell 2000 Index, SSgA US TIPS Index and Cash are sourced from State Street custodial reports. The income and dividends for the SSGA commingled funds, Acadian and Ares are an estimate based on the current yield for bond funds and the dividend yield for equity funds. SSGA can use dividend and income to cover fund expenses, so the actual income that flows to the IPOPIF may be different than reported. Income for the Principal RE fund is based on a monthly income spreadsheet received from Principal via email. Income for Aristotle, LSV and WCM are sourced monthly from manager statements.

Total Fund
Asset Allocation History

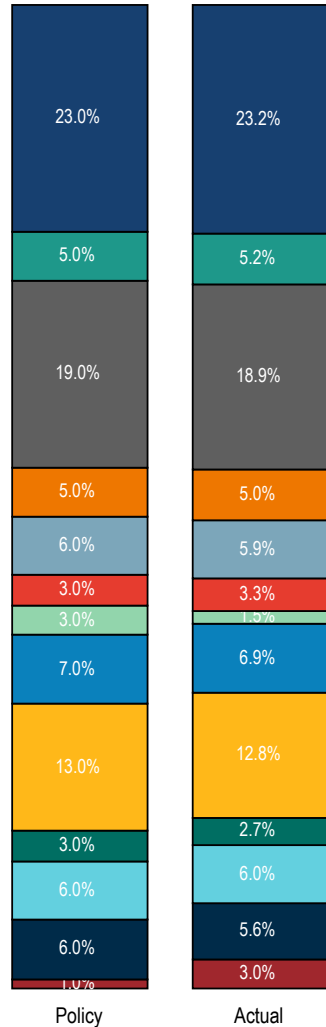
Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024



**Market value and asset class history includes Transition Accounts and Member Funds as represented by the Other category in the asset allocation history chart. The large allocation to the Other Category for 6/22 reflects assets in transition associated with the 6/24/22 Transfer Date.*

IPOPIF Investment Portfolio
Asset Allocation vs. Policy

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024



	Current Balance (\$)	Current Allocation (%)	Policy Allocation (%)	Excess Allocation (%)	Excess Allocation (\$)	Policy Range (%)	Within IPS Range?
Domestic Equity Large Cap	2,410,590,354	23.2	23.0	0.2	19,430,148	21.0 - 25.0	Yes
Domestic Equity Small Cap	540,081,960	5.2	5.0	0.2	20,264,524	4.0 - 6.0	Yes
International Equity Large Cap	1,964,187,801	18.9	19.0	-0.1	-11,118,456	17.0 - 21.0	Yes
International Equity Small Cap	524,468,728	5.0	5.0	0.0	4,651,292	4.0 - 6.0	Yes
Emerging Markets Equity	618,266,805	5.9	6.0	-0.1	-5,514,118	5.0 - 7.0	Yes
Domestic Fixed Income Core	340,169,304	3.3	3.0	0.3	28,278,842	2.0 - 4.0	Yes
Domestic Fixed Income Bank Loans	151,529,278	1.5	3.0	-1.5	-160,361,184	2.0 - 4.0	No
Domestic Fixed Income High Yield	719,153,846	6.9	7.0	-0.1	-8,590,564	6.0 - 8.0	Yes
Domestic Fixed Income Short Term	1,329,713,636	12.8	13.0	-0.2	-21,811,698	11.0 - 15.0	Yes
Domestic Fixed Income Real Return	282,281,833	2.7	3.0	-0.3	-29,608,628	2.0 - 4.0	Yes
Emerging Markets Fixed Income	623,554,674	6.0	6.0	0.0	-226,250	5.0 - 7.0	Yes
Real Estate	585,437,910	5.6	6.0	-0.4	-38,343,013	5.0 - 7.0	Yes
Cash and Equivalents	306,912,593	3.0	1.0	2.0	202,949,105	0.0 - 2.0	No
Total	10,396,348,721	100.0	100.0	0.0			

Asset Allocation reflects interim policy targets and excludes the Transition Account and Member Funds. Assets in transition from High Yield to Bank Loans make up 1.5% of Cash and Equivalents.

Total Fund
Executive Summary (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	Since Inception	Inception Date
Total Fund with Member and Transition Accounts	10,396,348,721	100.0	4.1	4.1	10.5	13.5	4.0	03/01/22
<i>Policy Index</i>			4.2	4.2	10.7	14.0	4.0	
<i>Policy Index- Broad Based</i>			4.8	4.8	11.6	15.7	3.5	
IPOPIF Investment Portfolio	10,396,348,721	100.0	4.1	4.1	10.5	13.5	3.8	04/01/22
<i>Policy Index</i>			4.2	4.2	10.7	14.0	3.9	
<i>Policy Index- Broad Based</i>			4.8	4.8	11.6	15.7	3.4	
Growth	6,057,595,648	58.3	6.7	6.7	14.1	19.6	5.4	04/01/22
<i>Growth Benchmark</i>			6.8	6.8	14.4	19.9	5.3	
Income	1,494,237,798	14.4	1.7	1.7	9.3	11.5	2.2	04/01/22
<i>Income Benchmark</i>			1.7	1.7	9.1	11.2	3.3	
Real Assets	585,437,910	5.6	-0.8	-0.8	2.8	4.1	-3.1	04/01/22
<i>Real Assets Benchmark</i>			-1.0	-1.0	1.9	2.8	-6.7	
Risk Mitigation	2,258,975,931	21.7	0.3	0.3	3.6	3.3	1.3	04/01/22
<i>Risk Mitigation Benchmark</i>			0.3	0.3	3.7	3.3	1.2	
IPOPIF Pool Fixed Income Transition	101,434	0.0						
Member Accounts	-	0.0						

The composition of blended benchmarks are located on the Data Sources and Methodology page.

Total Fund
Executive Summary (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	2023	Since Inception	Inception Date
Total Fund with Member and Transition Accounts	10,396,348,721	100.0	4.1	4.1	10.5	13.5	13.7	4.0	03/01/22
<i>Policy Index</i>			4.2	4.2	10.7	14.0	14.2	4.0	
<i>Policy Index- Broad Based</i>			4.8	4.8	11.6	15.7	16.8	3.5	
<i>All Public Plans > \$1B-Total Fund Rank</i>			43	43	17	20	11	33	
IPOPIF Investment Portfolio	10,396,348,721	100.0	4.1	4.1	10.5	13.5	13.7	3.8	04/01/22
<i>Policy Index</i>			4.2	4.2	10.7	14.0	14.2	3.9	
<i>Policy Index- Broad Based</i>			4.8	4.8	11.6	15.7	16.8	3.4	
<i>All Public Plans > \$1B-Total Fund Rank</i>			43	43	17	20	11	32	
Growth	6,057,595,648	58.3	6.7	6.7	14.1	19.6	19.4	5.4	04/01/22
<i>Growth Benchmark</i>			6.8	6.8	14.4	19.9	19.5	5.3	
RhumbLine Russell 1000 Index	2,410,590,354	23.2	10.3	10.3	19.5	29.8	26.5	13.3	03/15/22
<i>Russell 1000 Index</i>			10.3	10.3	19.6	29.9	26.5	13.4	
<i>eV US Large Cap Core Equity Rank</i>			53	53	48	40	23		
RhumbLine Russell 2000 Index	540,081,960	5.2	5.2	5.2	13.7	19.6	16.8	5.8	03/15/22
<i>Russell 2000 Index</i>			5.2	5.2	13.8	19.7	16.9	6.1	
<i>eV US Small Cap Core Equity Rank</i>			67	67	53	48	55		
SSgA Non-US Developed Index	1,964,187,801	18.9	5.8	5.8	12.1	15.8	18.3	9.3	03/10/22
<i>MSCI World ex U.S. (Net)</i>			5.6	5.6	11.9	15.3	17.9	8.9	
<i>eV EAFE Core Equity Rank</i>			45	45	44	35	34		
International Developed Small Cap Equity	524,468,728	5.0	2.0	2.0	9.0	9.7	12.9	-0.5	04/01/22
<i>MSCI World ex U.S. Small Cap Index (Net)</i>			2.6	2.6	9.5	10.0	12.6	-0.6	
SSgA Non-US Developed SC Index	77,605,127	0.7	2.6	2.6	9.6	10.3	12.9	2.5	03/10/22
<i>MSCI World ex U.S. Small Cap Index (Net)</i>			2.6	2.6	9.5	10.0	12.6	2.3	
<i>eV EAFE Small Cap Core Rank</i>			64	64	59	55	65		
Acadian ACWI ex US Small-Cap Fund	259,485,712	2.5	-	-	-	-	-	5.1	01/30/24
<i>MSCI AC World ex USA Small Cap (Net)</i>			-	-	-	-	-	4.6	
<i>eV ACWI ex-US Small Cap Equity Rank</i>			-	-	-	-	-		
WCM International Small Cap Growth Fund	125,225,054	1.2	-	-	-	-	-	0.4	03/01/24
<i>MSCI AC World ex USA Small Growth Index (Net)</i>			-	-	-	-	-	2.2	
<i>eV ACWI ex-US Small Cap Equity Rank</i>			-	-	-	-	-	91	
LSV International Small Cap Value Equity Fund	62,152,835	0.6	-	-	-	-	-	3.6	03/01/24
<i>S&P Developed Ex-U.S. SmallCap (Net)</i>			-	-	-	-	-	4.2	
<i>eV EAFE Small Cap Value Rank</i>			-	-	-	-	-	67	
SSgA Emerging Markets Equity Index	618,266,805	5.9	2.3	2.3	6.7	7.7	9.6	-0.3	03/10/22
<i>MSCI Emerging Markets (Net)</i>			2.4	2.4	7.2	8.2	9.8	0.6	
<i>eV Emg Mkts Equity Rank</i>			58	58	59	65	64		

The composition of blended benchmarks are located on the Data Sources and Methodology page. Principal USPA does not show a Since 4/1/2022 return because the fund was inception on 4/6/2022.

Total Fund
Executive Summary (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	2023	Since Inception	Inception Date
Income	1,494,237,798	14.4	1.7	1.7	9.3	11.5	12.8	2.2	04/01/22
<i>Income Benchmark</i>			1.7	1.7	9.1	11.2	12.6	3.3	
SSgA High Yield Corporate Credit	719,153,846	6.9	1.5	1.5	9.4	11.5	13.8	3.5	03/18/22
<i>Spliced SSgA U.S. High Yield Index</i>			1.5	1.5	9.3	11.1	13.5	3.5	
<i>eV US High Yield Fixed Inc Rank</i>			52	52	26	25	11		
SSgA EMD Hard Index Fund	623,554,674	6.0	2.1	2.1	9.1	11.4	11.2	2.2	03/14/22
<i>Spliced SSgA EMD Hard Index</i>			2.0	2.0	8.9	11.3	11.1	2.3	
<i>Emerging Markets Bond Rank</i>			46	46	43	40	52		
Bank Loans	151,529,278	1.5	-	-	-	-	-	1.0	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>			-	-	-	-	-	0.8	
Ares Institutional Loan Fund	50,475,620	0.5	-	-	-	-	-	1.0	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>			-	-	-	-	-	0.8	
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			-	-	-	-	-	36	
Aristotle Institutional Loan Fund	101,053,658	1.0	-	-	-	-	-	1.1	03/01/24
<i>Credit Suisse Leveraged Loan Index</i>			-	-	-	-	-	0.8	
<i>eV US Float-Rate Bank Loan Fixed Inc Rank</i>			-	-	-	-	-	19	
Real Assets	585,437,910	5.6	-0.8	-0.8	2.8	4.1	5.6	-3.1	04/01/22
<i>Real Assets Benchmark</i>			-1.0	-1.0	1.9	2.8	4.7	-6.7	
SSgA REITs Index	426,151,714	4.1	-0.4	-0.4	7.3	10.4	13.9	-4.2	03/16/22
<i>Dow Jones U.S. Select REIT Total Return Index</i>			-0.4	-0.4	7.3	10.5	14.0	-4.1	
<i>eV US REIT Rank</i>			20	20	27	19	35		
Principal USPA	159,286,196	1.5	-2.0	-2.0	-7.9	-9.6	-10.7	-7.9	04/06/22
<i>NCREIF ODCE</i>			-2.6	-2.6	-9.4	-12.0	-12.7	-8.1	

The composition of blended benchmarks are located on the Data Sources and Methodology page. Principal USPA does not show a Since 4/1/2022 return because the fund was inception on 4/6/2022.

Total Fund
Executive Summary (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

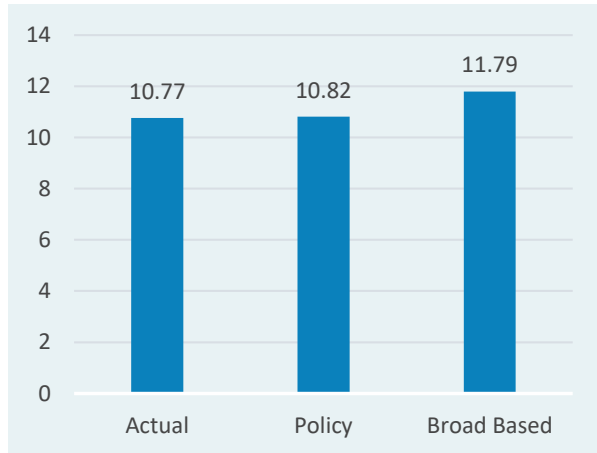
	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	2023	Since Inception	Inception Date
Risk Mitigation	2,258,975,931	21.7	0.3	0.3	3.6	3.3	5.0	1.3	04/01/22
<i>Risk Mitigation Benchmark</i>			0.3	0.3	3.7	3.3	4.9	1.2	
SSgA Core Fixed Income Index	340,169,304	3.3	-0.7	-0.7	2.5	1.7	5.6	-1.8	03/17/22
<i>Blmbg. U.S. Aggregate Index</i>			-0.8	-0.8	2.6	1.7	5.5	-1.8	
<i>eV US Core Fixed Inc Rank</i>			84	84	84	81	66		
SSgA Short-Term Gov't/Credit Index	1,329,612,202	12.8	0.4	0.4	3.8	3.5	4.6	1.6	03/17/22
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.4	0.4	3.9	3.5	4.6	1.6	
<i>eV US Short Duration Fixed Inc Rank</i>			76	76	76	78	81		
SSgA US TIPS Index	282,281,833	2.7	0.9	0.9	4.0	3.3	4.6	0.6	03/17/22
<i>Blmbg. U.S. TIPS 0-5 Year</i>			0.8	0.8	3.9	3.2	4.6	0.8	
<i>eV US TIPS / Inflation Fixed Inc Rank</i>			9	9	6	5	21		
Cash	306,912,593	3.0	1.3	1.3	3.9	5.5	5.0	3.5	03/22/22
<i>90 Day U.S. Treasury Bill</i>			1.3	1.3	4.0	5.2	5.0	3.8	
IPOPIF Pool Fixed Income Transition	101,434	0.0							
Member Accounts	-	0.0							

The composition of blended benchmarks are located on the Data Sources and Methodology page. Principal USPA does not show a Since 4/1/2022 return because the fund was inception on 4/6/2022.

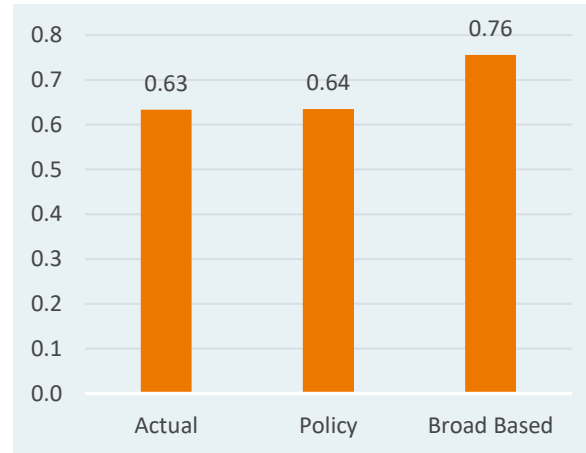
Illinois Police Officers' Pension Investment Fund Period Ending: March 31, 2024

Portfolio Characteristics

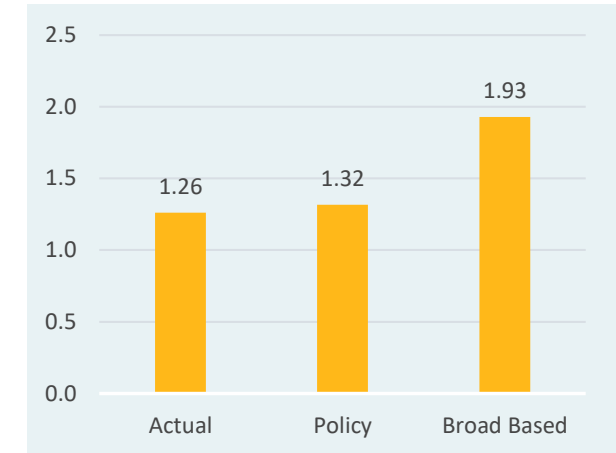
TOTAL PLAN RISK (EXPECTED VOLATILITY)



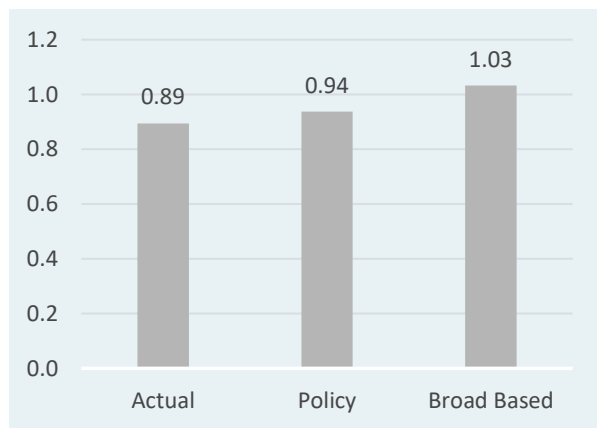
EQUITY BETA (ACWI IMI)



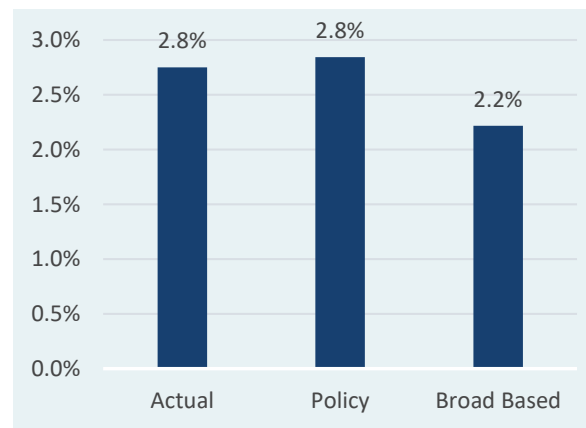
EFFECTIVE DURATION



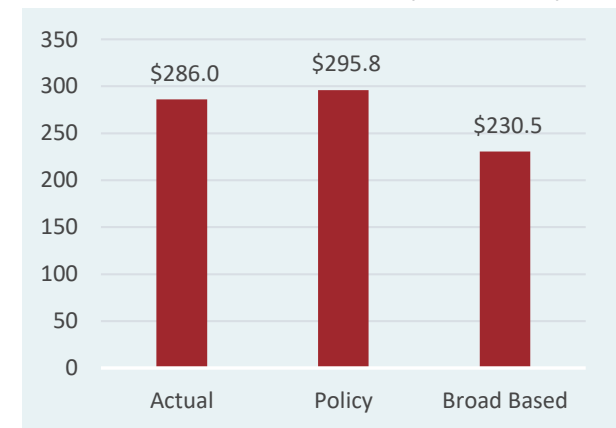
CREDIT SPREAD DURATION



ESTIMATED PORTFOLIO INCOME YIELD*



ESTIMATED PORTFOLIO INCOME (\$ MILLIONS)*



*Income Yield and Income are estimated based on dividend yields and coupon rates applied to benchmark weights and does not include factors such as dividend re-investment rates.
Source: Barra One using index holdings as representative proxies

IPOPIF Investment Portfolio
Investment Fund Fee Analysis

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

Name	Asset Class	Vehicle Type	Market Value	% of Portfolio	Estimated Fee Value	Expense Fee (%)
RhumbLine Russell 1000 Index	Domestic Equity	Separate Account	\$2,410,590,354	23.1869	\$120,530	0.005
RhumbLine Russell 2000 Index	Domestic Equity	Separate Account	\$540,081,960	5.1949	\$27,004	0.005
SSgA Non-US Developed Index	Non-U.S. Equity	Commingled Fund	\$1,964,187,801	18.8931	\$157,135	0.008
SSgA Non-US Developed SC Index	Non-U.S. Equity	Commingled Fund	\$77,605,127	0.7465	\$6,208	0.008
Acadian ACWI ex US Small-Cap Fund	Non-U.S. Equity	Commingled Fund	\$259,485,712	2.4959	\$1,577,171	0.608
WCM International Small Cap Growth Fund	Non-U.S. Equity	Commingled Fund	\$125,225,054	1.2045	\$876,575	0.700
LSV International Small Cap Value Equity Fund	Non-U.S. Equity	Commingled Fund	\$62,152,835	0.5978	\$572,223	0.921
SSgA Emerging Markets Equity Index	Emerging Markets Equity	Commingled Fund	\$618,266,805	5.9470	\$204,028	0.033
SSgA High Yield Corporate Credit	Fixed Income	Commingled Fund	\$719,153,846	6.9174	\$237,321	0.033
SSgA EMD Hard Index Fund	Fixed Income	Commingled Fund	\$623,554,674	5.9978	\$205,773	0.033
Ares Institutional Loan Fund	Bank Loans	Commingled Fund	\$50,475,620	0.4855	\$126,189	0.250
Aristotle Institutional Loan Fund	Bank Loans	Commingled Fund	\$101,053,658	0.9720	\$403,899	0.400
SSgA REITs Index	Real Estate	Commingled Fund	\$426,151,714	4.0991	\$34,092	0.008
Principal USPA	Real Estate	Commingled Fund	\$159,286,196	1.5321	\$1,274,290	0.800
SSgA Core Fixed Income Index	Fixed Income	Commingled Fund	\$340,169,304	3.2720	\$27,214	0.008
SSgA Short-Term Gov't/Credit Index	Fixed Income	Commingled Fund	\$1,329,612,202	12.7892	\$106,369	0.008
SSgA US TIPS Index	Fixed Income	Separate Account	\$282,281,833	2.7152	\$22,583	0.008
Cash	Cash and Equivalents	Commingled Fund	\$306,912,593	2.9521		
IPOPIF Investment Portfolio			\$10,396,348,721	100.0000	\$5,978,603	0.058

Total Fund
Cash Flow by Manager - Last Three Months

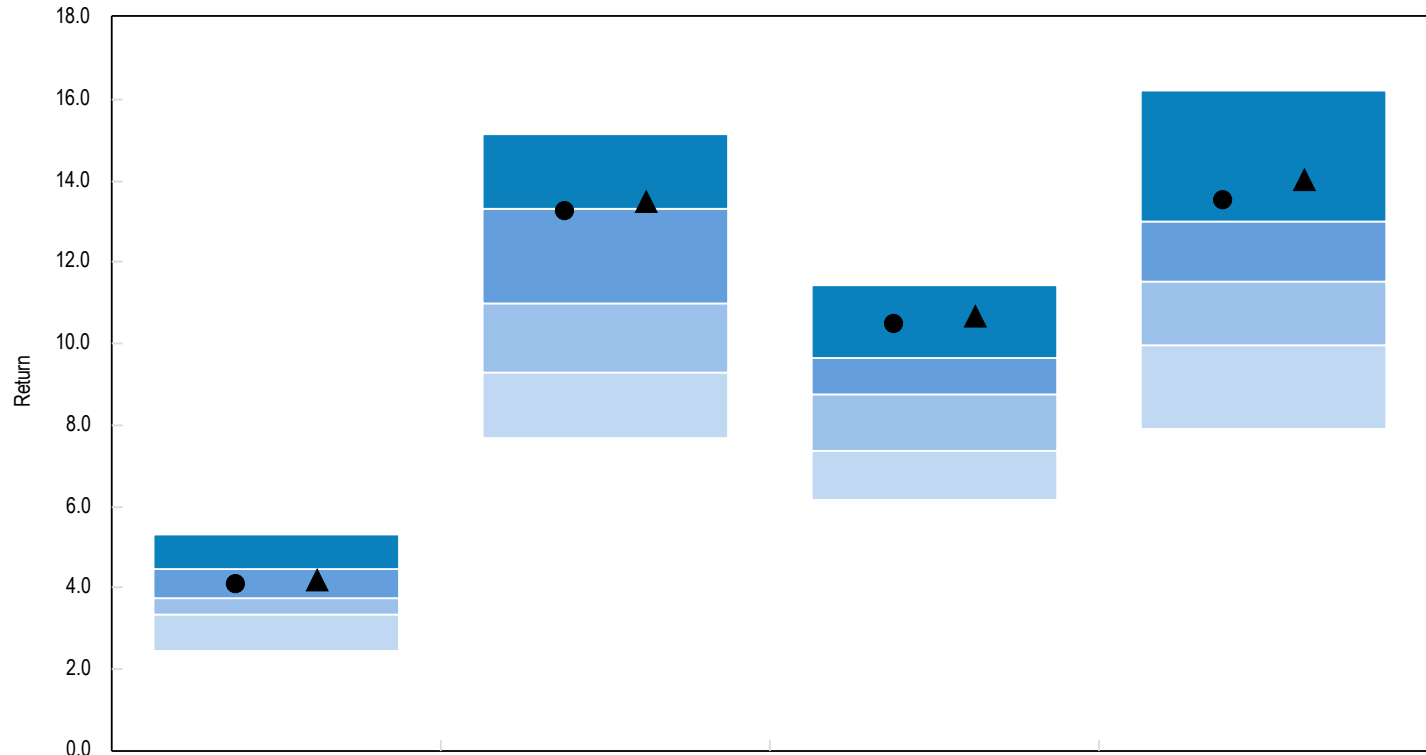
Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

Name	Beginning Market Value	Contributions	Distributions	Net Cash Flows	Income	Fees	Net Investment Change	Ending Market Value
RhumbLine Russell 1000 Index	\$2,185,860,986	\$27,023	-	\$27,023	\$8,033,813	-\$27,023	\$216,695,555	\$2,410,590,354
RhumbLine Russell 2000 Index	\$513,495,227	\$6,103	-	\$6,103	\$1,839,021	-\$6,103	\$24,747,712	\$540,081,960
SSgA Non-US Developed Index	\$1,755,146,583	\$109,036,067	-	\$109,036,067	\$13,163,961	-\$36,067	\$86,877,258	\$1,964,187,801
SSgA Non-US Developed SC Index	\$498,873,912	\$10,143	-\$421,000,000	-\$420,989,857	\$2,534,450	-\$10,143	-\$2,803,234	\$77,605,127
Acadian ACWI ex US Small-Cap Fund	-	\$251,000,000	-	\$251,000,000	\$1,012,513	-	\$7,473,199	\$259,485,712
WCM International Small Cap Growth Fund	-	\$125,000,000	-	\$125,000,000	\$61,034	-	\$164,020	\$125,225,054
LSV International Small Cap Value Equity Fund	-	\$60,000,000	-	\$60,000,000	\$408,940	-	\$1,743,895	\$62,152,835
SSgA Emerging Markets Equity Index	\$692,811,070	\$59,324	-\$91,000,000	-\$90,940,676	\$4,751,557	-\$59,324	\$11,704,178	\$618,266,805
SSgA High Yield Corporate Credit	\$990,838,603	\$85,687	-\$285,000,000	-\$284,914,313	\$15,704,417	-\$85,687	-\$2,389,174	\$719,153,846
SSgA EMD Hard Index Fund	\$610,563,951	\$52,296	-	\$52,296	\$8,242,006	-\$52,296	\$4,748,716	\$623,554,674
Ares Institutional Loan Fund	-	\$50,000,000	-	\$50,000,000	\$31,547	-	\$444,072	\$50,475,620
Aristotle Institutional Loan Fund	-	\$100,000,000	-	\$100,000,000	\$1,081,019	-\$27,360	-	\$101,053,658
SSgA REITs Index	\$427,884,594	\$8,526	-	\$8,526	\$4,298,249	-\$8,526	-\$6,031,129	\$426,151,714
Principal USPA	\$162,472,199	-	-	-	\$1,819,695	-	-\$5,005,698	\$159,286,196
SSgA Core Fixed Income Index	\$382,924,869	\$8,068	-\$40,000,000	-\$39,991,932	\$3,370,315	-\$8,068	-\$6,125,880	\$340,169,304
SSgA Short-Term Gov't/Credit Index	\$1,324,082,026	\$28,659	-	\$28,659	\$9,833,109	-\$28,659	-\$4,302,933	\$1,329,612,202
SSgA US TIPS Index	\$279,889,804	\$6,088	-	\$6,088	\$688,415	-	\$1,697,526	\$282,281,833
Cash	\$176,400,789	\$870,774,739	-\$742,241,311	\$128,533,429	\$1,976,864	-	\$1,511	\$306,912,593
IPOPIF Pool Fixed Income Transition	\$101,143	-	-	-	\$346	-	-\$55	\$101,434
Member Accounts	-	-	-	-	\$3,557	-	-\$3,557	-
Total Fund with Member Funds and Transition Accounts	\$10,001,345,755	\$1,566,102,724	-\$1,579,241,311	-\$13,138,586	\$78,854,828	-\$349,257	\$329,635,981	\$10,396,348,721

IPOPIF Investment Portfolio
Peer Universe Comparison: Cumulative Performance (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

IPOPIF Investment Portfolio vs. All Public Plans > \$1B-Total Fund



	Quarter	2 Quarters	3 Quarters	1 Year
● IPOPIF Investment Portfolio	4.1 (43)	13.3 (26)	10.5 (17)	13.5 (20)
▲ Policy Index	4.2 (34)	13.5 (21)	10.7 (15)	14.0 (15)
5th Percentile	5.3	15.1	11.4	16.2
1st Quartile	4.5	13.3	9.6	13.0
Median	3.7	11.0	8.8	11.5
3rd Quartile	3.3	9.3	7.4	10.0
95th Percentile	2.5	7.7	6.2	7.9
Population	91	64	55	48

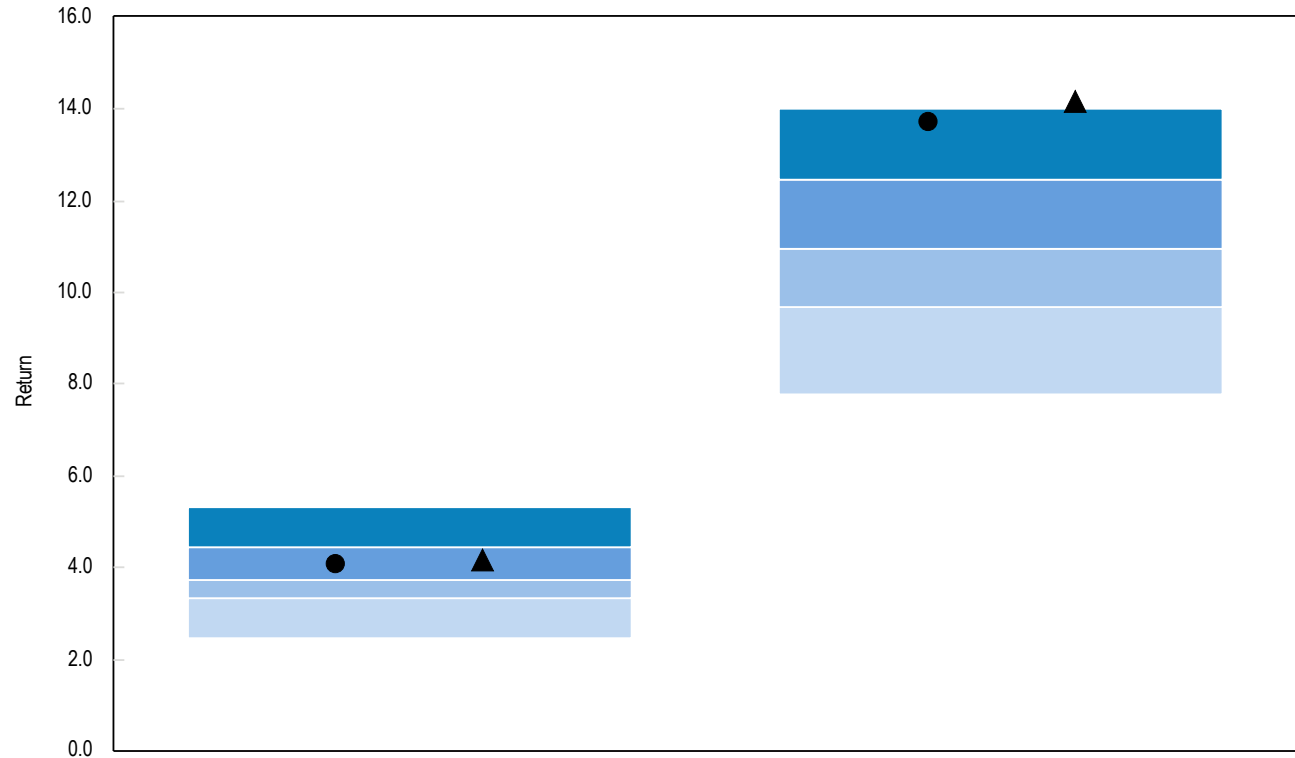
Parentheses contain percentile rankings. Performance shown for IPOPIF Investment Fund which excludes the Transition Account and Member Funds.



IPOPIF Investment Portfolio
Peer Universe Comparison: Consecutive Periods (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

IPOPIF Investment Portfolio vs. All Public Plans > \$1B-Total Fund

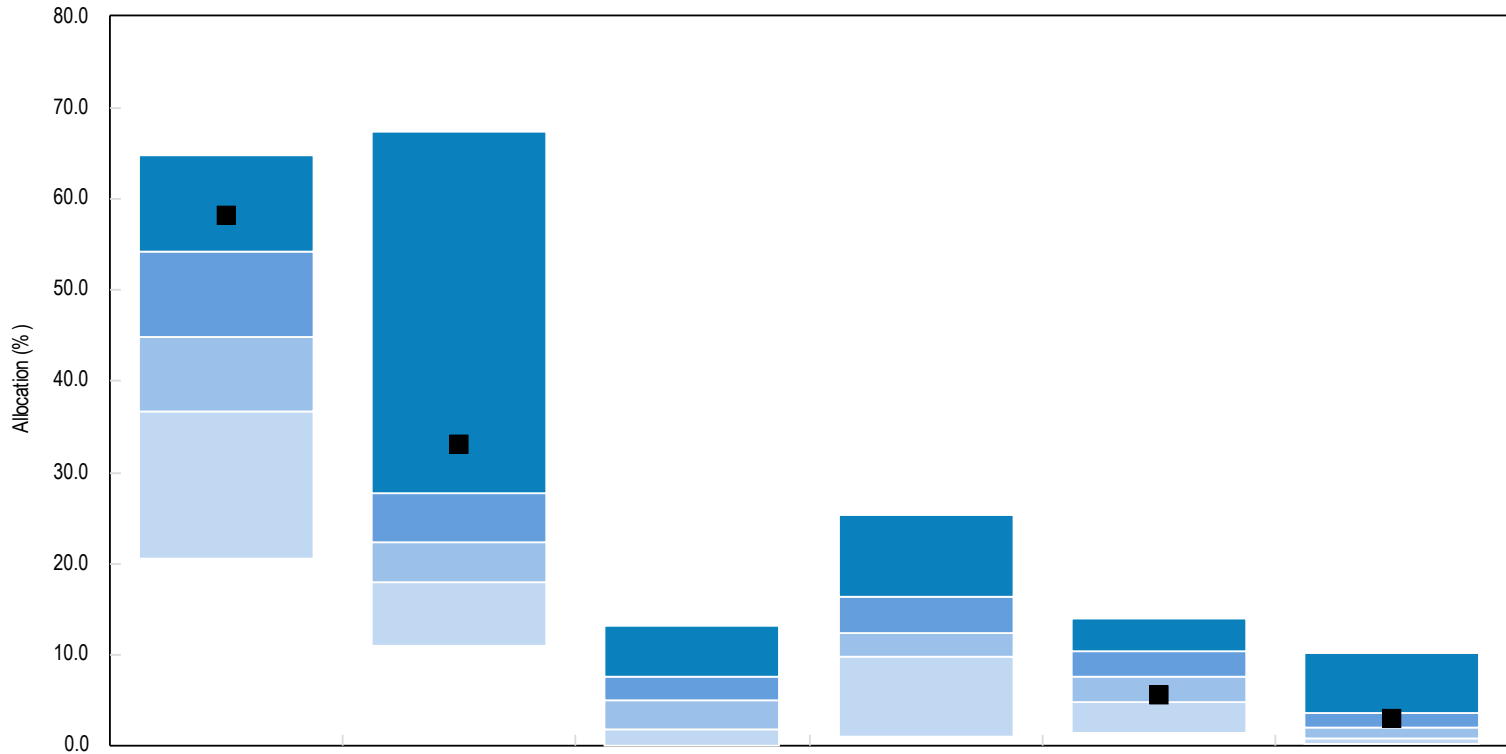


	YTD	2023
● IPOPIF Investment Portfolio	4.1 (43)	13.7 (11)
▲ Policy Index	4.2 (34)	14.2 (5)
5th Percentile	5.3	14.0
1st Quartile	4.5	12.5
Median	3.7	10.9
3rd Quartile	3.3	9.7
95th Percentile	2.5	7.8
Population	91	76

IPOPIF Investment Portfolio
Peer Universe Comparison: Asset Allocation

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

Total Plan Allocation vs. All Public Plans > \$1B-Total Fund
As of March 31, 2024



	Total Equity 58.3 (17)	Total Fixed Income 33.2 (12)	Hedge Funds -	Private Equity -	Total Real Estate 5.6 (69)	Cash & Equivalents 3.0 (33)
■ IPOPIF Investment Portfolio						
5th Percentile	64.9	67.4	13.3	25.4	14.0	10.2
1st Quartile	54.2	27.7	7.5	16.3	10.3	3.6
Median	44.9	22.4	5.1	12.4	7.6	2.0
3rd Quartile	36.6	18.0	1.8	9.8	4.7	0.8
95th Percentile	20.5	10.9	0.0	1.0	1.4	0.1
Population	140	147	47	76	114	122

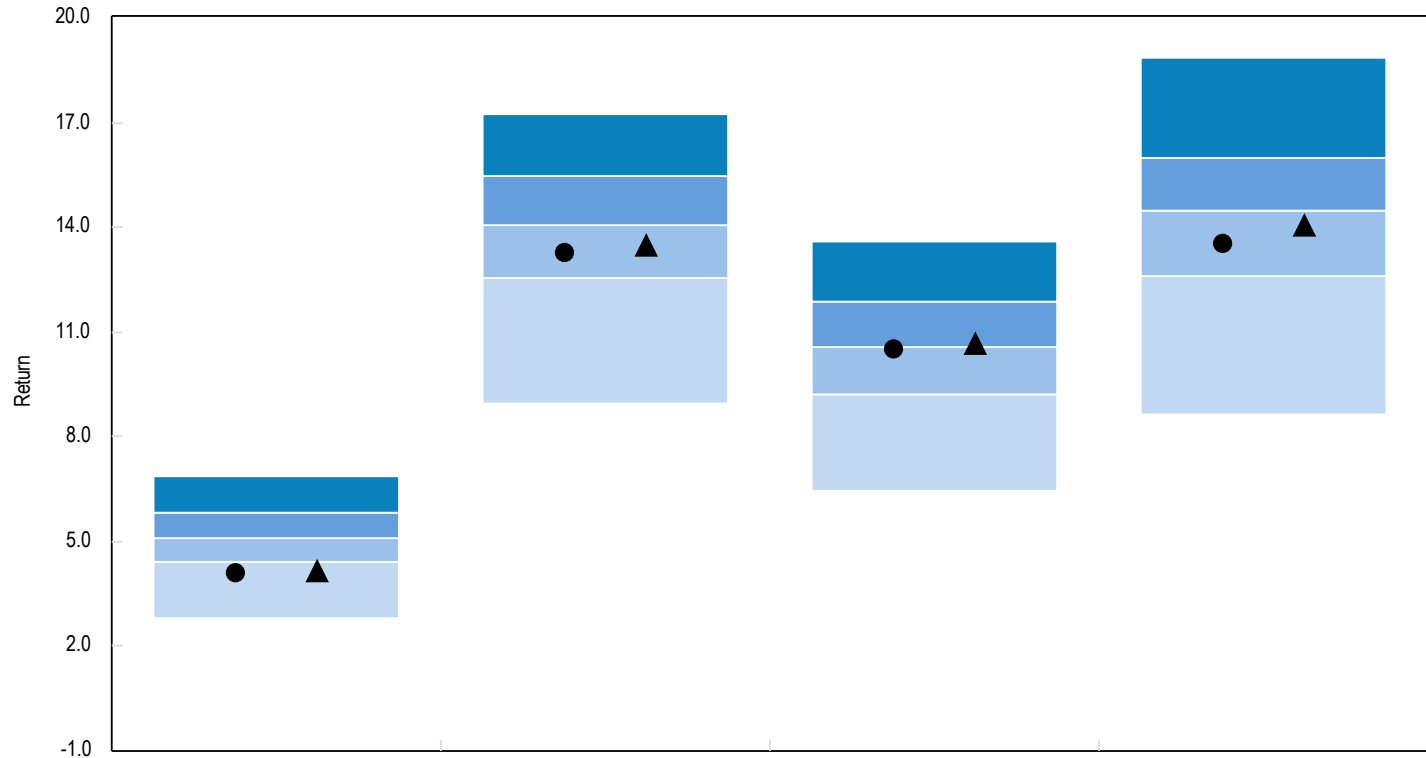
Parentheses contain percentile rankings. Excludes Transition Account and Member Funds. Real Assets contains Core Real Estate and REITs.



IPOPIF Investment Portfolio
Peer Universe Comparison: Cumulative Performance (Net of Fees)

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

IPOPIF Investment Portfolio vs. All Public Plans < \$1B-Total Fund



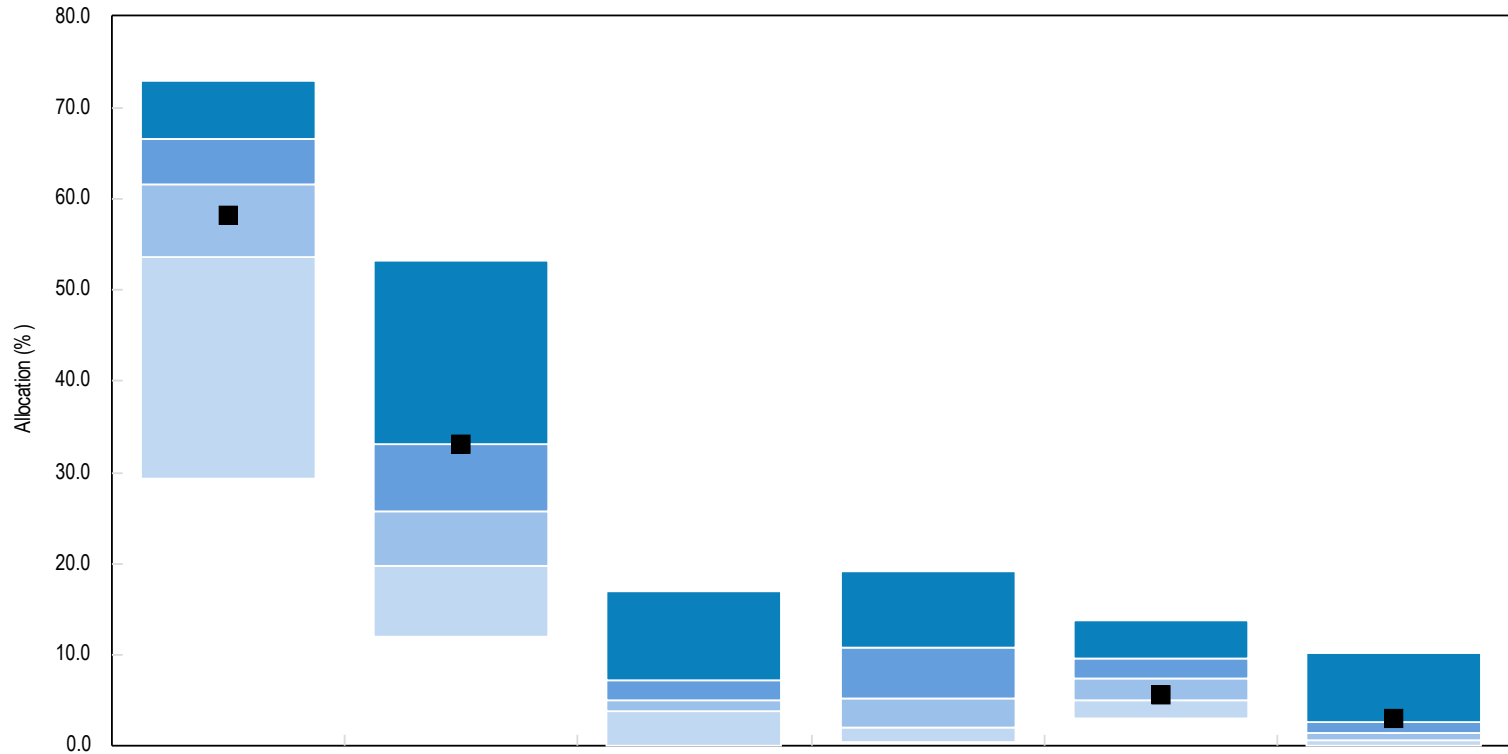
	Quarter	2 Quarters	3 Quarters	1 Year
● IPOPIF Investment Portfolio	4.1 (84)	13.3 (67)	10.5 (52)	13.5 (63)
▲ Policy Index	4.2 (82)	13.5 (63)	10.7 (47)	14.0 (56)
5th Percentile	6.9	17.3	13.6	18.8
1st Quartile	5.8	15.5	11.8	16.0
Median	5.1	14.1	10.6	14.5
3rd Quartile	4.4	12.6	9.2	12.6
95th Percentile	2.8	9.0	6.5	8.7
Population	554	529	506	499

Parentheses contain percentile rankings. Performance shown for IPOPIF Investment Fund which excludes the Transition Account and Member Funds.

IPOPIF Investment Portfolio
Peer Universe Comparison: Asset Allocation

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

Total Plan Allocation vs. All Public Plans < \$1B-Total Fund
As of March 31, 2024



	Total Equity	Total Fixed Income	Hedge Funds	Private Equity	Total Real Estate	Cash & Equivalents
■ IPOPIF Investment Portfolio	58.3 (63)	33.2 (25)	-	-	5.6 (70)	3.0 (20)
5th Percentile	73.0	53.3	16.9	19.2	13.8	10.1
1st Quartile	66.6	33.1	7.2	10.8	9.5	2.7
Median	61.6	25.7	5.0	5.1	7.4	1.4
3rd Quartile	53.6	19.7	3.9	2.0	5.1	0.7
95th Percentile	29.3	11.9	0.0	0.4	3.1	0.1
Population	574	600	77	162	385	524

Parentheses contain percentile rankings. Excludes Transition Account and Member Funds. Real Assets contains Core Real Estate and REITs.



Total Fund
Data Sources and Methodology Page

Illinois Police Officers' Pension Investment Fund
Period Ending: March 31, 2024

Performance Return Calculations

Performance is calculated using Time Weighted Rates of Return (TWRR) methodologies. Monthly returns are geometrically linked and annualized for periods longer than one year.

Data Source

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Manager Line Up

Manager	Inception Date	Data Source
RhumbLine Russell 1000 Index Fund	3/15/2022	State Street
RhumbLine Russell 2000 Index Fund	3/15/2022	State Street
SSgA Non-US Developed Index Fund	3/10/2022	State Street
SSgA Non-US Developed SC Index Fund	3/10/2022	State Street
Acadian ACWI ex US Small-Cap Fund	1/30/2024	State Street
WCM International Small Cap Growth Fund	3/1/2024	State Street
LSV International Small Cap Value Equity Fund	3/1/2024	State Street
SSgA Emerging Markets Equity Index Fund	3/1/2022	State Street
SSgA High Yield Corporate Credit	3/18/2022	State Street

Manager	Inception Date	Data Source
SSgA EMD Hard Index Fund	3/14/2022	State Street
Ares Institutional Loan Fund	3/1/2024	State Street
Aristotle Institutional Loan Fund	3/1/2024	State Street
Principal USPA	4/6/2022	State Street
SSgA REITs Index Fund	3/10/2022	State Street
SSgA Core Fixed Income Index Fund	3/17/2022	State Street
SSgA Short-Term Gov't/Credit Index Fund	3/17/2022	State Street
SSgA US TIPS Index Fund	3/17/2022	State Street
Cash	3/22/2022	State Street

Policy Index Composition

As of 3/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	8.5%		53.1%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	1.5%		9.4%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 5/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 1/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	18%	36.0%			
Russell 2000	5%	10.0%			
MSCI World ex U.S.	15%	30.0%			
MSCI World ex U.S. Small Cap	5%	10.0%			
MSCI Emerging Markets	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

As of 3/31/2022	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 3000	23%	46.0%			
MSCI ACWI ex USA IMI	20%	40.0%			
MSCI Emerging Markets IMI	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
50% JPM EMBI GD/50% JPM GBI EM GD	6%		37.5%		
NCREIF Property Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

Custom Benchmark Composition

Benchmark	Time period	Composition
Policy Index -Broad Benchmark	4/1/2022 - Present	70% MSCI ACWI IMI (Net) and 30% Bloomberg Global Multiverse.
Spliced SSgA EMD Hard Benchmark	7/1/2023 - Present	100% JPM EMBI Global Diversified Index
Spliced SSgA EMD Hard Benchmark	3/14/2022 - 6/30/222	100% JPM EMBI Global Core Index
Spliced SSgA U.S. High Yield Index	12/1/2022 - Present	100% ICE BofA US High yield Master II Constrained
Spliced SSgA U.S. High Yield Index	4/1/2022 - 11/30/2022	100% Bloomberg U.S. High Yield Very Liquid Index

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: $\text{Portfolio Return} - [\text{Risk free Rate} + \text{Portfolio Beta} \times (\text{Market Return} - \text{Risk free Rate})]$.

Benchmark R squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book to Market: The ratio of book value per share to market price per share. Growth managers typically have low book to market ratios while value managers typically have high book to market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price to Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price to earnings ratios whereas value managers hold stocks with low price to earnings ratios.

R Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: $\text{Portfolio Excess Return} / \text{Portfolio Standard Deviation}$.

Sortino Ratio: Measures the risk adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

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Verus will make every reasonable effort to obtain and include accurate market values. However, if managers or custodians are unable to provide the reporting period's market values prior to the report issuance, Verus may use the last reported market value or make estimates based on the manager's stated or estimated returns and other information available at the time. These estimates may differ materially from the actual value. Hedge fund market values presented in this report are provided by the fund manager or custodian. Market values presented for private equity investments reflect the last reported NAV by the custodian or manager net of capital calls and distributions as of the end of the reporting period. These values are estimates and may differ materially from the investments actual value. Private equity managers report performance using an internal rate of return (IRR), which differs from the time-weighted rate of return (TWRR) calculation done by Verus. It is inappropriate to compare IRR and TWRR to each other. IRR figures reported in the illiquid alternative pages are provided by the respective managers, and Verus has not made any attempts to verify these returns. Until a partnership is liquidated (typically over 10-12 years), the IRR is only an interim estimated return. The actual IRR performance of any LP is not known until the final liquidation.

Verus receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. Verus will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.



Illinois Police Officers' Pension Investment Fund

Investment Update

June 6, 2024

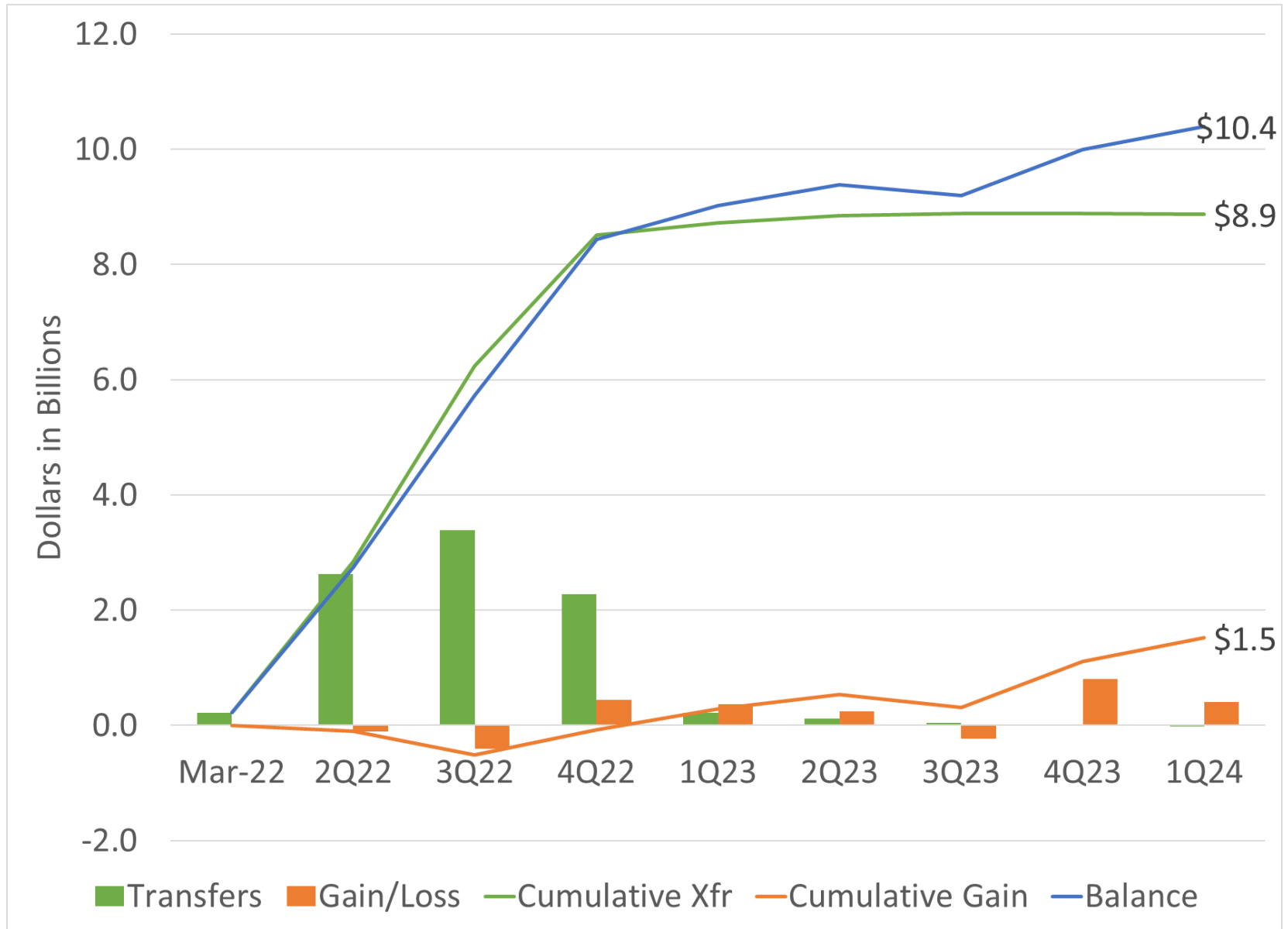
Performance Update

	1Q24	Apr '24	FYTD 7/23 – 4/24	YTD 1/24 – 4/24
IPOPIF Pool	+4.1%	-2.6%	+7.7%	1.4%
Policy Benchmark	+4.2%	-2.5%	+7.9%	1.5%
Broad Benchmark	+4.8%	-3.1%	+8.1%	1.5%
Actuarial Assumption (annual)			+6.8%	

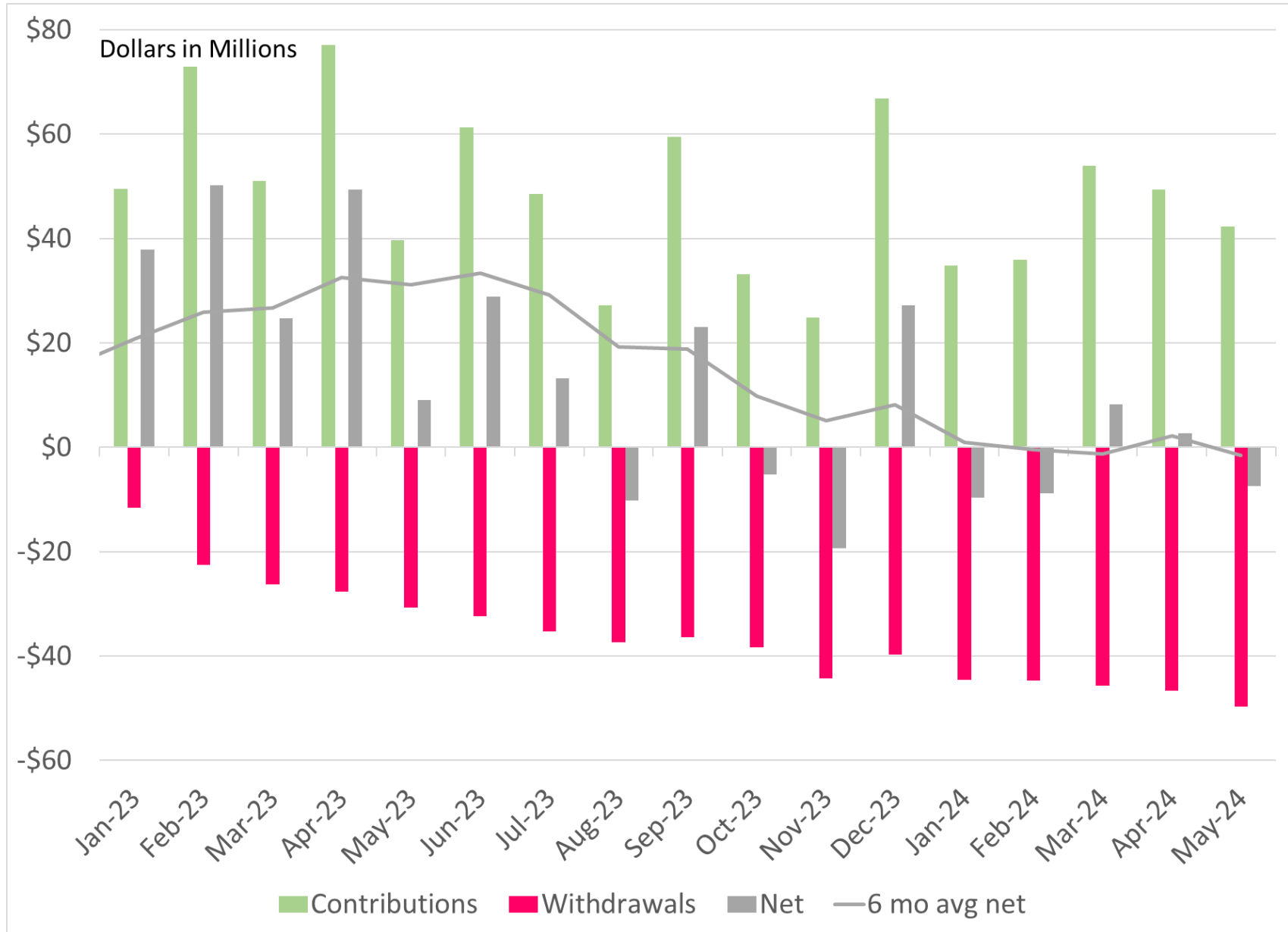
- IPOPIF Performance is net of fees.
- Policy Benchmark – Weighted average of asset class benchmarks; gauges success of implementation (currently less stock exposure than the broad benchmark).
- Broad Benchmark – 70/30 global stocks/bonds; gauges success of asset allocation.
- Returns for periods longer than one year are annualized.
- IPOPIF Actuarial Assumed Rate of Return is 6.8% per year.

May 2024 – Preliminary performance estimates show May roughly offsetting April losses, bringing FYTD returns back above 10%.

IPOPIF Growth



Monthly Participant Fund Cash Flow



Asset Allocation 6/5/24

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
Growth	6,119	58.4%	6,079	58.0%	40	0.4%
RhumbLine US Large	2,449	23.4%	2,411	23.0%	38	0.4%
RhumbLine US Small	526	5.0%	524	5.0%	2	0.0%
SSGA Non-US Developed	1,995	19.0%	1,991	19.0%	4	0.0%
Intl. Small Cap (3 mgrs)	514	4.9%	524	5.0%	(10)	-0.1%
Acadian	266	2.5%	262	2.5%	4	0.0%
LSV (1 day lag)	130	1.2%	131	1.25%	(1)	0.0%
WCM (monthly)	119	1.1%	131	1.25%	(12)	-0.1%
EM Equity	634	6.0%	629	6.0%	5	0.0%
SSGA EM Equity ex China	201	1.9%	210	2.0%	(8)	-0.1%
SSGA EM Equity	433	4.1%	419	4.0%	14	0.1%
Income	1,653	15.8%	1,677	16.0%	(24)	-0.2%
SSGA High Yield	725	6.9%	734	7.0%	(9)	-0.1%
SSGA EM Debt	625	6.0%	629	6.0%	(3)	0.0%
Bank Loans (2 mgrs)	303	2.9%	314	3.0%	(11)	-0.1%
Ares (monthly)	101	1.0%	105	1.0%	(4)	0.0%
Aristotle (monthly)	202	1.9%	210	2.0%	(7)	-0.1%
Real Assets	576	5.5%	629	6.0%	(53)	-0.5%
SSGA REITS	416	4.0%	419	4.0%	(3)	0.0%
PRINCIPAL USPA	159	1.5%	210	2.0%	(50)	-0.5%
Risk Mitigation	2,133	20.4%	2,096	20.0%	37	0.4%
Cash Accounts	164	1.6%	105	1.0%	59	0.6%
SSGA ST GOV-CREDIT	1,138	10.9%	1,153	11.0%	(15)	-0.1%
SSGA TIPS	285	2.7%	314	3.0%	(29)	-0.3%
SSGA US TREASURY	204	1.9%	210	2.0%	(6)	-0.1%
SSGA CORE BONDS	342	3.3%	314	3.0%	27	0.3%
Transition account	0.102	0.0%	-	0.0%	0	0.0%
Total Investment Pool	10,481	100.0%	10,481	100.0%	-	0.0%

Funding and Rebalancing

Date	Account	Flow \$ mil	Trading Cost \$*
30-Apr	Short Term Bonds	-100	+2,771
30-Apr	US Treasury	+100	+19,735
30-Apr	EME	-100	0
30-Apr	EME ex China	+100	-42,465
17-May	EME	-20	0
17-May	EME ex China	+20	0
31-May	Short Term Bonds	-100	-9,742
31-May	US Treasury	+100	+55,482
31-May	EME	-80	0
31-May	EME ex China	+80	-73,163

SSGA adjusts the value of cash flows to neutralize the impact on other investors. The "market effect" can be positive or negative.

- The new 3% allocation to US Treasury Bonds is being funded gradually from Short term bonds. The final transfer is planned for late June.
- The new Emerging Market Equity (EME) ex China index fund is being funded gradually from the existing EME fund. Similar transfers are planned for June and subsequent months until the conversion is completed. The May 17 transaction took advantage of a “crossing” opportunity to minimize trading costs.

Emerging Market Updates

- Gradual elimination of China exposure in the EME portfolio is underway as detailed in the previous slide. Minor exposure to China will remain in the International Small Cap and Emerging Market Debt (EMD) portfolios.
- EME ex China search recommendation to be proposed at the June 14 Board meeting.
- EMD manager search is proceeding on plan. 15 proposals were received by the May 24th deadline, 11 from the highest caliber candidates identified in the screening process plus 4 additional proposals. Board interviews and selection are planned for the September Board meeting. The targeted allocation is 1.5% for the active manager and 1.5% to remain passive.

Valuation Considerations

- Addition of monthly valued investments with delayed reporting adds complexity to daily valuation.
- CIO and CFO are discussing valuation processes and options with custodian, State Street Bank and Trust.
- We are considering a shift to monthly valuation from daily valuation to incorporate final monthly statements from monthly valued investments.
- Potential impact on cash management, Article 3 data timing availability, and custodial performance reporting.

Performance for April Fiscal Year

A majority of Article 3 pension funds use an April fiscal year. Investment performance is summarized below for the year ending April 2024. Money weighted returns are used in financial reporting and incorporate asset flows. The slightly lower money weighted return is attributed to positive net contributions in a rising market. The actuarial assumed rate of return is 6.8%.

	Time Weighted	Money Weighted
Count (full year)	331	331
Mean	9.53%	9.48%
Median	9.54%	9.48%
Standard Deviation	0.07%	0.22%
Maximum	9.68%	11.43%
Minimum	8.49%	8.20%

Fund Count FY Ending	Transferred?		Total
	Yes	No	
February	1		1
March	6		6
April	238	9	247
May	3		3
June	3	2	5
October	1		1
December	81	13	94
Total	333	24	357

Private Market Investments

- IPOPIF has a 20% long-term allocation to private market investments:
 - 7% equity, 5% credit, 5% real estate, 3% infrastructure
- Due to investment complexity and risks our approach needs to be robust and sustainable.
- Verus has developed a private markets implementation plan which utilizes a phased approach.
- Board discussion is planned for July including private credit education.

Special Investment Principles

- Policy considerations relating to activities that are contrary to the interests of IPOPIF, such as anti-police or anti-pension initiatives or organizations.
- Addressed at the May 17 Governance Committee.
- Board to consider related investment objectives
 - Statement of principle can be incorporated into policies and RFPs.
 - Proxy voting policies would allow IPOPIF to influence corporation through our stock ownership.
 - Discussion now planned for the July Board meeting.

October 1 Transition Milestones

1/19/24 – IL Supreme Court ruling affirms consolidation.

2/9/24 – IPOPIF Board approves 10/1/24 transfer date.

3/14/24 – Transfer Date notification and instructions distributed to all transferring pension funds.

6/30/24 – Deadline for Boards to adopt Authorized Agent Resolutions (Exhibit A).

July – Establish data feeds with legacy custodians.

September – Asset Certification.

10/1/24 – Asset Transfer.

10/31/24 – Complete reconciliations and provide receipts to transferring pension funds.

November – First monthly reports.

October 1 Transition Status

Fund	AUM \$	AUM date	Ex A	Comments
AURORA	281,931,558	12/31/22	3/28/24	
CHAMPAIGN	152,642,497	6/30/23	5/13/24	
CHICAGO HEIGHTS	55,202,970	4/30/23	4/11/24	
CHICAGO RIDGE	27,083,947	12/31/22	4/24/24	
DEKALB	43,806,573	12/31/22	4/26/24	
EAST ST LOUIS	18,650,362	12/31/22	5/30/24	
ELGIN	152,210,654	12/31/22	4/17/24	
EVANSTON	148,418,657	12/31/22	4/25/24	
FAIRVIEW HEIGHTS	35,764,565	4/30/23	4/29/24	
PALOS HEIGHTS	27,197,577	12/31/22	4/25/24	
RANTOUL	33,856,979	4/30/23	4/24/24	
VILLA PARK	32,888,210	12/31/22	4/30/24	
WOODRIDGE	47,464,324	12/31/23	4/17/24	
MONTICELLO	2,006,922	12/31/22	1/25/23	Only MMFs and CDs
ROBBINS	247,002	4/30/16		Only MMFs and CDs
SOUTH CHICAGO HEIGHTS	3,618,617	12/31/22	1/13/22	
STONE PARK	4,075,736	4/30/23	10/11/22	MMF and annuity
VENICE	614,382	4/30/23		Only MMFs and CDs
ARLINGTON HEIGHTS	156,508,984	12/31/22		
ELMHURST	70,908,336	12/31/22		May 30 meeting
MARYVILLE	5,425,545	4/30/23		
MOKENA	27,818,581	6/30/23		
WASHINGTON PARK	620,452	4/30/23		
WOOD DALE	30,278,704	4/30/23		

MMF: Money Market Fund



MEMORANDUM

DATE: June 5, 2024
 TO: IPOPIF Board of Trustees
 FROM: IPOPIF Investment Staff
 SUBJECT: Investment Manager Search Request: Emerging Markets Equity ex China

Recommendation

That the Board of Trustees approve a search for an active investment manager to manage a 3% allocation to Emerging Market ex China equities.

Procurement of Investment Services Policy

The Board of Trustees established the Procurement of Investment Services Policy ("Policy"), PP-2021-07, so that all decisions to procure Investment Services will be made with respect for the principles of competitive selection, full disclosure, objective evaluation, and proper documentation. The Policy establishes, among other provisions, competitive selection procedures (Section D), including evaluation factors (Section D.6). Section D.2 establishes that "The Board shall approve when there shall be a search for Investment Services and the parameters of the search based on a recommendation from investment staff or Investment Consultant.

Allocation Perspective

- The IPOPIF asset allocation to Emerging Markets equity ("EME") is 6%.
- Emerging Markets Equities are expected to provide strong returns and diversification to the growth portfolio.

Verus Capital Market Assumptions					
		Correlation			
	10Yr Return	S&P 500	MSCI EAFE	MSCI EM	MSCI EM ex China
S&P 500	5.9%	1			
MSCI EAFE	8.1%	0.9	1		
MSCI EM	8.8%	0.7	0.8	1	
MSCI EM ex China	9.1%	0.8	0.8	0.9	1

- EME and EME ex China education was provided at the April 12 Board meeting, followed by Board discussion regarding the risks of China equity exposure and considerations related to reducing or eliminating China Exposure.
- The Board provided guidance to gradually eliminate China exposure in the EME portfolio.
- Staff has initiated a phased reallocation from the SSGA EME Index Fund to the EME ex China fund, moving \$100 million in April and May (\$200M total).

Portfolio Structure

- Investment Staff recommends an EME portfolio structure utilizing a 3% allocation to a single active investment manager benchmarked to an EME ex China index and the remaining allocation to the SSGA EME ex China index Fund.
- Due to the limited number of EME ex China strategies available in a commingled fund vehicle, IPOPIF will evaluate strategy investor concentration across both EME and EME ex China strategies.
- IPOPIF will likely be a significant investor in any EME ex China fund.
- We will also consider new EME ex China funds from firms with established successful track records in EME.
- To maximize operational efficiency, IPOPIF uses commingled vehicles for foreign markets.

EME active manager universe	EME	EME ex China
Strategy count	352	34
Strategies > \$100 million AUM	272	11
Strategies > \$1 billion AUM	160	4
Strategies with commingled fund	161	18
Strategies with >= 3Yr history	158	11

Source: eVestment as of 3/31/24

Fees and Budget Impact

- Active management will incur higher investment management fees. Staff and the Board will need strong conviction that expected excess returns will exceed the active management fees.
- For reference, we observe that the median investment management fees for active EME strategies are approximately 79 basis points, which would equate to \$2.4 million annually for a \$300 million allocation.

Search Process and use of Investment Manager Database

- The search will be facilitated via www.theInHub.com (“InHub”), an online RFP management platform through which IPOPIF will publish search documents, answer questions, receive proposals, communicate with applicants, and evaluate proposals. IPOPIF used InHub for the early passive manager searches and found it to be useful. There is no fee for respondents to use InHub.
- Firms with a strong EM equity product that do not yet have an established EM -ex China strategy will be considered.
- In addition to InHub, IPOPIF will use the eVestment database (“eVestment”) in the evaluation process. Respondents are strongly encouraged to update eVestment through March 31, 2024, for both their established Emerging Markets ex -China strategy, as well as their Emerging Markets strategy. eVestment allows for access to all managers at no charge, meeting the Procurement Policy requirements.

- Proposals will be evaluated jointly by IPOPIF investment staff and general consultant, Verus, using the Preferences and Evaluation Criteria specified in the RFP.
- MWDBE and Veteran-Owned investment advisers that meet the minimum qualifications specified in the RFP are encouraged to apply.

Request for Proposal and Timeline

The Request for Proposal, including the search timeline, is attached for reference. The RFP will be posted shortly following Board approval of the Search. Board interviews and selection are targeted for the 10/18/24 Board meeting.



MEMORANDUM

DATE: June 6, 2024
TO: IPOPIF Board of Trustees
FROM: IPOPIF Investment Staff
SUBJECT: Passive Manager annual review

Purpose

Board review of investment service providers is conducted on an ongoing basis. Passive investment managers, RhumbLine and SSGA, were last reviewed by the Board in June 2023.

Summary

IPOPIF hired RhumbLine Advisers LP and State Street Global Advisors (“SSgA”) in October 2021 to manage passive index funds. RhumbLine manages the two domestic equity funds (large cap and small cap). SSGA manages the other index funds, comprising international and emerging market equities, US and emerging market fixed income, and REITs.

While we use the term “passive”, to describe investment managers who are tasked with emulating index performance, there is a lot of activity to effectively manage an index investment. Key activities include dividend reinvestment, rebalancing, index reconstitution, and corporate actions.

Both RhumbLine and SSGA effectively manage their respective portfolios and are good business partners to IPOPIF. The following presentation provides a summary of important information.



Illinois Police Officers' Pension Investment Fund

Passive Manager Review

June 14, 2024

RhumbLine Advisers LP

RhumbLine Advisers LP	
Firm Description	Index Fund Manager
Headquarters	Boston, MA
Firm MWDBE Ownership Category	Female
Firm AUM 12/31/2023	\$116 Billion
IPOPIF contract date	12/29/2021

as of 3/31/24	RhumbLine US Large	RhumbLine US Small
IPOPIF Investment strategies	Russell 1000 Index Fund	Russell 2000 Index Fund
IPOPIF inception date	3/14/2022	3/14/2022
Vehicle	Separate Account	Separate Account
Benchmark	Russell 1000	Russell 2000
Annual Fee Rate	Flat 0.0050%	Flat 0.0050%
MWDBE brokerage 1Q24	100%	100%
IPOPIF Value	2,411 Mil	\$540 Mil
Weight of IPOPIF portfolio	23.2%	4.8%
IPOPIF target	23%	5%

RhumbLine Advisers LP

Net of fee performance as of 3/31/24

	IPOPIF Value	1 Month	YTD	12 Months	2023
RhumbLine US Large Cap Index Fund	\$ 2,410,590,354	3.2	10.3	29.8	26.5
Russell 1000		3.2	10.3	29.9	26.5
Difference		0.0	0.0	-0.1	0.0
RhumbLine US Small Cap Index Fund	\$ 540,081,960	3.6	5.2	19.7	16.9
Russell 2000		3.6	5.2	19.7	16.9
Difference		0.0	0.0	0.0	0.0

Data Source: RhumbLine Advisers LP

Performance

- RhumbLine performance meets expectations for a passive manager, tracking the benchmark since inception with minimal variance.

Commentary

- Denise D'Entremont, who became Chief Executive Officer in 2022, is the majority owner of RhumbLine.
- RhumbLine invests contributions, completes reporting, and provides client service in a timely fashion. No concerns.
- RhumbLine takes advantage of razor thin trading commissions during Russell's annual index reconstitution to complete any necessary portfolio rebalancing.
- RhumbLine exceeds MWDBE Brokerage goals while adhering to best execution requirements.
- IPOPIF uses separate accounts for the two RhumbLine strategies. If IPOPIF wanted securities lending, it is typically done by the custodian or a third-party securities lending manager for separate accounts.

State Street Global Advisors

Firm Description	Index Fund, ETF, and Sector Fund specialists
Headquarters	New York, NY
Firm MWDBE Ownership Category	Majority
Firm AUM 12/31/2022	\$4.3 Trillion
IPOPIF contract date	12/29/2021

as of 03/31/24	Non-US Developed	Non-US Developed SC	EM Equity	High Yield	EM Debt	TIPS	REITS	Core Bonds	ST Gov-Credit
IPOPIF inception date	3/10/22	3/10/22	3/10/22	3/18/22	6/28/22	3/18/22	3/16/22	3/18/22	3/18/22
Vehicle	Commingled Fund	Commingled Fund	Commingled Fund	Commingled Fund	Commingled Fund	Separate Account	Commingled Fund	Commingled Fund	Commingled Fund
Benchmark	MSCI World ex US (Net)	MSCI World ex US Small Cap Index (Net)	MSCI Emerging Markets (Net)	Bloomberg U.S. High Yield Very Liquid Ind	JPM EMBI Global Diversified Index	Blmbg. US TIPS 0-5 Year	Dow Jones U.S. Select REIT	Blmbg. U.S. Aggregate Index	Blmbg. 1-3 Year Gov/Credit index
MWDBE brokerage 1Q24	3%	1%	2%	0%	0%	0%	0%	1%	4%
IPOPIF Value	1,964 Mil	\$77 Mil	\$618 Mil	\$719 Mil	\$624 Mil	\$282 Mil	\$426 Mil	\$340 Mil	\$ 1,330
Portfolio weight	18.9%	0.7%	5.9%	6.9%	6.0%	2.7%	4.1%	3.3%	12.8%
IPOPIF Target	19%	0%	6%	7%	6%	3%	4%	3%	13%

- Tiered fee on aggregate asset value with a minimum AUM of \$2.5B:
 - 0.02% on the first \$1,000,000,000
 - 0.015% on the next \$1,000,000,000
 - 0.005% thereafter
- Additional fee on three “Group 2” strategies EM Equity, High Yield, and EM Debt:
 - Non-applicable on the first \$1,000,000,00; 0.05% thereafter.
- Fees average 0.008% for basic strategies and 0.033% on the Group 2.
- Due to the tiered fee structure, the fee rate will increase minimally as AUM is reduced to fund active strategies.

State Street Global Advisors

Net of fee performance as of 3/31/24

	IPOPIF Value	1 Month	YTD	12 Months	2023
SSgA Non-US Developed	\$ 1,964,187,801	3.5	5.8	15.8	18.3
MSCI World ex USA		3.4	5.6	15.3	17.9
Difference		0.1	0.2	0.5	0.4
SSgA Non-US Developed SC Index	\$ 77,605,127	4.0	5.8	15.8	18.3
MSCI World ex U.S. Small Cap		4.1	5.6	15.3	17.9
Difference		-0.1	0.2	0.5	0.4
SSgA Emerging Markets Equity Index	\$ 618,266,805	2.5	2.3	7.7	9.6
MSCI Emerging Markets (Net)		2.5	2.4	8.2	9.8
Difference		0.0	-0.1	-0.5	-0.2
SSgA High Yield Corporate Credit	\$ 719,153,846	2.2	1.5	11.5	13.8
Spliced SSgA U.S. High Yield Index		2.1	1.5	11.1	13.5
Difference		0.1	0.0	0.4	0.3
SSgA EMD Hard Index Fund	\$ 623,554,674	2.2	2.1	11.4	11.2
Spliced SSgA EMD Hard Index		2.1	2.0	11.3	11.1
Difference		0.1	0.1	0.1	0.1
SSGA TIPS	\$ 280,432,541	0.7	0.9	3.2	4.6
Blmbg. U.S. TIPS 0-5 Year		0.6	0.9	3.2	4.6
Difference		0.1	0.0	0.0	0.0
SSgA REITs Index	\$ 418,214,008	1.9	-0.4	10.5	14.0
Dow Jones U.S. Select REIT Index		1.9	-0.4	10.5	14.0
Difference		0.0	0.0	0.0	0.0
SSgA Core Bonds	\$ 376,864,257	0.9	-0.7	1.7	5.7
Blmbg. U.S. Aggregate Index		0.9	-0.8	1.7	5.5
Difference		-0.1	0.1	0.0	0.1
SSgA Short-Term Gov't/Credit	\$ 1,324,646,330	0.4	0.4	3.5	4.7
Bloomberg U.S. Gov/Credit 1-3 Year		0.4	0.4	3.5	4.6
Difference		0.0	0.0	0.0	0.1

State Street Global Advisors

Performance

- SSGA performance meets expectations for a passive manager, tracking the respective benchmarks since inception.

Commentary

- State Street Corp is a publicly traded company.
- SSGA invests contributions, completes reporting, and provides client service in a timely fashion. No concerns.
- In January 2024, IPOPIF began measured withdrawals from the SSGA International Small Cap equity, High Yield, and Core Bond strategies to fund the new active international small cap equity and bank loan fixed income managers.
- In April 2024, IPOPIF began measured transfers from the Emerging Markets Equity strategy to Emerging Markets ex China Equity (new to IPOPIF), and from US Short-term Gov/ Credit to US Treasury (new to IPOPIF).
- Fair Value Pricing adjusts pricing to reflect after-market activity and prevent market-timing trades. This creates tracking error (variance to benchmark returns), but long-term returns remain in-line with the benchmarks.



ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR
RE: CLOSED SESSION ITEM
DATE: JUNE 14, 2024

Should the Board of Trustees desire to enter into closed session during the Board meeting, the following motion is suggested for Board action to enter into and return from Closed Session:

CLOSED SESSION MOTION:

A motion was made by Trustee _____ and seconded by Trustee _____ to enter into closed session in accordance with the exception under 5 ILCS 120/2(c)(1) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees and specific individuals.

OPEN SESSION MOTION:

A motion was made by Trustee _____ and seconded by Trustee _____ to resume open session.