



# Illinois Police Officers' Pension Investment Fund

## Board of Trustees Meeting- January 24, 2025

Notice is hereby given that the Board of Trustees of the Illinois Police Officers' Pension Investment Fund will conduct a regular meeting on Friday, January 24, 2025 at 9:00 AM at the Pere Marquette Hotel, 501 Main Street, Peoria, IL 61602.

Members of the public who wish to observe/participate in the meeting may do so (1) from the IPOPIF meeting room or (2) via the live stream on the Zoom video conferencing platform (information below) from any location. By entering the meeting, participants agree to be audio and video recorded.

Join Zoom Meeting via Video:  
Video: [www.zoom.us](http://www.zoom.us)  
Meeting ID: 819 7653 7315  
Passcode: 540664

Join Zoom Meeting via Dial-In:  
Dial In: (312) 626-6799  
Meeting ID: 819 7653 7315  
Passcode: 540664

January 24, 2025 09:00 AM Central Time (US and Canada)

### Agenda Topic

1. Call to Order
2. Roll Call
  - 2.1 [Roll Call: Discussion and Potential Action](#)
3. Board of Trustees
  - 3.1 [Board of Trustees - Oath of Office and Seating of Trustees: Discussion and Potential Action](#)
4. Investments
  - 4.1 [Investment Update: Discussion and Potential Action](#)
  - 4.2 [Investment Policy Statement: Discussion and Potential Action](#)
  - 4.3 [Private Markets Consultant Interviews and Selection: Discussion and Potential Action](#)
5. Lunch Break

6. Administration and Operations
  - 6.1 [Administration and Operations Update: Discussion and Potential Action](#)
7. Finance
  - 7.1 [Monthly Financial Reports: Discussion and Potential Action](#)
    - 7.1.1 [Monthly Financial Statement- October 2024: Discussion and Potential Action](#)
    - 7.1.2 [Monthly Financial Statement - November 2024: Discussion and Potential Action](#)
  - 7.2 Warrants: Discussion and Potential Action
    - 7.2.1 [Warrant # 2025-07: Discussion and Potential Action](#)
  - 7.3 [Cash Management Policy: Discussion and Potential Action](#)
  - 7.4 [Finance and Accounting Update: Discussion and Potential Action](#)
8. Board of Trustees
  - 8.1 [Board of Trustees Meeting Minutes - December 13, 2024: Discussion and Potential Action](#)
  - 8.2 [Strategic Plan Update: Discussion and Potential Action](#)
  - 8.3 [Board of Trustees - Nomination and Election of Board Officers: Discussion and Potential Action](#)
    - 8.3.1 [Board of Trustees Chairperson - Nomination and Election: Discussion and Potential Action](#)
    - 8.3.2 [Board of Trustees Vice Chairperson -Nomination and Election: Discussion and Potential Action](#)
    - 8.3.3 [Board of Trustees Secretary - Nomination and Election: Discussion and Potential Action](#)
  - 8.4 [Board of Trustees - Appointment of Committees: Discussion and Potential Action](#)
9. General Legal Counsel
  - 9.1 [General Legal Counsel Report: Discussion and Potential Action](#)
10. Fiduciary Legal Counsel
  - 10.1 [Fiduciary Legal Counsel Report: Discussion and Potential Action](#)
11. Public Comment
12. Closed Session (if necessary)

13. Adjournment

**NOTE:**

All agenda materials are for the information of the reader in advance of the noticed meeting.

Discussion and formal action, if any, on any agenda item will be taken by the IPOPIF Board of Trustees at the public meeting.



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES

FROM: RICHARD WHITE, EXECUTIVE DIRECTOR

RE: AGENDA ITEM: ROLL CALL

DATE: JANUARY 24, 2025

**RECOMMENDATION:** Motion to allow \_\_\_\_\_ to participate in the January 24, 2025, 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

## MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 3.1 OATH OF OFFICE (40 ILCS 5/22B-115(c))  
DATE: JANUARY 24, 2025

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**RECOMMENDATION:** Receive the Oath of Office as administered by General Legal Counsel Rick Reimer.

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### **DISCUSSION:**

General Legal Counsel Rick Reimer will administer the Oath of Office to the Board of Trustees elected for the term of January 2025 through December 2028 and the Appointed Member for the term of January 2025 through December 2026:

- i. **MUNICIPAL MEMBER TRUSTEE**
  - Michael J. Inman, Mayor of the City of Macomb
  - Debra Nawrocki, Chief Financial Officer, City of Elgin
- ii. **BENEFICIARY MEMBER TRUSTEE**
  - Mark Poulos, Retired Lieutenant, City of Rock Island
- iii. **ACTIVE MEMBER TRUSTEE**
  - Scott Bowers, Police Officer, City of Peoria
- iv. **APPOINTED MEMBER TRUSTEE**
  - Brad Cole, Chief Executive Officer, Illinois Municipal League

### **OATH OF OFFICE**

I [Name of Trustee] do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Illinois, and that I will faithfully discharge the duties as Board Trustee of the Illinois Police Officers' Pension Investment Fund to the best of my ability. I will diligently and honestly administer the affairs of the Board and will not violate or knowingly permit the violation of any provision of Article 22B of the Illinois Pension Code.

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



# **Illinois Police Officers' Pension Investment Fund**

## **Investment Update**

As of January 16, 2025

# Performance Update

	July – Oct. 2024	Nov. 2024	FY25 July – Nov.	YTD 1/24 – 11/24	Since Incept. 4/22
IPOPIF Pool	+3.9%	+2.4%	+6.4%	+12.1%	5.7%
Policy Benchmark	+4.0%	+2.4%	+6.4%	+12.1%	5.8%
Broad Benchmark	+4.1%	+2.8%	+7.1%	+13.7%	5.7%
Actuarial Assumption (fiscal year)				+6.8%	

- Returns for periods longer than one year are annualized.
- IPOPIF Performance is net of investment management 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.
- IPOPIF Actuarial Assumed Rate of Return is 6.8% per year.

Preliminary data indicates that the Fund was **down** approximately **2.1%** in December.

# FY 25 Performance Commentary

- The total fund was up 6.1% for the three months ending 9/30/24, driven by continued economic strength and declining interest rates. Equity participation broadened with US Small Cap and International Stocks taking the lead. REITs were the overall leader for the quarter, returning 15.5%. China stocks spiked from mid-September into early October on news of government support but have subsequently reverted.
- The investment pool was down 2.0% in October, driven by rising interest rates, and international weakness.
- The investment pool was up 2.3% in November as US stocks (especially small caps) rallied following the Nov. 5 elections, overcoming weak returns from international stocks, primarily driven by US dollar strength.
- Preliminary data shows the investment pool down ~2.1% in December. Rising interest rates punished stocks and longer duration bonds. US Small caps and REITS were especially weak.



# Funding and Rebalancing

Date	Account	Flow \$ mil	Trading Effect \$
19-Dec	SSGA Non-US Developed	+91	
19-Dec	IPOPIF Cash	-91	
20-Dec	RhumbLine R1000	-91	
23-Dec	IPOPIF Cash	+91	
1-Jan	ARGA EME ex China	+95	-437,000
3-Dec	IPOPIF Cash	-95	
2-Jan	SSGA EME ex China	-95	0
3-Jan	IPOPIF Cash	+95	
13-Jan	Wm Blair EME ex China	+95	-60,433
14-Jan	IPOPIF Cash	-95	
13-Jan	SSGA EME ex China	-66	0
14-Jan	IPOPIF Cash	+66	

- Rebalanced Non-US Developed stocks to target from US Large cap overweight
- Tranche #2 of ARGA funding
- Crossing opportunity avoided exit charge at SSGA
- Tranche #2 of William Blair funding
- Smaller liquidation from SSGA brought EME to target weight. Crossing opportunity avoided exit charge.

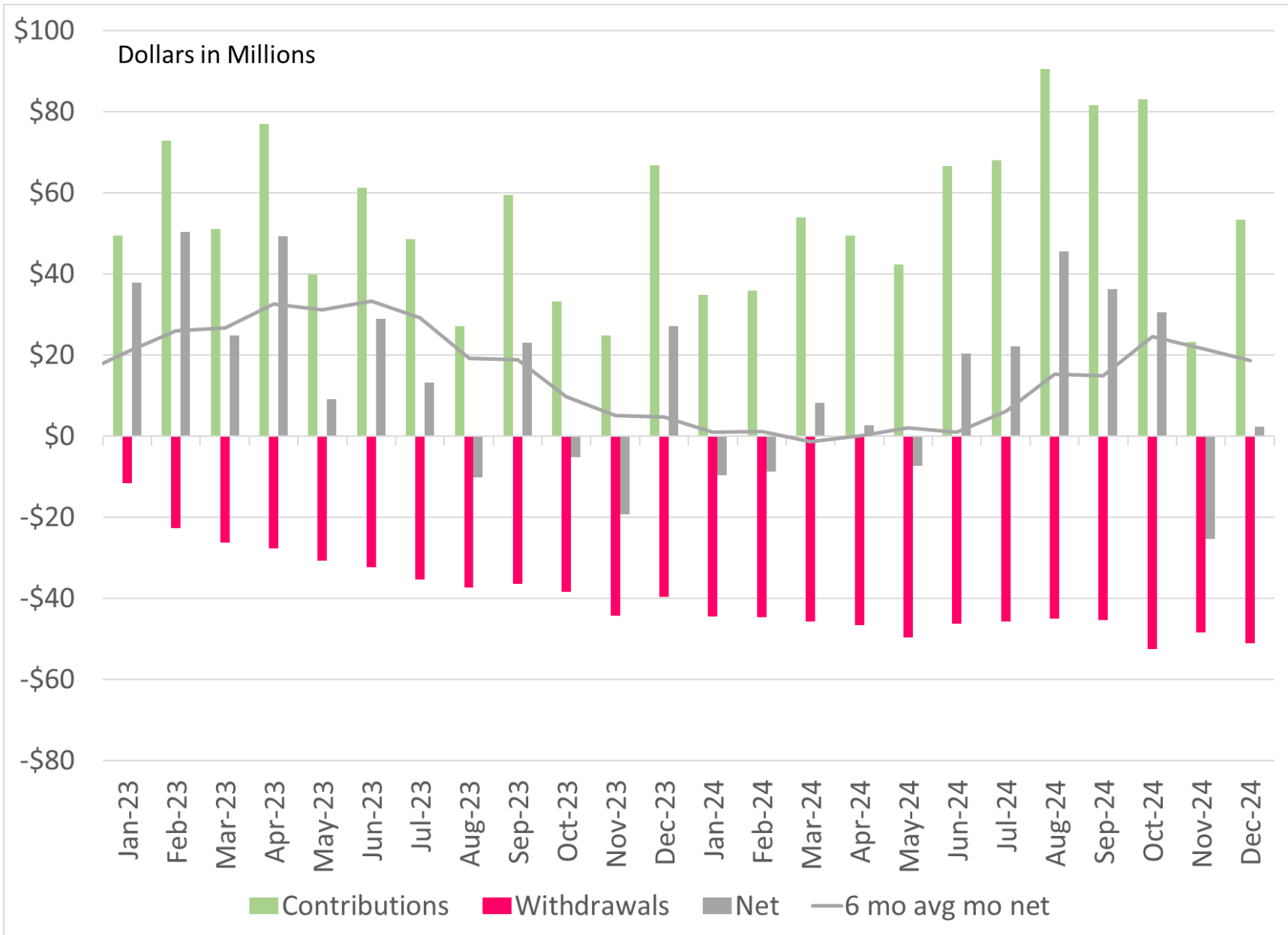
# Asset Allocation

## 1/15/25

- Rebalanced Non-US Developed from US Large cap in December.
- Completed second tranche of EME ex China funding, including rebalance to 6% target.

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
<b>Growth</b>	<b>7,357</b>	<b>58.0%</b>	<b>7,354</b>	<b>58.0%</b>	<b>4</b>	<b>0.0%</b>
RhumbLine US Large	2,953	23.3%	2,916	23.0%	37	0.3%
RhumbLine US Small	633	5.0%	634	5.0%	(1)	0.0%
SSGA Non-US Developed	2,396	18.9%	2,409	19.0%	(13)	-0.1%
Intl. Small Cap (3 mgrs)	623	4.9%	634	5.0%	(11)	-0.1%
Acadian	311	2.4%	317	2.5%	(6)	-0.1%
LSV (1 day lag)	152	1.2%	158	1.25%	(6)	-0.1%
WCM (monthly)	160	1.3%	158	1.25%	2	0.0%
EME ex China	752	5.9%	761	6.0%	(9)	-0.1%
ARGA	187	1.5%	190	1.50%	(4)	0.0%
William Blair	187	1.5%	190	1.50%	(3)	0.0%
SSGA EME ex China	379	3.0%	380	3.00%	(2)	0.0%
<b>Income</b>	<b>2,081</b>	<b>16.4%</b>	<b>2,029</b>	<b>16.0%</b>	<b>53</b>	<b>0.4%</b>
SSGA High Yield	922	7.3%	888	7.0%	34	0.3%
EM Debt (2 mgrs)	764	6.0%	761	6.0%	4	0.0%
Cap Group EMD	191	1.5%	190	1.5%	0	0.0%
SSGA EM Debt	574	4.5%	571	4.5%	3	0.0%
Bank Loans (2 mgrs)	395	3.1%	380	3.0%	15	0.1%
Ares (monthly)	132	1.0%	127	1.0%	5	0.0%
Aristotle (monthly)	264	2.1%	254	2.0%	10	0.1%
<b>Real Assets</b>	<b>704</b>	<b>5.5%</b>	<b>761</b>	<b>6.0%</b>	<b>(57)</b>	<b>-0.5%</b>
SSGA REITS	490	3.9%	507	4.0%	(18)	-0.1%
PRINCIPAL USPA	214	1.7%	254	2.0%	(40)	-0.3%
<b>Risk Mitigation</b>	<b>2,537</b>	<b>20.0%</b>	<b>2,536</b>	<b>20.0%</b>	<b>1</b>	<b>0.0%</b>
Cash Accounts	96	0.8%	127	1.0%	(30)	-0.2%
SSGA ST GOV-CREDIT	1,293	10.2%	1,268	10.0%	25	0.2%
SSGA TIPS	390	3.1%	380	3.0%	9	0.1%
SSGA US TREASURY	378	3.0%	380	3.0%	(2)	0.0%
SSGA CORE BONDS	379	3.0%	380	3.0%	(1)	0.0%
Legacy Transition Bonds	0.370	0.0%	-	0.0%	0	0.0%
<b>Total Investment Pool</b>	<b>12,679</b>	<b>100.0%</b>	<b>12,679</b>	<b>100.0%</b>	<b>-</b>	<b>0.0%</b>

# Monthly Participant Fund Cash Flow



# Investment Updates

- Oaktree private credit platform setup is proceeding on track.
  - Expect to finalize LPA by the end of January.
  - Expect to open legal entities and bank accounts in early February.
  - Expect to start funding the Oaktree Global Credit Fund by the end of February. This is the feeder/buffer for private loans. 3% from high yield, ~\$380 million.
- Participant reporting
  - October reports posted on 12/31/24. November reports posted 1/8/24. December reports expected to post by 1/22/25.
  - Daily valuation access and normal reporting timeline expect to resume for January reporting.

# Looking forward

- January 2025
  - IPS and SAA review
  - PMC final interviews & selection
- March 2025
  - IPS and SAA adoption
  - US small cap education and search request
  - Review, Consultant
- April 2025
  - Private market strategic implementation plan (or June)
- (April continued)
  - High Yield education and search request
  - Review, Intl. Small Cap
- June 2025
  - Review, Passive Mgrs
- 2<sup>nd</sup> half 2025
  - US small cap and high yield interviews/selection
  - Reviews: bank loans, Principal, Custodian
  - Private Market Searches

For discussion and planning purposes. Subject to revision.



## MEMORANDUM

DATE: January 15, 2025  
 TO: IPOPIF Board of Trustees  
 FROM: Kent Custer, Chief Investment Officer  
 SUBJECT: Investment Policy Statement Review

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### Summary

Section IV.B.3 of the Investment Policy Statement (IPS) requires the Board to review and adopt the IPS during the first calendar quarter of each year and as otherwise required. Investment Staff, Consultant, and Fiduciary Counsel have reviewed the IPS and have identified potential revisions for consideration. An annotated draft is attached for reference and additional perspective is provided below. Staff requests Board feedback and guidance and will bring recommended changes to the March Board meeting.

### Asset Allocation

Appendix A2 details the Interim and Long-term target allocation. No changes are being proposed for consideration, but there are a few areas of ongoing consideration.

- International and small cap equity weights are proportionately overweight vs. U.S. Large cap relative to the global equity universe.
  - Staff continues to favor this allocation in the current market environment given stretched valuation metrics for U.S. Large Cap.
  - We are considering the relative merits of U.S. Small Cap vs. Large Cap and Private Equity over the long-term.
- Verus has modeled the interim and long-term asset allocation using their most recent capital market assumptions. The summary results are pasted below and the supporting presentation is attached for reference.

	Current Target	Long Term Target	Broad Based Policy
<b>Mean Variance Analysis</b>			
<i>Forecast 10 Year Return</i>	<b>6.28</b>	<b>6.92</b>	<b>5.41</b>
Standard Deviation	12.16	13.28	12.91
<i>Return/Std. Deviation</i>	0.52	0.52	0.42
<i>1st percentile ret. 1 year</i>	-18.35	-19.65	-20.48
Sharpe Ratio	0.26	0.29	0.18

### Statement of Principal

We are proposing adding the Statement of Principal adopted in September 2024 as new Appendix C1.

### **Review of Appendix B Policies**

The following IPS policies are required to be reviewed annually by the Illinois Pension Code. These annual review requirements will be satisfied upon adoption of the IPS by the Board.

Appendix B1 – MWDBE INVESTMENT MANAGER UTILIZATION POLICY

Appendix B2 – MINORITY BROKER-DEALER POLICY

Appendix B3 – FIDUCIARY DIVERSITY POLICY

Appendix B4 – BUSINESSES DIVERSITY POLICY

Appendix B5 – ECONOMIC OPPORTUNITY

Appendix B6 – SUSTAINABLE INVESTING

Following is a summary of Emerging and MWDBE manager utilization goals and IPOPIF current exposure. Staff and Verus have followed all legal and policy requirements to identify and consider Emerging and MWDBE managers in all searches. MWDBE manager, ARGA, was recently appointed to manage a 3% allocation to Emerging Market Equity ex China.

### **IPOPIF Emerging and MWDBE manager exposure**

- IPOPIF has no exposure to emerging managers (<\$10B AUM) vs. 20% target detailed across asset classes and MWDBE categories.
- IPOPIF has 28% exposure to RhumbLine, which is a Woman-owned firm, through U.S. Large Cap and U.S. Small Cap.
- When the EME ex China mandate is fully funded, IPOPIF will have 3% exposure to ARGA, which is a Minority (Asian American) owned firm.
- IPS utilization goals are summarized on the following page

**Emerging Manager Goals**

It is the policy of the IPOPIF to utilize Emerging Investment Managers to the greatest extent feasible within the bounds of financial and fiduciary prudence. In accordance with 40 ILCS 5/1-109.1(4), the Board has set forth the following quantifiable goals for percentage of total assets under management to be managed by Emerging Investment Managers:

		Ownership			
		Minority	Women	Disabled	Total
Asset Classes	Equity	9%	9%	2%	20%
	Fixed Income	9%	9%	2%	20%
	Alternatives	9%	9%	2%	20%
	Total	9%	9%	2%	20%

**MWDBE Manager Goals**

It is the policy of the IPOPIF to utilize MWDBE Investment Managers to the greatest extent feasible within the bounds of financial and fiduciary prudence. In accordance with 40 ILCS 5/1-109.1(9), the Board has set forth the following quantifiable goals for percentage of total assets under management managed by MWDBE Investment Managers:

Ownership			
Minority	Women	Disabled	Total
9%	9%	2%	20%

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





# Illinois Police Officers' Pension Investment Fund

## ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

### INVESTMENT POLICY STATEMENT REVIEW DRAFT

Policy Number: PP-2021-08

Adopted December 17, 2021

Last Revised: April 12, 2024

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## **I. BACKGROUND AND PURPOSE**

The Illinois Police Officers' Pension Investment Fund (IPOPIF or the Fund) was created by Illinois Public Act 101-0610 to consolidate the Article 3 police pension funds to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/ 22B-105.

This "Investment Policy Statement" (IPS or Policy) provides objectives, guidelines, procedures, and performance standards for the investment of the assets of the Fund. The Policy represents the formal document governing the investment of the Fund's assets.

## **II. INVESTMENT OBJECTIVES**

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

## **III. INVESTMENT PHILOSOPHY**

This section outlines the core beliefs and long-term acknowledgements that will guide the IPOPIF investment program.

1. A well-defined governance structure with clearly delineated responsibilities is critical in achieving consistent, long-term performance objectives.
2. The strategic asset allocation determines the risk-reward profile of the portfolio and is the primary driver of overall portfolio performance and volatility. Key considerations include, but are not limited to, the following:
  - a. Asset allocation has a greater effect on return variability than asset class investment structure or investment manager selection.
  - b. Understanding expected performance variance and being steadfast in the face of negative returns is critical to long-term success.
  - c. Disciplined portfolio rebalancing is a key aspect of prudent long-term asset allocation policy.
3. Risk is multifaceted and will be evaluated holistically, incorporating quantitative measures and qualitative assessments. Risk considerations include, but are not limited to, the following:
  - a. Key pension plan risk factors include mortality, inflation, and investment returns.
  - b. Portfolio diversification across different asset classes, regions and risk factors reduces risk and increases risk-adjusted returns over the long-term.
  - c. Leverage can be an effective tool to enhance diversification and control risk.

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- d. Uncompensated risk should be minimized.
- e. Generating positive investment returns requires recognizing and accepting non-diversifiable risk. Not taking enough risk is risky; therefore, IPOPIF will accept a prudent level of risk in pursuit of its enterprise objectives.
4. Liquidity is a risk factor and a source of return.
  - a. The Fund should possess sufficient liquidity to meet expected cash needs under normal and stress scenarios.
  - b. Illiquid investments should be considered if the expected return provides attractive compensation for the loss of liquidity.
5. The opportunity for active manager risk-adjusted outperformance (alpha) is not uniformly distributed across asset classes or strategies. Active strategies are preferred only when there is strong conviction that they can be expected to add alpha, net of fees. Otherwise, passive strategies are preferred.
6. Investment costs will be monitored and minimized within the context of maximizing net return. The goal is not low fees, but rather maximum returns, net of fees.
  - a. Performance-based fee structures with a low base rate and a cap on participation may be appropriate and promote alignment of interests.
  - b. The Fund will negotiate aggressively for the lowest fees and will seek most-favored nation clauses where appropriate.

#### **IV. ROLES AND RESPONSIBILITIES**

##### **A. FIDUCIARY RESPONSIBILITY**

1. A person is a "fiduciary" with respect to the Fund to the extent that the person:
  - a. exercises any discretionary authority or discretionary control respecting management of the Fund, or exercises any authority or control respecting management or disposition of its assets; or
  - b. renders investment advice or renders advice on the selection of fiduciaries for a fee or other compensation, direct or indirect, with respect to any moneys or other property of the Fund or has any authority or responsibility to do so; or
  - c. has any discretionary authority or discretionary responsibility in the administration of the Fund.
2. All fiduciaries to the Fund shall conduct their responsibilities with the care, skill, prudence, and diligence under the circumstances then prevailing which a prudent person familiar with these matters and acting in a like capacity would use in the conduct of an activity of like character and purpose. Fiduciaries, their employees, agents, and designees shall discharge their duties with respect to the Fund solely in the interest of the participants and beneficiaries of the Fund.

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## **B. THE BOARD OF TRUSTEES**

The Board of Trustees (the Board), the members of which are fiduciaries to the Fund, has ultimate responsibility for the success and safety of the investment program. The responsibilities of the Board include, but are not limited to, the following:

1. Determining a prudent level of risk to accept in order to achieve investment objectives.
2. Adopting an asset allocation that prudently diversifies investment risk and maximizes expected return consistent with risk tolerance.
3. Reviewing and adopting the investment policy during the first calendar quarter of each year and as otherwise required.
4. Reviewing and approving the strategic plan and objectives.
5. Approving the selection and termination of investment service providers.
6. Monitoring and evaluating the investment performance of the Fund and ensuring the risk profile is consistent with Policy objectives.
7. Monitoring and evaluating investment expenses.
8. Establishing the responsibilities of, and evaluating the performance of, investment staff, advisors, and consultants.

## **C. CHIEF INVESTMENT OFFICER**

The Chief Investment Officer (CIO) is a fiduciary to the Fund and is responsible for the day-to-day operation and oversight of Fund investments under policy guidance from the Board. The CIO will work closely with the Executive Director, Investment Consultant, and investment staff to carry out the duties and responsibilities of this role. Specific responsibilities of the CIO include, but are not limited to, the following:

1. Recommending an asset allocation that prudently diversifies investment risk and maximizes expected return consistent with the investment objectives established by the Board.
2. Recommending an investment policy.
3. Recommending the search, selection, and termination of investment service providers needed to implement the investment program.
4. Monitoring and evaluating the investment performance of the Fund and ensuring the risk profile is consistent with Policy objectives.
5. Monitoring and evaluating investment expenses.
6. Monitoring and evaluating investment service providers.
7. Developing proposals to enhance the investment program.
8. Ensuring the Fund has adequate liquidity to meet cash flow needs and coordinating the investment of cash contributions and distributions.
9. Monitoring investment allocation and coordinating rebalancing in accordance with the Policy.

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10. Reporting to the Board at least quarterly regarding investment activity and performance.
11. Managing the IPOPIF investment staff.

**D. INVESTMENT CONSULTANT**

Following Priv mkt consultant selection, consider new language to address specialty consultants.

The Investment Consultant is a fiduciary to the Fund and provides information, analysis, and advice to the Board, CIO, and investment staff to assist them in implementing the investment program and monitoring and evaluating Fund investments. The Investment Consultant will work closely with the CIO but is required to provide an independent perspective to the Board. Specific responsibilities of the Investment Consultant include, but are not limited to, the following.

1. Assisting in the development, implementation, and evaluation of the Investment Policy and asset allocation.
2. Assisting in the development, implementation, and evaluation of an investment manager structure that provides appropriate diversification with respect to the number and types of investment managers retained.
3. Making recommendations regarding the identification of appropriate market benchmarks and peer groups against which each investment option should be evaluated.
4. Assisting in the search process for investment service providers.
5. Producing quarterly performance reports to assist in evaluating investment risk and return across the portfolio. In conjunction with these reports, the Investment Consultant will provide recommendations for action when appropriate or when requested.
6. Monitoring the investment managers and investment products employed by the Fund on an on-going basis and informing the CIO and Board, as appropriate, of any developments that might impact performance of Fund investments.
7. Educating investment staff and the Board, as appropriate, on investment issues that could impact the Fund.

**E. CUSTODIAN**

The Custodian has three primary responsibilities, namely: (1) safekeeping of assets – custody, pricing, and accounting, and reporting of assets owned by the Fund; (2) trade processing – track and reconcile assets that are acquired and disposed; and (3) asset servicing – maintain all economic benefits of ownership including income collection, corporate actions, and proxy notification issues. Specific responsibilities of the Custodian include, but are not limited to, the following.

1. Safekeeping services for investment securities.
2. Timely settlement of securities transactions.
3. Proper pricing of investment securities.
4. Timely collection of income.
5. Prompt and accurate administration of corporate actions, including but not limited to proxy notifications.
6. Direct, accurate daily communications with investment managers to ensure trades are correct and confirmed.

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7. Proactive reconciliation with investment managers.
8. Value allocation for each Article 3 pension fund account.
9. Providing a cash management platform that will support secure and efficient cash transactions for IPOPIF and all Article 3 pension funds.
10. Monthly and annual reporting for IPOPIF and uniform reporting for all Article 3 pension fund accounts, including but not limited to performance, accounting, and cash flows.
11. Immediate communication with the CIO regarding any concerns or issues with respect to services provided by the Custodian.
12. Support for annual and regulatory reporting, including working with IPOPIF auditors.
13. Governance reporting to ensure service level metrics and expectations are being met.

**F. INVESTMENT ADVISORS/MANAGERS**

In accordance with the Illinois Pension Code, the Board may appoint investment advisors (herein also referred to as “Investment Managers”) to manage (including the power to acquire or dispose of) the assets of the Fund. The specific duties and responsibilities of each Investment Manager include, but are not limited to, the following.

1. The investment advisor(s) must acknowledge in writing that it is a fiduciary with respect to the Fund and must be at least one of the following:
  - a. registered as an investment adviser under the federal Investment Advisers Act of 1940 (15 U.S.C. 80b-1, et seq.);
  - b. registered as an investment adviser under the Illinois Securities Law of 1953;
  - c. a bank, as defined in the Investment Advisers Act of 1940; or
  - d. an insurance company authorized to transact business in this State.
2. Managing those assets of the Fund that are under the supervision of the Investment Manager in accordance with the Investment Management Agreement or other governing document between IPOPIF and the Investment Manager.
3. Exercising investment discretion regarding buying, managing, and selling Fund assets under the supervision of the Investment Manager, subject to any limitations contained in the Investment Management Agreement or other governing document between IPOPIF and the Investment Manager.
4. Directing all trading on the portfolio(s) that it manages on a best execution basis. Soft-dollar trades are prohibited, unless expressly authorized under the Investment Management Agreement. (Soft dollar refers to a method of paying brokers for non-trading services, such as research, through trading commissions.)
5. Voting proxies on all securities held. All proxies will be voted exclusively in the best interests of the Fund. Investment managers who vote proxies will maintain written policies for proxy voting and keep a proper record of all proxies to which the Fund is entitled. A written report will be provided annually to the CIO and Investment Consultant.
6. Providing written reports to the CIO and Investment Consultant on at least a quarterly



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basis, including but not limited to:

- a. Performance, gross and net of all fees, for the most recent quarterly, year-to-date, and relevant longer time periods.
  - b. Investment fees for quarterly, year-to-date, and inception periods.
  - c. Market value of investments.
  - d. Portfolio and market commentary/outlook.
  - e. If applicable, brokerage activity data for quarterly and year-to-date periods.
  - f. Additional information as requested by the Board, Investment Staff, or the Investment Consultant.
7. Informing staff and the Investment Consultant, as soon as practical, in writing of any breach of the Investment Manager's investment guidelines, its Agreement with the Fund, regulatory standards, and ethics policies.
  8. Informing staff and the Investment Consultant as soon as practical, in writing, of any significant changes in the ownership, organizational structure, financial condition, personnel staffing, or other material changes at the firm; and
  9. Increasing the utilization of Minority/Women/Disabled/Veteran Owned Broker Dealers. Appendix B2 details minority brokerage goals and responsibilities.
  10. The Fund may utilize pooled funds (e.g., mutual funds, commingled funds, collective trusts, limited partnerships) that are generally aligned with this Policy when selected. However, pooled funds are controlled by their specific governing documents and are not customizable; therefore, it may not be feasible to require that such pooled funds adhere strictly to this Investment Policy. Any manager of a pooled fund shall inform IPOPIF if the investment policies, objectives, or guidelines of any such fund undergo material changes.

## **V. INVESTMENT STRUCTURE**

### **A. ASSET CATEGORIES AND CLASSES**

IPOPIF investments shall be prudently diversified to optimize expected risk and return. Assets can generally be categorized into four functional categories of Growth, Income, ~~Inflation Protection~~ Real Assets, and Risk Mitigation. Each category can include multiple asset classes, representing different types of investments that can provide diversification within each functional category. Asset category and class descriptions are detailed in Appendix A1.

### **B. ASSET ALLOCATION**

The asset allocation establishes target weights for each asset class and is designed to maximize the long-term expected return of the Fund within an acceptable risk tolerance while providing sufficient liquidity to meet program liabilities. The asset allocation is a key determinant of investment performance. The Asset Allocation is detailed in Appendix A2.

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### C. INVESTMENT MANAGER STRUCTURE

The investment manager structure establishes the investment manager roles that will be used to implement the asset allocation. The investment manager structure will employ the minimum number of managers necessary to assure appropriate diversification. The following guidelines will limit active manager concentration unless an exception is specifically authorized by the Board.

1. The maximum allocation to a single active manager is 12% of the Plan.
2. The maximum allocation to a single active management product is 8% of the Plan.
3. No investment with any single investment strategy may exceed 10% of that manager's total assets under management for that strategy.
4. There is no specified limitation for passive managers or products but diversifying alternatives should be considered when adding passive exposure.

### D. REBALANCING POLICY

1. Rebalancing is the process of realigning investment weights toward targets to maintain the desired asset allocation.
2. Rebalancing ranges are detailed in Appendix A2, Asset Allocation.
3. The CIO has the responsibility and authority to rebalance the Fund in accordance with this Policy.
4. The CIO and the Investment Consultant shall review asset allocations at least quarterly or as appropriate during periods of significant market volatility.
5. Cash contributions to and withdrawals from the Fund may be used to move investment weights towards targets.
6. When asset allocations exceed the prescribed limits, or when deemed prudent by the CIO, with the advice of the Investment Consultant, Fund assets may be rebalanced to the target levels or to some point within the target range. No rebalancing action is automatically required if an asset class weight reaches a rebalancing limit. However, the CIO shall document the rationale for not acting if an allocation falls outside of the rebalancing range.
7. Rebalancing to targets will be considered at least annually by the CIO, with the advice of the Investment Consultant.
8. Rebalancing activity shall be reported at the next meeting of the Board.

### E. TRANSITION MANAGEMENT

1. Transition management is the process of managing changes to an investment fund's portfolio of assets with ~~an~~ the primary objective of reducing unnecessary cost and uncompensated risk.
2. IPOPIF shall maintain a pool of qualified transition management firms, which may be utilized to minimize the costs of asset transfers. Transition manager utilization should be considered for asset transfers but is not required if the CIO, with advice from the Consultant, believes the transition can be more effectively implemented using approved

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investment managers.

3. A transition plan shall be developed by the transition manager or investment manager and reviewed with investment staff prior to the transition.
4. A post-trade analysis shall be documented by the transition manager or investment manager and reviewed with investment staff.
5. Transition activity and costs shall be reported at the next meeting of the Board.

**F. SECURITIES LENDING**

The Board may authorize the use of a securities lending provider, which refers to any third-party firm (Agent) that lends the assets of the Fund to other parties in exchange for collateral and interest income. The specifics pertaining to any securities lending program shall be detailed in a separate Securities Lending Agreement. Investments in commingled vehicles that utilize securities lending are permitted.

**G. PERFORMANCE BENCHMARKS**

Fund performance will be evaluated against a “Broad Benchmark” of global stocks and bonds and a “Policy Benchmark” reflecting a market index or equivalent for each asset class, weighted in accordance with the current target allocations. Over the long term, the Fund is expected to generate returns, after payment of all fees and expenses, which exceed the Broad Benchmark and the Policy Benchmark. Performance Benchmarks are detailed in Appendix A3.

**VI. INVESTMENT MANAGER SELECTION,  
MONITORING, AND EVALUATION**

**A. INVESTMENT MANAGER SELECTION**

1. Investment Manager selection shall be governed by the Procurement of Investment Services Policy, IPOPIF Policy number PP-2021-07.
2. Pursuant to 40 ILCS 5/1A-108.5, the Fund recognizes that it is the public policy of the State of Illinois to promote the economy of Illinois through the use of economic opportunity investments to the greatest extent feasible within the bounds of financial and fiduciary prudence.

**B. MANAGER MONITORING AND EVALUATION**

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

1. Qualitative factors include, but are not limited to, the following.
  - a. Organizational changes, including but not limited to changes in structure, ownership, management, or departure of key personnel.
  - b. Assets under management at the firm and product level.
  - c. Conflicts of interest.
  - d. Changes in investment strategy, philosophy, process, or style.

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- e. Material litigation or regulatory challenges involving the Investment Manager.
  - f. Material client-servicing problems.
  - g. Minority brokerage utilization.
  - h. Other factors deemed relevant and considered by the Board.
2. Quantitative Review.
    - a. Long-term performance standards should measure an Investment Manager's performance using rolling returns across multiple trailing time periods (e.g., 1-year, 3-year, and 5-year) in relation to the mutually agreed upon performance index and a peer group of investment managers with similar investment styles.
    - b. Managers are expected to maintain their stated investment style and philosophy. Quantitative measures of investment style and philosophy include style mapping, style attribution analysis, and tracking error relative to the benchmark.
  3. Investment Staff and the Investment Consultant will review Investment Manager performance with the Board on a quarterly basis.
  4. The Investment Consultant and Investment Staff shall identify Investment Managers of concern, provide an analysis of material issues, and recommend appropriate action to the Board. Based on the analysis and recommendation provided by the Investment Consultant and Investment Staff, the Board will evaluate the Investment Manager and take action, if deemed appropriate by the Board.

**VII. PROXY VOTING POLICY**

Proxy voting refers to the process of voting as a shareholder on corporate issues without being physically present at the meeting. Shareholders may also vote on corporate issues in person. The Board recognizes that the right to vote on corporate issues is a Fund asset and affirms its fiduciary responsibility to ensure that the Fund's shareholder votes and proxies are voted in the best interests of the Fund. The Board delegates this responsibility to its fiduciary investment managers, who are best positioned to understand the voting issues. Investment managers shall report proxy voting activity annually to the CIO and the Investment Consultant. In the absence of an assigned investment manager, the Chief Investment Officer shall vote proxies in the best interest of the Fund and will use their professional judgement regarding when to seek Board guidance.

**VIII. POLICIES INCORPORATED BY REFERENCE**

The following IPOPIF Policies are incorporated into the Investment Policy Statement by reference:

PP-2021-07 Procurement of Investment Services Policy

AR-2021-02 Transfer of Assets Rule

AR-2022-01 Valuation and Cost Rule

PP-2022-01 Cash Management Policy

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**IX. POLICY ADOPTION**

The Investment Policy was originally adopted by the IPOPIF Board of Trustees on December 17, 2021. The dates of subsequent review and adoption shall be recorded below. In accordance with 40 ILCS 5/1-113.6 and 40 ILCS 5/1-113.17, a copy of this Investment Policy shall be filed with the Illinois Department of Insurance within thirty (30) days from the date of adoption.

October 14, 2022 – reviewed and adopted

February 2, 2023 – reviewed and adopted

April 14, 2023 – updated short-term asset allocation

February 9, 2024 – reviewed and adopted

March 8, 2024 – updated asset allocation

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## Appendix A1 – ASSET CLASS DESCRIPTIONS

### A. Growth Assets

1. Role: Capital appreciation, primary driver of long-term total return
2. Investment Approach: Growth assets generally represent equity or equity-like interests in current and future income streams and capture long-term economic growth trends throughout the world.
3. Risk Factors
  - a. The cost of the higher expected long-term returns is higher expected volatility.
  - b. Growth assets are highly sensitive to economic conditions and are subject to potential loss during economic downturns, rising/unexpected inflation, and rising interest rates.
  - c. Foreign currency volatility can be a source of risk and return for non-US exposure.
  - d. Liquidity is a key benefit of public equities as stocks can be traded daily. Illiquidity is a key risk factor for private equity.
4. Representative Asset Classes
  - a. **US Equity** represents publicly traded stock holdings of companies located in the United States.
  - b. **Non-US Equity** represents publicly traded stock holdings of companies located outside of the United States. Non-US equity provides diversification through exposure to international economies and currencies. Non-US equity can be segregated by **developed** and **emerging markets** (economies). Emerging markets equity is expected to capture the higher economic growth of emerging economies and provide higher long-term returns than developed market equities coupled with higher volatility.
  - c. **Global Equity** removes regional constraints allowing investment in US and non-US companies.
  - d. Public equities may also be categorized by company capitalization (size) with **smaller companies** historically experiencing higher returns and volatility. Active management has fared better in the small company environment, where information is typically evaluated by fewer analysts.
  - e. **Private Equity** refers to investments in private companies (direct investments) or funds that hold investments in private companies or securities that are not typically traded in the public markets. Frequently these investments need “patient” capital to allow time for growth potential to be realized through a combination of capital investment, management initiatives, or market development. Private equity is expected to provide higher long-term returns than public equity, with higher fees and investment risk. Illiquidity is a key risk due to contractual commitments to fund capital on demand and term structures that allow holding that capital for several years to allow time for value creation.

PP-2021-08: IPOPIF Investment Policy Statement REVIEW DRAFT**B. Income Assets**

1. Role: Current income and moderate long-term appreciation
2. Investment Approach: Income assets are generally fixed claims on assets or income streams of an issuer (e.g., government, corporation, asset-backed securities).
3. Risk Factors:
  - a. Income assets are subject to the failure of the borrower to make timely payments of interest and principal (credit risk) and the price volatility related to credit risk. Bonds with greater credit risk (i.e., bonds with lower credit ratings) are typically less liquid than higher quality bonds.
  - b. Income assets are also susceptible to interest rate (duration) risk where higher market interest rates reduce their value. Longer maturities have relatively higher interest rate risk.
4. Representative Asset Classes
  - a. **High Yield Debt** refers to bonds with higher credit risk and lower credit ratings than investment-grade corporate bonds, Treasury bonds, and municipal bonds. Because of the higher risk of default, these bonds pay a higher yield than investment grade bonds.
  - b. **Emerging Markets Debt (EMD)** refers to bonds issued by developing countries or corporations based in developing countries. EMD bonds can be denominated in U.S. Dollars or local currency. The primary risk factor is credit quality, but interest rates and foreign currency fluctuations are also factors.
  - c. **Bank Loans** are debt obligations arranged by banks and other financial institutions that consist of loans made to companies that are then sold through syndication. Also called “floating rate” or “leveraged” loans, bank loans are similar to high yield bonds in that both represent debt issuers with higher credit risk. Compared to high-yield bonds, bank loans typically have higher seniority in the capital structure, which has historically resulted in higher recovery following default.
  - d. **Private Debt** refers to non-bank direct lending arrangements. Features are similar to bank loans with somewhat higher fees, credit risk, and yields. Investments are typically structured in a private market vehicle with limited liquidity.

**C. Real Assets**

1. Role: Growth, current income, inflation protection, diversification
2. Investment Approach: Ownership in physical assets
3. Risk Factors: Similar to income assets, real assets are susceptible to interest rate risk. Real Assets may not provide the desired inflation protection contemporaneously with the negative impact on other asset classes. Loss of principal is also a risk. Real Estate, Natural Resources, and Infrastructure are typically accessed through private investment vehicles with constrained liquidity similar to that discussed for Private Equity.
4. Representative Asset Classes

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- a. **Real Estate** includes investments in office buildings, apartments, hotels, industrial warehouses, retail, and other specialty property types, as well as raw land, and development projects.
- b. **Natural Resources** broadly refers to anything mined or collected in raw form but may include assets subject to further processing. Typical assets include agriculture, timber, minerals, and metals.
- c. **Infrastructure** refers to investments in physical systems that support world economies. Typical investments include transportation, communication, and utilities (electricity, gas, water, sewage).
- d. **REITs** or Real Estate Investment Trusts are publicly traded companies that own Real Estate. REITs benefit from the daily liquidity consistent with a publicly traded stock, but also suffer from relatively high volatility and higher correlation to publicly traded equity.

**D. Risk Mitigation**

1. Role: Liquidity to fund benefit payments and other cash flow needs, capital preservation, modest current income, diversification to growth assets
2. Investment Approach: Cash equivalents or high-quality domestic bonds
3. Risk Factors: Risks are substantially lower for risk mitigation assets but may include modest exposure to credit or interest rates (duration).
4. Representative Asset Classes
  - a. **Cash Equivalents** are the safest possible investment with no volatility but lower long-term returns.
  - b. **Short Term Investment Grade Bonds** have moderate interest rate risk.
  - c. **Investment Grade Bonds** including bonds and notes issued by the U.S Treasury, U.S. Government Agencies, state and local municipalities, corporations, or other issuers with similar conservative risk profiles. Risk factors include duration and credit. **Core Fixed Income** refers to a combination of government and corporate bonds and other fixed income instruments reflective of the U.S. fixed income opportunity set. **Core Plus Fixed Income** is similar to core but adds somewhat riskier investments, such as high-yield debt and asset-backed securities to boost yield. However, the overall risk profile of Core Plus remains relatively benign.
  - d. **TIPS** refers to United States Treasury Inflation-Protected Securities which provide protection against inflation. The principal of a TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. At maturity TIPS pay the adjusted principal or original principal, whichever is greater.



PP-2021-08: IPOPIF Investment Policy Statement REVIEW DRAFT**Appendix A2 – ASSET ALLOCATION**

The IPOPIF has adopted interim and long-term asset allocation targets. Interim targets are necessary to accommodate the initial IPOPIF transition and the subsequent buildout of diversified strategies, including private market investments. Interim targets and rebalancing ranges will be updated periodically, with Board approval, as new investments move the allocation toward the long-term targets. Rebalancing and the Policy Benchmark will be based on interim targets. Rebalancing ranges are not included where liquidity constraints prevent rebalancing.

IPOPIF Asset Allocation	Interim			Long-term Target Allocation	
	Target Allocation	Rebalancing Range			
Asset Classes		Band	Lower	Upper	
<b>Growth</b>	<b>58.0%</b>	<b>10.0%</b>	<b>53.0%</b>	<b>63.0%</b>	<b>65.0%</b>
US Large	23.0%	4.0%	21.0%	25.0%	23.0%
US Small	5.0%	2.0%	4.0%	6.0%	5.0%
International Developed	19.0%	4.0%	17.0%	21.0%	19.0%
International Developed Small	5.0%	2.0%	4.0%	6.0%	5.0%
Emerging Markets	6.0%	2.0%	5.0%	7.0%	6.0%
Private Equity	0.0%	N/A	N/A	N/A	7.0%
<b>Income</b>	<b>16.0%</b>	<b>4.0%</b>	<b>14.0%</b>	<b>18.0%</b>	<b>14.0%</b>
High Yield Corp. Credit	7.0%	2.0%	6.0%	8.0%	3.0%
Emerging Market Debt	6.0%	2.0%	5.0%	7.0%	3.0%
Bank Loans	3.0%	2.0%	2.0%	4.0%	3.0%
Private Credit	0.0%	N/A	N/A	N/A	5.0%
<b>Real Assets</b>	<b>6.0%</b>	<b>2.0%</b>	<b>5.0%</b>	<b>7.0%</b>	<b>8.0%</b>
REITs	4.0%	2.0%	3.0%	5.0%	0.0%
Real Estate	2.0%	N/A	N/A	N/A	5.0%
Infrastructure	0.0%	N/A	N/A	N/A	3.0%
<b>Risk Mitigation</b>	<b>20.0%</b>	<b>8.0%</b>	<b>16.0%</b>	<b>24.0%</b>	<b>13.0%</b>
Cash	1.0%	2.0%	0.0%	2.0%	1.0%
Short-Term Gov't/Credit	10.0%	4.0%	8.0%	12.0%	3.0%
US Treasury	3.0%	2.0%	2.0%	4.0%	3.0%
US TIPS	3.0%	2.0%	2.0%	4.0%	3.0%
Core Fixed Income	3.0%	2.0%	2.0%	4.0%	3.0%
<b>Total</b>	<b>100.0%</b>				<b>100.0%</b>

PP-2021-08: IPOPIF Investment Policy Statement REVIEW DRAFT**Appendix A3 – PERFORMANCE BENCHMARKS**

Fund investment performance will be evaluated against a "Broad Benchmark" of global stocks and bonds and a "Policy Benchmark" reflecting a market index or equivalent for each asset class, weighted in accordance with the current target allocation. The purpose of the Broad Benchmark is to evaluate IPOPIF asset allocation decisions. The purpose of the Policy benchmark is to evaluate IPOPIF implementation decisions (e.g., active management). Over the long term the Fund is expected to generate returns, after payment of all fees and expenses, which exceed the Broad Benchmark and the Policy Benchmark. Performance Benchmarks are detailed below.

**Policy Benchmark – Interim Allocation**

Asset Class	Policy Benchmark	Weight
Cash	91-day T-Bills	1.0%
Short-Term Bonds	Bloomberg US Gov/Credit 1-3 year	10.0%
Core Bonds	Bloomberg US Aggregate	3.0%
US TIPS	Bloomberg US TIPS 0-5 Years	3.0%
US Treasury	Bloomberg US Treasury Index	3.0%
Bank Loans	Credit Suisse Leveraged Loan	3.0%
High Yield Debt	Bloomberg US Corporate High Yield	7.0%
Emerging Markets Debt	JPM EMBI Global Diversified	6.0%
Private Credit	Actual Returns <sup>2</sup>	0.0% <sup>1</sup>
US Large Cap Equity	Russell 1000	23.0%
US Small Cap Equity	Russell 2000	5.0%
Developed Int'l Equity	MSCI World ex-US Net <sup>3</sup>	19.0%
Developed Int'l Small Cap Equity	MSCI World ex-US Small Cap Net <sup>3</sup>	5.0%
Emerging Markets Equity	MSCI Emerging Markets <u>ex China</u> Net <sup>3</sup>	6.0%
Private Equity	Actual Returns <sup>2</sup>	0.0% <sup>1</sup>
REITs	DJ US Select REIT Total Return	4.0%
Core Real Estate	NFI-ODCE equal-weight	2.0%
Private Real Estate / Infrastructure	Actual Returns <sup>2</sup>	0.0% <sup>1</sup>
Total		100.0%

<sup>1</sup> Private Markets Investments each have long-term allocation weights and are included in the Policy Benchmark table for reference.

<sup>2</sup> The Policy Benchmark will use actual private market returns to avoid tracking error with no informational value. Private market investments will be evaluated in accordance with Section VI.B, including an appropriate benchmark.

<sup>3</sup> Net: Total Net Return including dividends and net of foreign withholding taxes.

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**Broad Benchmark**

	<b>Index</b>	<b>Weight</b>
Global Equity	MSCI All Country World Index, Investible Market Index, USD (ACWI IMI)	70%
Fixed Income	Bloomberg Multiverse Total Return Index, Unhedged, USD	30%

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PP-2021-08: IPOPIF Investment Policy Statement REVIEW DRAFT**Appendix B1 – MWDBE INVESTMENT MANAGER UTILIZATION POLICY****A. Definitions**

1. “Emerging Investment Manager,” as defined in Section 1-109.1(4) of the Illinois Pension Code, means a qualified Investment Adviser that manages an investment portfolio of at least \$10,000,000 but less than \$10,000,000,000 and is a MWDBE.
2. MWDBE means a Minority-Owned Business, Women-Owned Business, or Business Owned by Person with a Disability, as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, 30 ILCS 575/2, as amended.
3. “MWDBE Investment Manager” means a qualified Investment Adviser that manages an investment portfolio and is a MWDBE.

**B. Emerging Manager Goals**

It is the policy of the IPOPIF to utilize Emerging Investment Managers to the greatest extent feasible within the bounds of financial and fiduciary prudence. In accordance with 40 ILCS 5/1-109.1(4), the Board has set forth the following quantifiable goals for percentage of total assets under management to be managed by Emerging Investment Managers:

		Ownership			
		Minority	Women	Disabled	Total
Asset Classes	Equity	9%	9%	2%	20%
	Fixed Income	9%	9%	2%	20%
	Alternatives	9%	9%	2%	20%
	Total	9%	9%	2%	20%

**C. MWDBE Manager Goals**

It is the policy of the IPOPIF to utilize MWDBE Investment Managers to the greatest extent feasible within the bounds of financial and fiduciary prudence. In accordance with 40 ILCS 5/1-109.1(9), the Board has set forth the following quantifiable goals for percentage of total assets under management managed by MWDBE Investment Managers:

Ownership			
Minority	Women	Disabled	Total
9%	9%	2%	20%

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

**D. Certification**

Emerging or MWDBE Investment Advisers shall provide documentation establishing their status as an MWDBE. Preference shall be given to the appropriate certification from the State of Illinois

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as acceptable documentation. If such a certification is not available, the IPOPIF may consider other evidence, including certification by another state or a city.

#### **E. Reporting**

In accordance with 40 ILCS 5/1-109.1(8), ~~t~~The Fund shall submit a report to the Governor and the General Assembly by January 1 of each year that includes this PolicyPS and the following: (1) the names and addresses of the Emerging Investment Managers used; (2), the percentage of the assets under the investment control of Emerging Investment Managers; (3), and the actions the Fund has undertaken to increase the use of Emerging Investment Managers, including encouraging other Investment Managers to use Emerging Investment Managers as subcontractors when the opportunity arises ~~and (ii) the specific actions undertaken to increase the use of Minority Broker-Dealers.~~

#### **F. Review Requirement**

The Board of Trustees shall review this Policy and associated goals annually.

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## **Appendix B2 – MINORITY BROKER-DEALER POLICY**

This Policy addresses the requirement of Section 1-109.1(7) of the Illinois Pension Code.

### **A. Definitions**

1. "Minority Broker-Dealer" means a qualified broker-dealer who meets the definition of "minority-owned business", "women-owned business", or "business owned by a person with a disability", as those terms are defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act., 30 ILCS 575/2, as amended.
2. "Best Execution" means the best possible result taking into account all relevant considerations such as price, costs, speed, and likelihood of execution and settlement.

### **B. Goal**

It is the goal of the IPOPIF that Investment Managers utilize Minority Broker-Dealers for **20%** of trades.

### **C. Best Execution Required**

Investment Managers are always required to seek Best Execution.

### **D. Manager Reporting**

1. Each Investment Manager shall report minority brokerage on a quarterly basis.
2. Equity manager reports are expected to include the following information:
  - a. Total shares traded and total commission dollars.
  - b. Minority brokerage shares traded and commission dollars.
  - c. Percentage of minority brokerage by shares and dollars.
3. Fixed income manager reports are expected to include the following information:
  - a. Total par value traded and average bid/ask spread.
  - b. Minority par value traded and average bid/ask spread.
  - c. Percentage of minority brokerage by par value traded.
4. All Investment Managers are encouraged to include a discussion of minority brokerage trends, obstacles, and initiatives to increase minority brokerage.

### **E. Reporting**

In accordance with 40 ILCS 5/1-109.1(8), the Fund shall submit a report to the Governor and the General Assembly by January 1 of each year that includes this Policy and the specific actions undertaken to increase the use of Minority Broker-Dealers.

### **E.F. Review Requirement**

The Board of Trustees shall review this Policy and associated goals annually.

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**Appendix B3 – FIDUCIARY DIVERSITY POLICY**

This Policy addresses the requirement of Section 1-109.1(5) of the Illinois Pension Code.

It is the policy goal of the IPOPIF to increase the racial, ethnic, and gender diversity of its fiduciaries, including its consultants and senior staff. IPOPIF shall make its best efforts to ensure that the racial and ethnic makeup of its senior administrative staff represents the racial and ethnic makeup of its membership.

When procuring investment services, the IPOPIF shall encourage participation of businesses owned by minorities, women, and persons with disabilities to respond to requests for proposals and will also work to encourage majority firms acting as fiduciaries to hire and promote minorities, women, or persons with disabilities in senior staff and ownership positions.

Investment Managers shall be procured in the manner prescribed by the Procurement of Investment Services Policy, PP-2021-07. Policy goals to increase the utilization of investment management firms owned by minorities, women or persons with disabilities are addressed in Appendix B1 of this Investment Policy.

[In accordance with 40 ILCS 5/1-109.1\(8\), the Fund shall submit a report to the Governor and the General Assembly by January 1 of each year that includes this Policy.](#)

The Board of Trustees shall review this Policy and associated goals annually.

**Appendix B4 – BUSINESSES DIVERSITY POLICY**

This Policy addresses the requirement of Section 1-109.1(6) of the Illinois Pension Code.

It is IPOPIF's policy to utilize businesses owned by minorities, women, and persons with disabilities for all contracts and services, including investment-related contracts and services.

[In accordance with 40 ILCS 5/1-109.1\(8\), the Fund shall submit a report to the Governor and the General Assembly by January 1 of each year that includes this Policy.](#)

The Board of Trustees shall review this Policy annually.

**Appendix B5 – ECONOMIC OPPORTUNITY**

Pursuant to 40 ILCS 5/1A-108.5, the Fund recognizes that it is the public policy of the State of Illinois to promote the economy of Illinois through the use of economic opportunity investments to the greatest extent feasible within the bounds of financial and fiduciary prudence.

The Fund shall submit a report to the Governor and the General Assembly by September 1 of each year that identifies the economic opportunity investments made by the Fund, the primary location of the business or project, the percentage of the Fund's assets in economic opportunity investments, and the actions that the Fund has undertaken to increase the use of economic opportunity investments.

The Board of Trustees shall review this Policy annually.

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**Appendix B6 – SUSTAINABLE INVESTING**

Pursuant to Sections 1-113.6 and 1-113.17 of the Illinois Pension Code, in evaluating investment decisions, the Fund will consider material, relevant, and decision-useful sustainability factors, within the bounds of financial and fiduciary prudence, as provided for under the Illinois Sustainable Investing Act, 30 ILCS 238/1, *et seq.*, which include but are not limited to:

- Corporate governance and leadership factors, such as the independence of boards and auditors, the expertise and competence of corporate boards and executives, systemic risk management practices, executive compensation structures, transparency and reporting, leadership diversity, regulatory and legal compliance, shareholder rights, and ethical conduct.
- Environmental factors that may have an adverse or positive financial impact on investment performance, such as greenhouse gas emissions, air quality, energy management, water and wastewater management, waste and hazardous materials management, and ecological impacts.
- Social capital factors that impact relationships with key outside parties, such as customers, local communities, the public, and the government, which may impact investment performance. Social capital factors include human rights, customer welfare, customer privacy, data security, access and affordability, selling practices and product labeling, community reinvestment, and community relations.
- Human capital factors that recognize that the workforce is an important asset to delivering long-term value, including factors such as labor practices, responsible contractor and responsible bidder policies, employee health and safety, employee engagement, diversity and inclusion, and incentives and compensation.
- Business model and innovation factors that reflect an ability to plan and forecast opportunities and risks, and whether a company can create long-term shareholder value, including factors such as supply chain management, materials sourcing and efficiency, business model resilience, product design and life cycle management, and physical impacts of climate change.

The Board of Trustees shall review this Policy annually.



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**Appendix C1 – STATEMENT OF PRINCIPLE**

The Board of Trustees affirms as a matter of Fund policy that IPOPIF’s investments should recognize and respect the positive impact that municipal law enforcement officers have in their communities and these officers’ right to a strong defined benefit pension. The Board recognizes that some publicly traded corporations and private owners or managers of investment vehicles may support organizations that engage in policy making activity, such as ‘defunding the police’ or weakening the defined benefit pensions earned by officers, that could undermine law enforcement officers’ ability to protect and serve their communities safely, such as defunding the police, or that could diminish public pension sustainability or retirement security.

DRAFT



**DECEMBER 2024**  
Capital Market Assumptions  
**IPOIF**

# Market summary & forecast impacts

- A key theme of the 2025 Verus Capital Market Assumptions is falling interest rates, which has led to mildly lower fixed income forecasts. Despite a bumpy path along the way, the 10-year U.S. Treasury fell from 4.59% to 3.79% as domestic inflation has fallen towards the Federal Reserve's 2% target and the September 50 bps rate cut likely marked the first in a series of cuts to normalize the monetary environment. Readers will also notice that our cash forecast has fallen from 4.1% to 3.8%, which is a product of a lower current cash rate as well as lower longer-term bond yields which suggest a more muted interest rate environment in the future.
  - Equity markets delivered incredibly strong returns over the past year. The U.S. market generated a +36.4% return (S&P 500 Index), International developed equities delivered +24.8% (MSCI EAFE Index), and emerging markets were up +26.1% (MSCI EM Index). Much of this performance was possible due to heightened price-to-earnings multiples, which has negatively impacted the yield that investors now receive from these markets and suggests a greater likelihood of stable or lower multiples in the future (rather than further valuation upside).
- Readers will notice that our equity forecasts overall reflect lower return expectations relative to one year prior.
- Along with more richly valued equity markets, credit spreads of risky credit moved in a tighter direction. High yield contracted from 397 bps to 358 bps, and bank loans from 518 bps to 471 bps. Tighter credit spreads mean that investors are receiving less compensation from their credit portfolios—our forecasts appropriately reflect these changing conditions.
  - Despite the dramatic increase in inflation in recent years, and then a moderation of inflation back closer to the Federal Reserve's 2% target, inflation expectations have not changed much. Long term inflation expectations were mixed throughout the year. Household inflation expectations (University of Michigan) increased from 2.8% to 3.0%, the Survey of Professional Forecasters fell slightly, from 2.4% to 2.3%, while market-priced inflation expectations (U.S. TIPS Breakeven Rate) also fell slightly from 2.3% to 2.2%. Overall, our forecast for the rate of inflation over the next ten years moved from 2.5% to 2.4%.

All data cited above is as of 9/30/24

# Methodology

## SUMMARY OF THE VERUS APPROACH

- We use a fundamental building block approach to forecast asset class returns, based on several inputs. These include practitioner best-in-class thinking, historical data, and academic research. Each year Verus conducts an in-depth review of our methodology, analyzing new industry research findings and evaluating alternative forecasting approaches to determine whether an improvement to our methodology might be warranted. We maintain flexibility and openness to adjusting our approach if strong evidence suggests change is appropriate.
- For most asset classes, we use the long-term historical volatility after adjusting for autocorrelation.
- Correlations between asset classes are calculated based on the last 10 years. For illiquid assets, such as private equity and private real estate, we use BarraOne correlation estimates.

Asset	Return Methodology	Volatility Methodology*
Inflation	25% weight to the University of Michigan Survey 5-10 year ahead inflation expectation and the Survey of Professional Forecasters (Fed Survey), and the remaining 50% to the market's expectation for inflation as observed through the 10-year TIPS breakeven rate	-
Cash	1/3 * current federal funds rate + 1/3 * U.S. 10-year Treasury yield + 1/3 * Federal Reserve long-term interest rate target	Long-term volatility
Bonds	Nominal bonds: current yield; Real bonds: real yield + inflation forecast	Long-term volatility
International Bonds	Current yield	Long-term volatility
Credit	Current option-adjusted spread + U.S. 10-year Treasury – effective default rate	Long-term volatility
International Credit	Current option-adjusted spread + foreign 10-year Treasury – effective default rate	Long-term volatility
Private Credit	Levered gross return (SOFR + spread + original issuance discounts) – management fees – carried interest	Estimated volatility
Equity	Current yield + real earnings growth (historical average) + inflation on earnings (inflation forecast) + expected P/E change	Long-term volatility
Intl Developed Equity	Current yield + real earnings growth (historical average) + inflation on earnings (intl. inflation forecast) + expected P/E change	Long-term volatility
Private Equity**	US large cap domestic equity forecast * 1.85 beta adjustment	Implied annualized volatility, using actual historical private equity performance distribution
Commodities	Collateral return (cash) + spot return (inflation forecast) + roll return (assumed to be zero)	Long-term volatility
Hedge Funds	Return coming from traditional market betas + historical idiosyncratic/alpha return	Long-term volatility
Core Real Estate	Cap rate + real income growth – capex + inflation forecast	65% of REIT volatility
REITs	Core real estate	Long-term volatility
Value-Add Real Estate	Core real estate + 2%	Volatility to produce Sharpe Ratio (g) equal to core real estate
Opportunistic Real Estate	Core real estate + 3%	Volatility to produce Sharpe Ratio (g) equal to core real estate
Infrastructure	Current yield + real income growth + inflation on earnings (inflation forecast)	Long-term volatility
Risk Parity	Modeled as the 10-year return expectations of a representative selection of Risk Parity strategies	Target volatility

\*Long-term historical volatility data is adjusted for autocorrelation (see Appendix)

\*\*Private Equity is modeled assuming an 8.0% floor for expected return, and a 3% return premium ceiling over U.S. Large Cap Equity. These adjustments are in place to recognize that higher interest rates (cost of leverage) act as a drag on expected Private Equity returns but that this drag has had limits historically, and to recognize that future Private Equity total universe performance is likely to be more anchored to public equity performance than in past times, given a more competitive market environment

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Forecast						
		Geometric	Arithmetic					
<b>Equities</b>								
U.S. Large	S&P 500	5.3%	6.4%	15.5%	0.10	0.17	0.77	0.80
U.S. Small	Russell 2000	6.3%	8.4%	21.3%	0.12	0.22	0.35	0.44
International Developed	MSCI EAFE	6.7%	8.1%	17.5%	0.17	0.25	0.27	0.33
International Small	MSCI EAFE Small Cap	8.8%	10.8%	21.4%	0.23	0.33	0.27	0.35
Emerging Markets	MSCI EM	7.0%	9.6%	24.2%	0.13	0.24	0.14	0.22
Global Equity	MSCI ACWI	6.0%	7.3%	16.7%	0.13	0.21	0.52	0.57
Global Equity ex USA	MSCI ACWI ex USA	7.0%	8.7%	19.3%	0.17	0.25	0.24	0.31
Private Equity	CA Private Equity	8.0%	10.9%	26.0%	0.16	0.27	-	-
Private Equity Direct	CA Private Equity	9.0%	11.9%	26.0%	0.20	0.31	-	-
Private Equity (FoF)	CA Private Equity	7.0%	10.0%	26.0%	0.12	0.23	-	-
<b>Fixed Income</b>								
Cash	30 Day T-Bills	3.8%	3.8%	1.1%	-	-	-	-
U.S. TIPS	Bloomberg U.S. TIPS 5-10	4.0%	4.2%	5.5%	0.04	0.07	0.18	0.20
Non-U.S. Inflation Linked Bonds	Bbg World Govt. Inflation Linked ex U.S.	3.4%	3.7%	7.4%	-0.05	-0.01	-0.03	0.01
U.S. Treasury	Bloomberg Treasury 7-10 Year	3.8%	4.0%	7.1%	0.00	0.03	-0.02	0.01
Long U.S. Treasury	Bloomberg Treasury 20+ Year	4.1%	4.9%	13.4%	0.02	0.08	-0.06	0.01
Global Sovereign ex U.S.	Bloomberg Global Treasury ex U.S.	2.2%	2.7%	10.0%	-0.16	-0.11	-0.30	-0.26
Global Aggregate	Bloomberg Global Aggregate	3.4%	3.6%	6.7%	-0.06	-0.03	-0.17	-0.14
Core Fixed Income	Bloomberg U.S. Aggregate Bond	4.3%	4.4%	4.7%	0.11	0.13	0.04	0.06
Core Plus Fixed Income	Bloomberg U.S. Universal	4.4%	4.5%	4.7%	0.13	0.15	0.10	0.13
Investment Grade Corp. Credit	Bloomberg U.S. Corporate IG	4.6%	4.9%	8.4%	0.10	0.13	0.19	0.22
Short-Term Gov't/Credit	Bloomberg U.S. Gov't/Credit 1-3 Year	3.9%	3.9%	3.6%	0.03	0.03	0.00	0.00
Short-Term Credit	Bloomberg Credit 1-3 Year	4.2%	4.3%	3.6%	0.11	0.14	0.28	0.29
Intermediate Credit	Bloomberg U.S. Intermediate Credit	4.3%	4.5%	5.9%	0.08	0.12	0.19	0.25
Long-Term Credit	Bloomberg Long U.S. Credit	4.6%	5.2%	11.1%	0.07	0.13	0.13	0.19
High Yield Corp. Credit	Bloomberg U.S. Corporate High Yield	5.6%	6.1%	10.8%	0.17	0.21	0.45	0.47
Bank Loans	S&P/LSTA Leveraged Loan	6.9%	7.3%	8.8%	0.35	0.40	0.58	0.59
Global Credit	Bloomberg Global Credit	4.1%	4.4%	7.8%	0.04	0.08	0.07	0.10
Emerging Markets Debt (Hard)	JPM EMBI Global Diversified	7.7%	8.2%	10.5%	0.37	0.42	0.18	0.22
Emerging Markets Debt (Local)	JPM GBI-EM Global Diversified	5.8%	6.5%	12.1%	0.17	0.22	-0.10	-0.04
Securitized Credit	Bloomberg U.S. Securitized	4.7%	4.8%	4.0%	0.23	0.25	-0.03	-0.01

Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach, but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested.

# 10-year return & risk assumptions

Asset Class	Index Proxy	Ten Year Return		Standard Deviation Forecast	Sharpe Ratio Forecast (g)	Sharpe Ratio Forecast (a)	10-Year Historical Sharpe Ratio (g)	10-Year Historical Sharpe Ratio (a)
		Forecast	Geometric Arithmetic					
<b>Fixed Income (continued)</b>								
Private Credit	S&P LSTA Leveraged Loan Index	8.2%	8.8%	11.8%	0.37	0.42	-	-
Private Credit (Direct Lending - Unlevered)	S&P LSTA Leveraged Loan Index	7.1%	7.5%	8.8%	0.38	0.42	-	-
Private Credit (Direct Lending - Levered)	S&P LSTA Leveraged Loan Index	8.3%	8.9%	11.8%	0.38	0.43	-	-
Private Credit (Credit Opportunities)	S&P LSTA Leveraged Loan Index	8.8%	9.6%	13.4%	0.37	0.43	-	-
Private Credit (Junior Capital / Mezzanine)	S&P LSTA Leveraged Loan Index	8.6%	9.4%	12.9%	0.37	0.43	-	-
Private Credit (Distressed)	S&P LSTA Leveraged Loan Index	9.1%	12.7%	29.1%	0.18	0.31	-	-
<b>Other</b>								
Commodities	Bloomberg Commodity	6.3%	7.4%	16.0%	0.16	0.23	-0.11	-0.04
Hedge Funds	HFRI Fund Weighted Composite	5.0%	5.3%	7.5%	0.16	0.20	0.55	0.56
Hedge Fund of Funds	HFRI Fund of Funds Composite	4.0%	4.3%	7.5%	0.03	0.07	0.39	0.41
Hedge Funds (Equity Style)	Custom HFRI Benchmark Mix*	5.4%	6.3%	13.9%	0.12	0.18	0.37	0.42
Hedge Funds (Credit Style)	Custom HFRI Benchmark Mix*	5.2%	5.6%	9.2%	0.15	0.20	0.61	0.62
Hedge Funds (Asymmetric Style)	Custom HFRI Benchmark Mix*	5.4%	5.6%	6.3%	0.25	0.29	0.55	0.56
Real Estate Debt	Bloomberg CMBS IG	6.8%	7.1%	7.4%	0.41	0.45	0.20	0.22
Core Real Estate	NCREIF Property	7.2%	7.9%	12.5%	0.27	0.33	-	-
Value-Add Real Estate	NCREIF Property + 200bps	9.2%	10.3%	15.4%	0.35	0.42	-	-
Opportunistic Real Estate	NCREIF Property + 300bps	10.2%	12.1%	21.2%	0.30	0.39	-	-
REITs	Wilshire REIT	7.2%	8.8%	19.2%	0.18	0.26	0.34	0.41
Global Infrastructure	S&P Global Infrastructure	8.1%	9.4%	16.8%	0.26	0.33	0.24	0.31
Risk Parity**	S&P Risk Parity 10% Vol Index	6.3%	7.1%	10.0%	0.25	0.33	0.40	0.44
Currency Beta	MSCI Currency Factor Index	2.2%	2.3%	3.3%	-0.48	-0.45	-0.30	-0.28
Inflation		2.4%	-	-	-	-	-	-
60/40 Portfolio	MSCI ACWI / Bbg U.S. Agg	5.5%	6.0%	10.9%	0.16	0.20	0.50	0.53

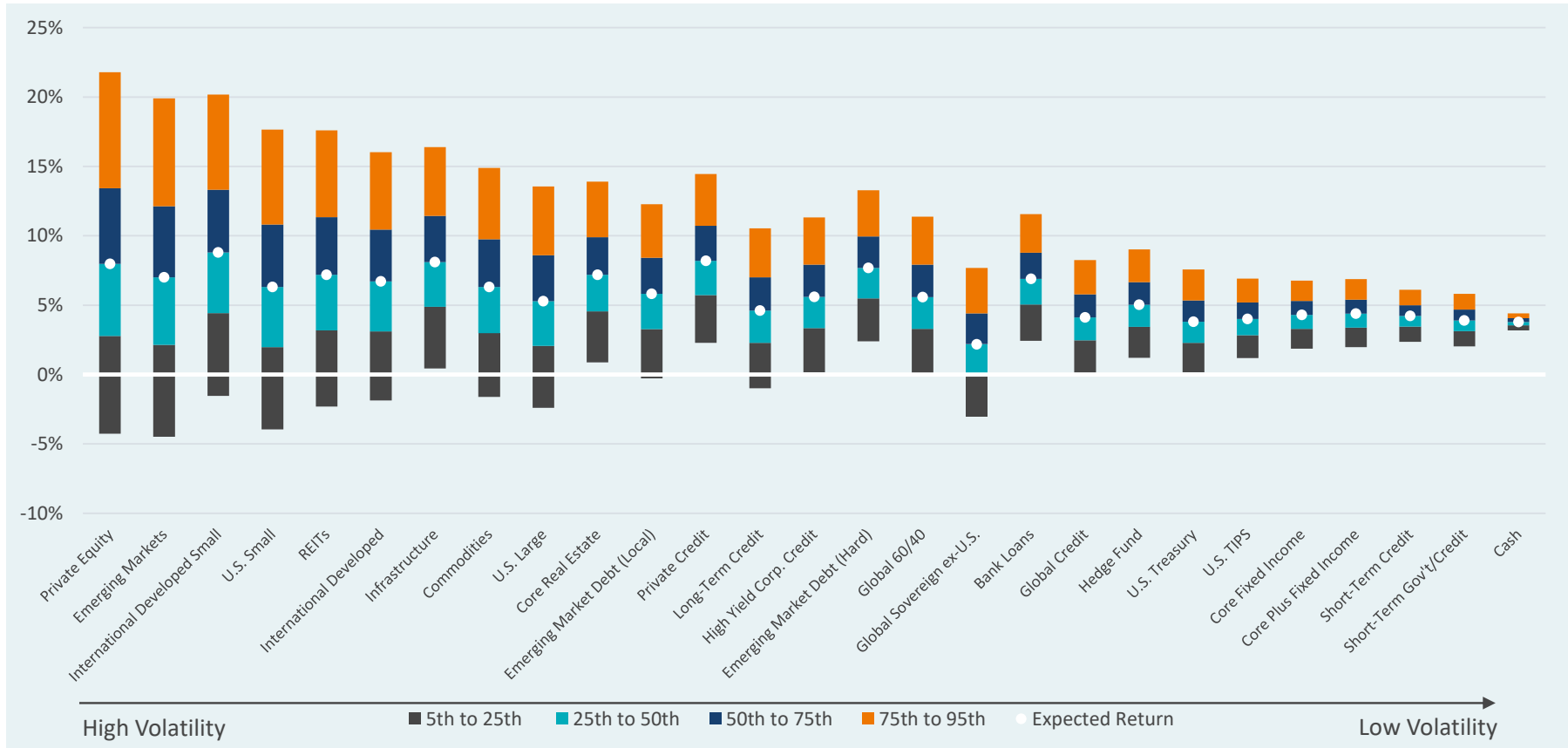
Investors wishing to produce expected geometric return forecasts for their portfolios should use the arithmetic return forecasts provided here as inputs into that calculation, rather than the single-asset-class geometric return forecasts. This is the industry standard approach, but requires a complex explanation only a heavy quant could love, so we have chosen not to provide further details in this document – we will happily provide those details to any readers of this who are interested.

\*To represent hedge fund styles, we use a combination of HFRI benchmarks: Equity Style = 33% HFRI Fundamental Growth, 33% HFRI Fundamental Value, 33% HFRI Activist. Credit Style = 20% HFRI Distressed/Restructuring, 20% HFRI Credit Arbitrage, 20% HFRI Fixed Income-Corporate, 20% HFRI Fixed Income-Convertible Arbitrage, 20% HFRI Fixed Income-Asset Backed. Asymmetric Style = 50% HFRI Relative Value, 50% HFRI Macro

\*\*The Risk Parity forecast shown here assumes a 10% target volatility strategy. We recommend customizing this forecast to the target volatility specifications of the risk parity strategy that an investor wishes to model. Please speak with your Verus consultants for customization needs.

# Range of likely 10-year outcomes

## 10-YEAR RETURN 90% CONFIDENCE INTERVAL



Source: Verus 2025 Capital Market Assumptions, MPI

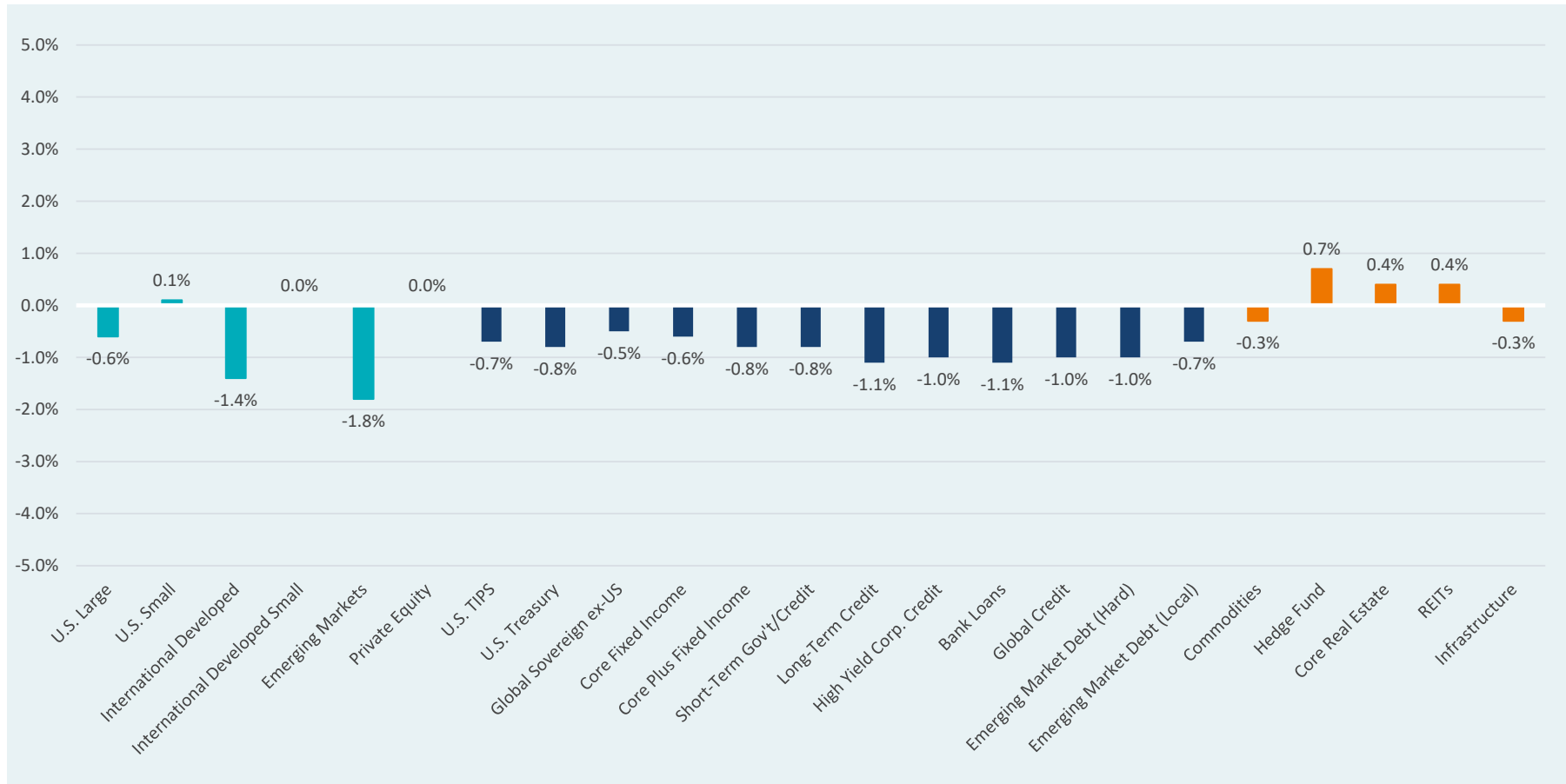
# Correlation assumptions

	Cash	US Large	US Small	Intl Large	Intl Small	EM	Global Equity	PE	US TIPS	US Treasury	Global Sovereign ex-US	US Core	Core Plus	Short-Term Gov't/Credit	Short-Term Credit	Long-Term Credit	US HY	Bank Loans	Global Credit	EM Debt USD	EM Debt Local	Commodities	Hedge Funds	Real Estate	REITs	Infrastructure	Currency Beta	Risk Parity	
Cash	1.0																												
US Large	0.0	1.0																											
US Small	-0.1	0.9	1.0																										
Intl Large	0.0	0.9	0.8	1.0																									
Intl Small	0.0	0.9	0.8	1.0	1.0																								
EM	0.0	0.7	0.6	0.8	0.8	1.0																							
Global Equity	0.0	1.0	0.9	0.9	0.9	0.8	1.0																						
PE	-0.1	0.7	0.7	0.6	0.6	0.6	0.7	1.0																					
US TIPS	0.0	0.5	0.4	0.5	0.5	0.4	0.5	0.2	1.0																				
US Treasury	0.1	0.1	0.0	0.1	0.1	0.1	0.1	-0.1	0.8	1.0																			
Global Sovereign ex-US	0.2	0.4	0.3	0.5	0.5	0.5	0.5	0.1	0.7	0.6	1.0																		
US Core	0.1	0.4	0.3	0.4	0.4	0.4	0.4	0.0	0.8	0.9	0.8	1.0																	
Core Plus	0.2	0.5	0.4	0.5	0.5	0.5	0.5	0.1	0.8	0.9	0.8	1.0	1.0																
Short-Term Gov't/Credit	0.3	0.2	0.1	0.3	0.3	0.3	0.3	0.0	0.7	0.8	0.6	0.8	0.8	1.0															
Short-Term Credit	0.3	0.4	0.4	0.5	0.5	0.5	0.5	0.2	0.7	0.5	0.7	0.7	0.8	0.7	1.0														
Long-Term Credit	0.1	0.6	0.5	0.6	0.6	0.6	0.6	0.2	0.8	0.7	0.8	0.9	0.9	0.7	0.8	1.0													
US HY	0.0	0.8	0.8	0.8	0.8	0.7	0.8	0.5	0.6	0.2	0.5	0.5	0.6	0.4	0.6	0.7	1.0												
Bank Loans	0.0	0.6	0.6	0.6	0.7	0.6	0.6	0.5	0.3	-0.1	0.2	0.2	0.3	0.1	0.5	0.4	0.8	1.0											
Global Credit	0.1	0.7	0.6	0.7	0.8	0.7	0.7	0.3	0.8	0.6	0.8	0.8	0.9	0.7	0.8	0.9	0.8	0.6	1.0										
EMD USD	0.1	0.7	0.6	0.7	0.7	0.7	0.7	0.4	0.6	0.4	0.7	0.6	0.7	0.5	0.7	0.8	0.8	0.7	0.9	1.0									
EMD Local	0.1	0.5	0.4	0.7	0.7	0.8	0.7	0.4	0.5	0.3	0.7	0.5	0.6	0.4	0.5	0.6	0.7	0.5	0.8	0.8	1.0								
Commodities	-0.1	0.4	0.4	0.4	0.4	0.5	0.5	0.3	0.2	-0.2	0.2	-0.1	0.0	-0.1	0.1	0.1	0.5	0.5	0.3	0.3	0.4	1.0							
Hedge Funds	0.0	0.8	0.9	0.8	0.9	0.8	0.9	0.6	0.4	-0.1	0.3	0.2	0.4	0.1	0.5	0.5	0.8	0.8	0.7	0.7	0.6	0.5	1.0						
Real Estate	-0.2	0.6	0.5	0.5	0.5	0.4	0.6	0.4	0.2	0.0	-0.1	0.1	0.1	0.0	-0.1	0.2	0.4	0.4	0.3	0.4	0.3	0.2	0.5	1.0					
REITs	-0.1	0.8	0.7	0.7	0.7	0.5	0.7	0.6	0.6	0.4	0.4	0.5	0.6	0.3	0.4	0.7	0.7	0.5	0.7	0.7	0.5	0.3	0.7	0.6	1.0				
Infrastructure	0.0	0.8	0.7	0.8	0.8	0.7	0.8	0.6	0.5	0.2	0.5	0.4	0.5	0.3	0.5	0.6	0.8	0.7	0.8	0.8	0.7	0.5	0.8	0.5	0.7	1.0			
Currency Beta	-0.1	0.0	-0.1	-0.2	-0.2	-0.2	-0.1	0.1	-0.2	-0.1	-0.3	-0.2	-0.2	-0.2	-0.3	-0.2	-0.2	-0.1	-0.3	-0.2	-0.3	-0.1	-0.1	0.1	0.0	-0.1	1.0		
Risk Parity	0.1	0.7	0.7	0.8	0.7	0.6	0.8	0.4	0.7	0.4	0.7	0.6	0.7	0.4	0.7	0.7	0.8	0.5	0.8	0.7	0.6	0.5	0.7	0.1	0.7	0.7	-0.2	1.0	

Note: as of 9/30/24 - Correlation assumptions are based on the last ten years. Private Equity and Real Estate correlations are especially difficult to model due to appraisal-based pricing and lag problems that exist in the data – we have therefore used BarraOne correlation data to strengthen these correlation estimates.



# 2025 vs. 2024 return forecast



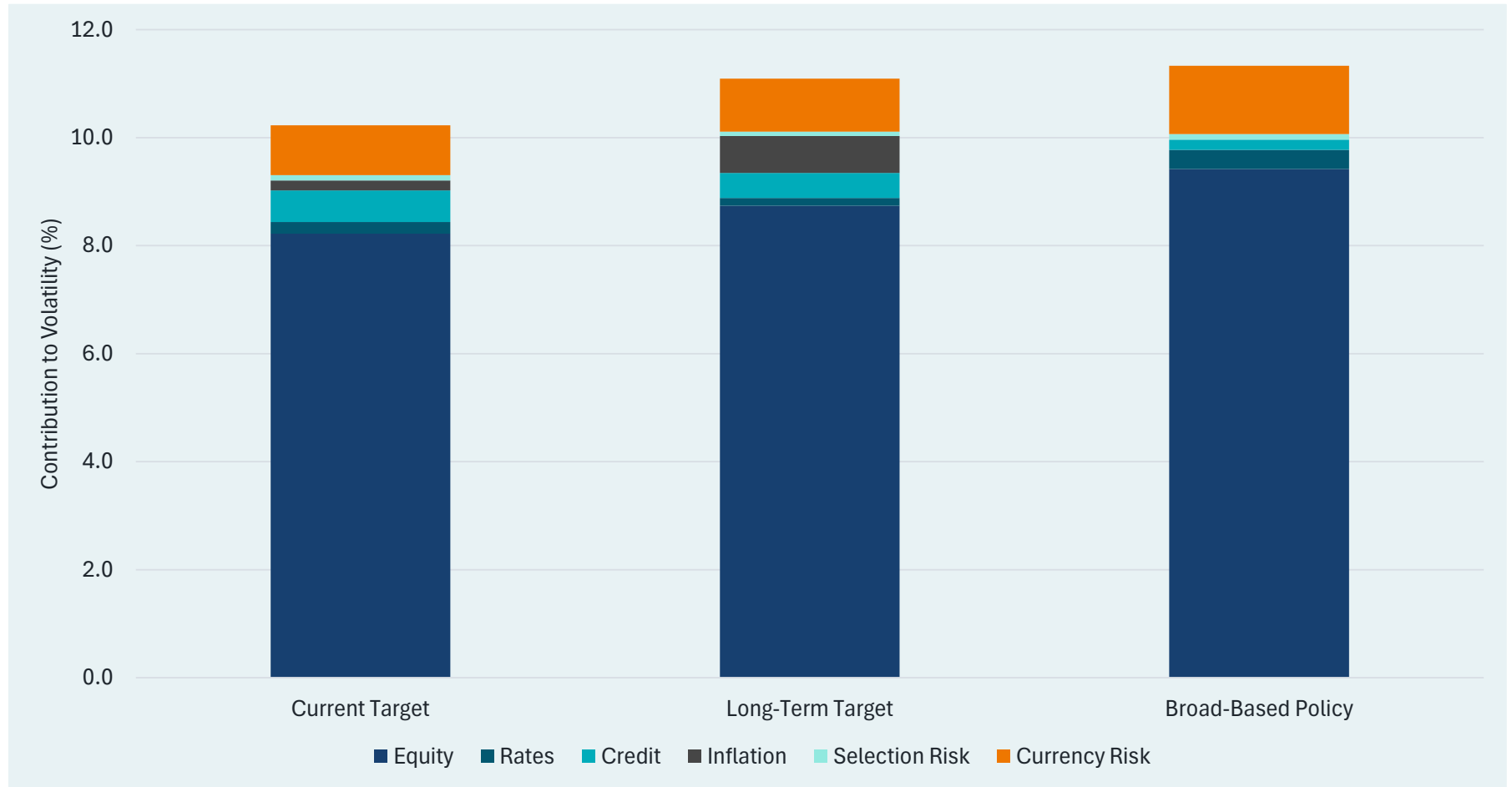
Source: Verus, as of 9/30/24

# Mean variance analysis

Asset Class	Current Target	Long-Term Target	Broad-Based Policy	Ten Year Return Forecast		Standard Deviation Forecast	Sharpe Ratio Forecast (a)
				Geometric	Arithmetic		
<b>Growth</b>	<b>58%</b>	<b>65%</b>	<b>70%</b>				
U.S. Large	23%	23%	--	5.3%	6.4%	15.5%	0.17
U.S. Small	5%	5%	--	6.3%	8.4%	21.3%	0.22
International Developed	19%	19%	--	6.7%	8.1%	17.5%	0.25
International Small	5%	5%	--	8.8%	10.8%	21.4%	0.33
Emerging Markets	6%	6%	--	7.0%	9.6%	24.2%	0.24
Global Equity	--	--	70%	6.0%	7.3%	16.7%	0.21
Private Equity	0%	7%	--	9.0%	11.9%	26.0%	0.31
<b>Risk Mitigation</b>	<b>20%</b>	<b>13%</b>	<b>30%</b>				
Cash	1%	1%	--	3.8%	3.8%	1.1%	-
U.S. TIPS	3%	3%	--	4.0%	4.2%	5.5%	0.07
U.S. Treasury	3%	3%	--	3.8%	4.0%	7.1%	0.03
Global Aggregate	--	--	30%	3.4%	3.6%	6.7%	-0.03
Core Plus Fixed Income	3%	3%	--	4.4%	4.5%	4.7%	0.15
Short-Term Gov't/Credit	10%	3%	--	3.9%	3.9%	3.6%	0.03
<b>Income</b>	<b>16%</b>	<b>14%</b>	<b>0%</b>				
High Yield Corp. Credit	7%	3%	--	5.6%	6.1%	10.8%	0.21
Bank Loans	3%	3%	--	6.9%	7.3%	8.8%	0.4
Emerging Markets Debt (Hard)	3%	1.5%	--	7.7%	8.2%	10.5%	0.42
Emerging Markets Debt (Local)	3%	1.5%	--	5.8%	6.5%	12.1%	0.22
Private Credit	0%	5%	--	8.2%	8.8%	11.8%	0.42
<b>Real Assets</b>	<b>6%</b>	<b>8%</b>	<b>0%</b>				
Core Real Estate	2%	2%	--	7.2%	7.9%	12.5%	0.33
Value-Add Real Estate	--	3%	--	9.2%	10.3%	15.4%	0.42
REITs	4%	--	--	7.2%	8.8%	19.2%	0.26
Global Infrastructure	--	3%	--	8.1%	9.4%	16.8%	0.33
	<b>Current Target</b>	<b>Long Term Target</b>	<b>Broad Based Policy</b>				
<b>Mean Variance Analysis</b>							
<b>Forecast 10 Year Return</b>	<b>6.28</b>	<b>6.92</b>	<b>5.41</b>				
Standard Deviation	12.16	13.28	12.91				
Return/Std. Deviation	0.52	0.52	0.42				
1st percentile ret. 1 year	-18.35	-19.65	-20.48				
Sharpe Ratio	0.26	0.29	0.18				

Source: MPI, Verus

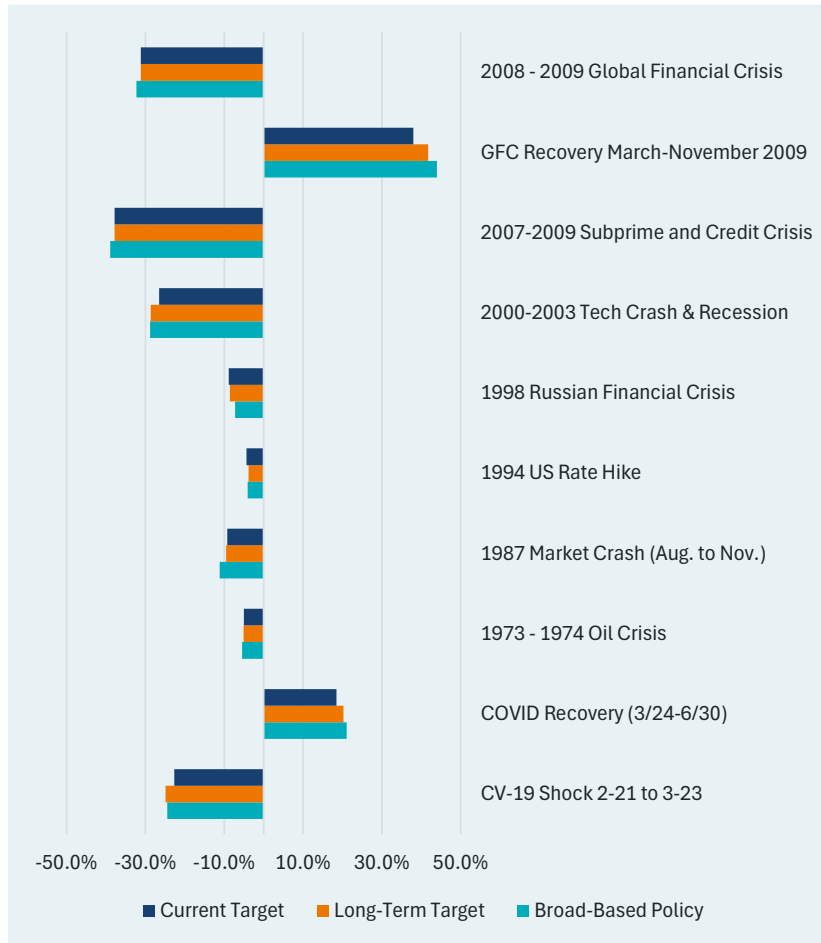
# Risk contribution



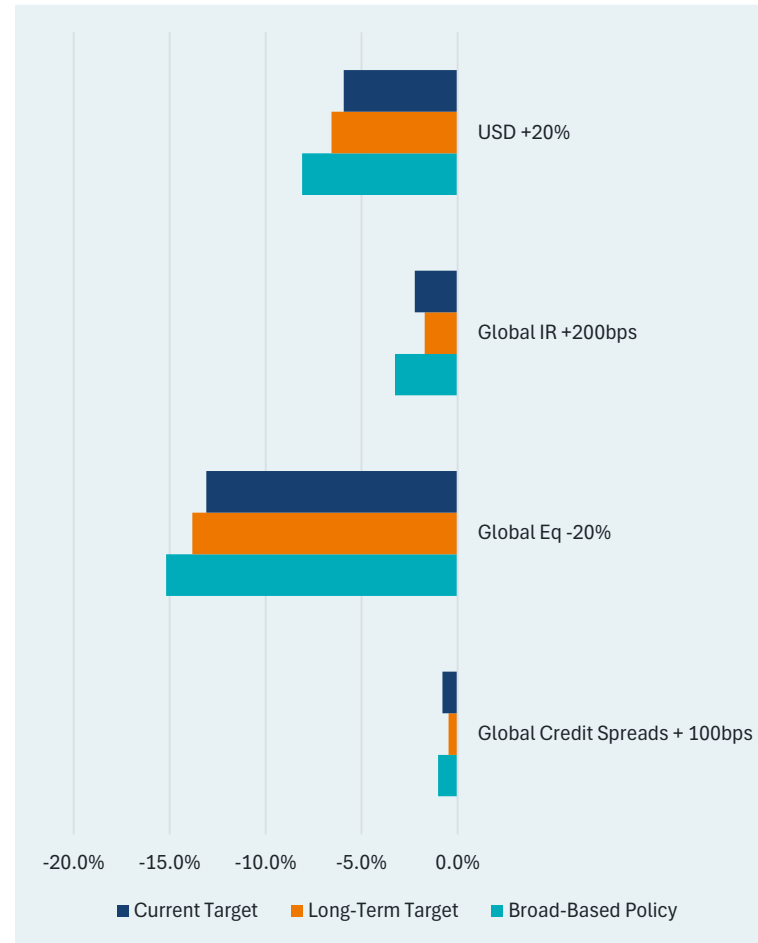
Barra; as of 9/30/24

# Scenario analysis

## HISTORICAL MARKET ENVIRONMENTS



## HYPOTHETICAL STRESS TESTS



Barra; as of 9/30/24

## **Private Markets Consultant Interviews and Selection January 24, 2025**

To conclude an RFP search process that began in September 2024, the Board of Trustees will interview the four finalist candidates and select the candidate that is expected to best serve the needs of IPOPIF.



**MEMORANDUM**

DATE: January 13, 2025  
TO: IPOPIF Board of Trustees  
FROM: IPOPIF Investment Staff  
SUBJECT: Private Markets Investment Consultant – Final Interview Schedule and Agenda

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Interview schedule for Private Markets Investment Consultant candidates and the recommended agenda suggested to managers:

***Finals Interview Schedule***

<b>Consultant</b>	<b>Time</b>
Verus	9:45 – 10:25 AM CT
Callan	10:25 – 11:05 AM CT
Albourne	11:05 – 11:45 AM CT
Wilshire	11:45 – 12:25 PM CT

***Finals Interview Recommended Agenda***

Introductions – 2 minutes

Organization Overview – 5 minutes

Private Markets Consulting – 10 minutes

- Resources (People, Databases, Tools)
- Access to top relationships in funds and separately managed account structures
- Perspective on conflicts of interest (investment management vs. advising roles)

IPOPIF Implementation Considerations – 10 minutes

- Strategic planning
- Portfolio structure
- Pacing
- IPOPIF resources and engagement needed for success

Summary of Differentiating Strengths – 2 minutes

Q&A – 5 minutes



**Illinois Police Officers'  
Pension Investment Fund**

# **Administration & Operations Update**

**Richard White,  
Executive Director**

**IPOPIF Board Meeting  
Friday, January 24, 2025**



# Illinois Police Officers' Pension Investment Fund

## Article 3 Police Pension Funds

**Monthly investment reports** through **NOVEMBER 2024** for each of the Article 3 funds have been posted to the Website. Reports continue to be available to Funds via on-line portal.

## Newsletter

**Newsletters Published and Distributed:**

**DECEMBER** newsletter published and distributed.

## Public Meetings and Presentations

**WINFIELD Police Pension Fund** meeting on January 13, 2025.

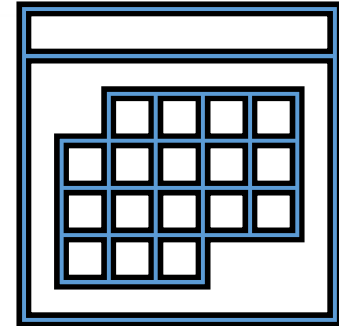
**NAPO 2025 Pension Benefits Seminar.** February 2-4, 2025. Las Vegas, NV.





**Illinois Police Officers'  
Pension Investment Fund**

## **BOARD OF TRUSTEES UPCOMING MEETING DATES**



### **Board of Trustees:**

**Friday**

**March 14, 2025**

**9:00 AM**

**Pere Marquette Hotel**

### **Board of Trustees:**

**Friday**

**April 11, 2025**

**9:00 AM**

**Pere Marquette Hotel**

**COMMITTEE MEETINGS  
FRIDAY MARCH 14, 2025  
AFTER BOARD OF TRUSTEES  
MEETING**



**Illinois Police Officers'  
Pension Investment Fund**

## STRATEGIC PLAN OBJECTIVES



### Development of new policies.

Objective: Development of Actuarial Valuation Policy

Objective: Development of Compensation Policy



### IPOPIF Office.

Objective: Review Fund office location and amenities with current and future operations in mind, team recruitment and retention issues, safety and security matters, and efficient use of Fund resources through leasing of ownership of building.



### Develop and enhance communication components.

Objective: Development of webinar presentation(s) to provide timely information to stakeholders.

Objective: Development of an 'annual meeting'.



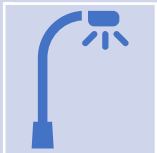
**Illinois Police Officers'  
Pension Investment Fund**

## STRATEGIC PLAN OBJECTIVES



### Strategic Plan

Objective: Annual Review of Strategic Plan



### Governance

Objective: Development of Policy Effectiveness Review

Objective: Development of Review Process to measure Governance and Oversight Effectiveness and Efficiency



### Information Technology

Objective: Development and review of technology systems and best practices



**Illinois Police Officers'  
Pension Investment Fund**

# **Administration & Operations Update**

**Richard White,  
Executive Director**

**IPOPIF Board Meeting  
Friday, January 24, 2025**



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

TO: Board of Trustees

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

RE: Agenda Item 7.1 – Monthly Financial Statements – October, November and December 2024

DATE: January 24, 2025

**RECOMMENDATION:** Approve the Monthly financial statements for October and November 2024.

A few matters to note with respect to the monthly financial statements for October and November:

- 1) Strong positive cash flows were experienced in October, which included over \$14 million received in Tranche 14 transfers; cash flow volume was lower in November, with withdrawals exceeding contributions. See chart below for further detail.

October Cash Contributions from Tranche 14 Funds \$14,749,481	
October Contributions from Participant Funds \$68,299,543	November Contributions \$23,137,182
October Withdrawals \$52,558,605	November Withdrawals \$48,475,712
October Net Cash \$30,490,419	November Net Cash (\$25,338,530)
Number of Transactions 441	Number of Transactions 358

- 2) The November financial statements include \$744,358 in direct investment manager fees, which are the first fees billed to the Fund pertaining to FY 2025. Accounting for these direct investment manager fees is included in the new presentation discussed during the budget process. The prior year presentation for 2023 reflects some reclassifications for consistent presentation.
- 3) Board of Trustees expenses for October reflect a net credit balance. This is due to receipt of a \$8,624 refund from the Election Services provider for services billed in the prior fiscal year which were not incurred due to the uncontested trustee elections.



## ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

- 4) The December monthly financials are not included in the agenda packet. Information needed to prepare the monthly financials is not yet available.

# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND



## MONTHLY FINANCIAL REPORT

FOR THE FOUR MONTHS ENDED OCTOBER 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 October 31, 2024, and 2023**

October 31, 2024October 31, 2023

<b>Assets</b>		
<b>Cash</b>		
Lake Forest Bank & Trust	\$ 119,163	\$ 99,658
<b>Total Cash</b>	<b>119,163</b>	<b>99,658</b>
<b>Investments</b>		
Investments	12,652,617,718	8,962,246,422
<b>Total Investments</b>	<b>12,652,617,718</b>	<b>8,962,246,422</b>
<b>Other Assets</b>		
Net IMRF Pension Asset	-	7,426
<b>Total Other Assets</b>	<b>-</b>	<b>7,426</b>
<b>Total Assets</b>	<b>12,652,736,881</b>	<b>8,962,353,506</b>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to IMRF Pension	801,936	80,309
<b>Liabilities</b>		
<b>Accrued Expenses</b>		
Payroll & Related	186,543	140,522
Professional	304,760	10,240
Administrative	-	835
<b>Total Accrued Expenses</b>	<b>491,303</b>	<b>151,597</b>
<b>Other Liabilities</b>		
Net IMRF Pension Liability	801,012	-
<b>Total Other Liabilities</b>	<b>801,012</b>	<b>-</b>
<b>Total Liabilities</b>	<b>1,292,315</b>	<b>151,597</b>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to IMRF Pension	7,625	-
<b>Net Position Restricted</b>	<b>12,652,238,877</b>	<b>8,962,282,218</b>



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

	<u>October 31, 2024</u>	<u>October 31, 2023</u>
<b>Additions</b>		
<b>Proceeds</b>		
Cash Received from Local Funds	309,108,471	168,106,150
Investments Received from Local Funds	1,609,809,480	13,100,419
<b>Total Proceeds</b>	<b>1,918,917,951</b>	<b>181,206,569</b>
<b>Investment Income (Loss)</b>		
Lake Forest Bank & Trust	148	205
Interest	23,081,276	20,006,493
Net appreciation (depreciation) in fair value of investments	362,181,975	(477,295,771)
<b>Investment Income (Loss)</b>	<b>385,263,399</b>	<b>(457,289,073)</b>
Less: Investment Management Fees Paid from the Fund	-	(19,953)
<b>Investment Income (Loss) net of Management Fees</b>	<b>385,263,399</b>	<b>(457,309,026)</b>
<b>Total Additions</b>	<b>2,304,181,350</b>	<b>(276,102,457)</b>
<b>Deductions</b>		
<b>Administrative Expenses</b>		
Board of Trustees & Meetings	(5,685)	(25,958)
Administrative Operations	(509,329)	(557,395)
Investment Operations	(313,367)	(258,452)
<b>Total Administrative Expenses</b>	<b>(828,381)</b>	<b>(841,805)</b>
<b>Participating Fund Withdrawals</b>	<b>(188,692,826)</b>	<b>(147,369,539)</b>
<b>Total Deductions</b>	<b>(189,521,207)</b>	<b>(148,211,344)</b>
<b>Net Increase (Decrease)</b>	<b>2,114,660,143</b>	<b>(424,313,801)</b>
<b>Net Position Restricted</b>		
<b>Beginning of the Year</b>	10,537,578,734	9,386,596,019
<b>End of the Period</b>	<b>12,652,238,877</b>	<b>8,962,282,218</b>

## Illinois Police Officers' Pension Investment Fund

### Additions Report for the Four Months Ended October 31, 2024

	<u>Received this Month</u>	<u>Budgeted this Month</u>	<u>Received this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Additions</b>				
<u>Consolidated Funds</u>				
Cash Received from Local Funds	68,299,543	-	309,108,471	-
Investments Received from Local Funds	1,609,809,480	-	1,609,809,480	-
	<u>1,678,109,023</u>	<u>-</u>	<u>1,918,917,951</u>	<u>-</u>
<u>Investment Income (Loss)</u>				
Interest & Dividends	8,486,171	-	23,081,424	-
Net appreciation (depreciation)	(260,941,596)	-	362,181,975	-
	<u>(252,455,425)</u>	<u>-</u>	<u>385,263,399</u>	<u>-</u>
<b>Total Additions</b>	<b>1,425,653,598</b>		<b>2,304,181,350</b>	

## Illinois Police Officers' Pension Investment Fund

### Deductions Report for the Four Months Ended October 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Expenditures</b>				
<b>Board of Trustees and Meetings</b>				
<u>Board of Trustees and Meetings Expenses</u>				
Professional Services				
<i>Election Services</i>	(8,624)	1,742	(8,624)	20,900
Education and Training	1,795	1,500	4,090	18,000
Meeting Expenses	3,695	3,796	7,937	45,550
Board Member Reimbursements	1,256	1,473	2,282	17,675
Municipal Reimbursements	-	992	-	11,900
	<u>(1,878)</u>	<u>9,503</u>	<u>5,685</u>	<u>114,025</u>
<b>Administrative Operations</b>				
<u>Personnel</u>				
Administrative Personnel	65,946	76,857	230,512	922,280
Employment Expenses				
<i>FICA/Medicare</i>	3,742	5,339	15,133	64,064
<i>Medical/Dental Benefits</i>	7,212	12,088	30,329	145,058
<i>Unemployment</i>	-	103	-	1,241
<i>Retirement Benefits</i>	2,711	7,049	6,766	84,593
	<u>79,611</u>	<u>101,436</u>	<u>282,740</u>	<u>1,217,236</u>
<u>Professional Services</u>				
Finance				
<i>Accounting</i>	-	1,667	-	20,000
<i>Audit - Financial</i>	8,500	4,983	8,500	59,800
<i>Audit - Certified Asset List</i>	350	3,738	350	44,850
<i>Agreed Upon Procedures - Article 3</i>	-	28,481	-	341,775
Government Liaison	5,700	5,700	22,800	68,400
Actuarial Services	-	16,184	1,675	194,210
Outsourced Human Resources	1,275	1,042	1,275	12,500
Legal Services				
<i>Legal Services - General</i>	3,642	4,167	3,642	50,000
<i>Legal Services - Fiduciary</i>	10,340	10,417	14,976	125,000
Technology Services	-	500	-	6,000
Communication Services	1,500	1,500	6,000	18,000
	<u>31,307</u>	<u>78,379</u>	<u>59,218</u>	<u>940,535</u>

## Illinois Police Officers' Pension Investment Fund

### Deductions Report for the Four Months Ended October 31, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Expenditures</b>				
<u>Bank Services and Fees</u>				
Local Bank Fees	133	208	434	2,500
	<b>133</b>	<b>208</b>	<b>434</b>	<b>2,500</b>
<u>Services &amp; Supplies</u>				
Assets under \$5,000	-	833	228	10,000
Insurance	-	10,965	124,783	131,578
Office Lease/Rent	5,375	5,375	21,500	64,500
Printing & Postage	1,171	2,638	1,207	31,650
Supplies & Maintenance	633	833	1,863	10,000
Telecommunication	1,324	1,458	5,058	17,500
Contingency	(2)	1,000	1	12,000
Dues / Licenses	5,551	6,788	8,795	81,450
Training & Education	-	500	1,385	6,000
Travel & Transportation	753	2,292	1,717	27,500
Utilities	-	583	-	7,000
Website	200	1,250	400	15,000
	<b>15,005</b>	<b>34,515</b>	<b>166,937</b>	<b>414,178</b>
<b>Investment Operations</b>				
<u>Personnel</u>				
Investment Operations Personnel	73,924	91,258	258,735	1,095,090
Employment Expenses				
<i>FICA/Medicare</i>	3,853	5,568	13,486	66,811
<i>Medical/Dental Benefits</i>	7,045	9,469	31,496	113,628
<i>Unemployment</i>	-	66	93	790
<i>Retirement Benefits</i>	4,443	8,778	11,107	105,333
	<b>89,265</b>	<b>115,139</b>	<b>314,917</b>	<b>1,381,652</b>
<u>Investment &amp; Banking</u>				
General Investment Consultant	-	35,625	-	427,500
Database Subscription	-	6,420	-	77,040
Custodial Services	(1,550)	43,488	(1,550)	521,850
	<b>(1,550)</b>	<b>85,533</b>	<b>(1,550)</b>	<b>1,026,390</b>
<b>Total Expenditures</b>	<b>211,893</b>	<b>424,713</b>	<b>828,381</b>	<b>5,096,516</b>
<b>Participating Fund Withdrawals</b>	<b>52,558,605</b>		<b>188,692,826</b>	
<b>Total Deductions</b>	<b>52,770,498</b>		<b>189,521,207</b>	

# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND



## MONTHLY FINANCIAL REPORT

FOR THE FIVE MONTHS ENDED NOVEMBER 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 November 30, 2024, and 2023**

November 30, 2024November 30, 2023

<b>Assets</b>			
<b>Cash</b>			
Lake Forest Bank & Trust	\$	108,929	\$ 105,783
<b>Total Cash</b>		<b>108,929</b>	<b>105,783</b>
<b>Investments</b>			
Investments		12,916,629,429	9,533,282,659
<b>Total Investments</b>		<b>12,916,629,429</b>	<b>9,533,282,659</b>
<b>Other Assets</b>			
Net IMRF Pension Asset		-	7,426
<b>Total Other Assets</b>		<b>-</b>	<b>7,426</b>
<b>Total Assets</b>		<b>12,916,738,358</b>	<b>9,533,395,868</b>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to IMRF Pension		801,936	80,309
<b>Liabilities</b>			
<b>Accrued Expenses</b>			
Payroll & Related		186,057	141,730
Professional		48,888	10,240
<b>Total Accrued Expenses</b>		<b>234,945</b>	<b>151,970</b>
<b>Other Liabilities</b>			
Net IMRF Pension Liability		801,012	-
<b>Total Other Liabilities</b>		<b>801,012</b>	<b>-</b>
<b>Total Liabilities</b>		<b>1,035,957</b>	<b>151,970</b>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to IMRF Pension		7,625	-
<b>Net Position Restricted</b>		<b>12,916,496,712</b>	<b>9,533,324,207</b>

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

	<u>November 30, 2024</u>	<u>November 30, 2023</u>
<b>Additions</b>		
<b>Proceeds</b>		
Cash Received from Local Funds	332,245,654	192,974,101
Investments Received from Local Funds	1,609,809,480	13,100,419
<b>Total Proceeds</b>	<b>1,942,055,134</b>	<b>206,074,520</b>
<b>Investment Income (Loss)</b>		
Lake Forest Bank & Trust	180	256
Interest	30,139,219	26,148,222
Net appreciation (depreciation) in fair value of investments	645,844,700	107,342,582
<b>Investment Income (Loss)</b>	<b>675,984,099</b>	<b>133,491,060</b>
Less: Investment Management Fees Paid from the Fund	(744,386)	(19,953)
<b>Investment Income (Loss) net of Management Fees</b>	<b>675,239,713</b>	<b>133,471,107</b>
<b>Total Additions</b>	<b>2,617,294,847</b>	<b>339,545,627</b>
<b>Deductions</b>		
<b>Administrative Expenses</b>		
Board of Trustees & Meetings	(11,511)	(34,199)
Administrative Operations	(686,502)	(663,229)
Investment Operations	(510,317)	(479,701)
<b>Total Administrative Expenses</b>	<b>(1,208,330)</b>	<b>(1,177,129)</b>
<b>Participating Fund Withdrawals</b>	<b>(237,168,539)</b>	<b>(191,640,310)</b>
<b>Total Deductions</b>	<b>(238,376,869)</b>	<b>(192,817,439)</b>
<b>Net Increase (Decrease)</b>	<b>2,378,917,978</b>	<b>146,728,188</b>
<b>Net Position Restricted</b>		
<b>Beginning of the Year</b>	10,537,578,734	9,386,596,019
<b>End of the Period</b>	<b>12,916,496,712</b>	<b>9,533,324,207</b>

## Illinois Police Officers' Pension Investment Fund

### Additions Report for the Five Months Ended November 30, 2024

	<u>Received this Month</u>	<u>Budgeted this Month</u>	<u>Received this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Additions</b>				
<u>Consolidated Funds</u>				
Cash Received from Local Funds	23,137,182	-	332,245,654	-
Investments Received from Local Funds	-	-	1,609,809,480	-
	<u>23,137,182</u>	<u>-</u>	<u>1,942,055,134</u>	<u>-</u>
<u>Investment Income (Loss)</u>				
Interest & Dividends	7,057,975	-	30,139,399	-
Net appreciation (depreciation)	283,662,726	-	645,844,700	-
Investment Management Fees Paid from the Fund	(744,386)	-	(744,386)	-
	<u>289,976,315</u>	<u>-</u>	<u>675,239,713</u>	<u>-</u>
<b>Total Additions</b>	<b>313,113,497</b>		<b>2,617,294,847</b>	



## Illinois Police Officers' Pension Investment Fund

### Deductions Report for the Five Months Ended November 30, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Expenditures</b>				
<b>Board of Trustees and Meetings</b>				
<u>Board of Trustees and Meetings Expenses</u>				
Professional Services				
<i>Election Services</i>	-	1,742	(8,624)	20,900
Education and Training	3,329	1,500	7,419	18,000
Meeting Expenses	1,413	3,796	9,350	45,550
Board Member Reimbursements	1,084	1,473	3,366	17,675
Municipal Reimbursements	-	992	-	11,900
	<u>5,826</u>	<u>9,503</u>	<u>11,511</u>	<u>114,025</u>
<b>Administrative Operations</b>				
<u>Personnel</u>				
Administrative Personnel	65,946	76,857	296,458	922,280
Employment Expenses				
<i>FICA/Medicare</i>	3,573	5,339	18,706	64,064
<i>Medical/Dental Benefits</i>	10,043	12,088	40,371	145,058
<i>Unemployment</i>	-	103	-	1,241
<i>Retirement Benefits</i>	2,711	7,049	9,477	84,593
	<u>82,273</u>	<u>101,436</u>	<u>365,012</u>	<u>1,217,236</u>
<u>Professional Services</u>				
Finance				
<i>Accounting</i>	-	1,667	-	20,000
<i>Audit - Financial</i>	36,300	4,983	44,800	59,800
<i>Audit - Certified Asset List</i>	5,661	3,738	6,011	44,850
<i>Agreed Upon Procedures - Article 3</i>	-	28,481	-	341,775
Government Liaison	5,700	5,700	28,500	68,400
Actuarial Services	24,465	16,184	26,140	194,210
Outsourced Human Resources	2,213	1,042	3,488	12,500
Legal Services				
<i>Legal Services - General</i>	2,582	4,167	6,224	50,000
<i>Legal Services - Fiduciary</i>	6,527	10,417	21,503	125,000
Technology Services	-	500	-	6,000
Communication Services	1,500	1,500	7,500	18,000
	<u>84,948</u>	<u>78,379</u>	<u>144,166</u>	<u>940,535</u>

## Illinois Police Officers' Pension Investment Fund

### Deductions Report for the Five Months Ended November 30, 2024

	<u>Expended this Month</u>	<u>Budgeted this Month</u>	<u>Expended this Fiscal Year</u>	<u>Budgeted this Fiscal Year</u>
<b>Expenditures</b>				
<u>Bank Services and Fees</u>				
Local Bank Fees	133	208	566	2,500
	<b>133</b>	<b>208</b>	<b>566</b>	<b>2,500</b>
<u>Services &amp; Supplies</u>				
Assets under \$5,000	-	833	228	10,000
Insurance	-	10,965	124,783	131,578
Office Lease/Rent	5,375	5,375	26,875	64,500
Printing & Postage	1,062	2,638	2,269	31,650
Supplies & Maintenance	737	833	2,600	10,000
Telecommunication	1,324	1,458	6,382	17,500
Contingency	(2)	1,000	(1)	12,000
Dues / Licenses	698	6,788	9,493	81,450
Training & Education	-	500	1,385	6,000
Travel & Transportation	427	2,292	2,144	27,500
Utilities	-	583	-	7,000
Website	200	1,250	600	15,000
	<b>9,821</b>	<b>34,515</b>	<b>176,758</b>	<b>414,178</b>
<b>Investment Operations</b>				
<u>Personnel</u>				
Investment Operations Personnel	73,924	91,258	332,659	1,095,090
Employment Expenses				
<i>FICA/Medicare</i>	3,853	5,568	17,339	66,811
<i>Medical/Dental Benefits</i>	8,663	9,469	40,158	113,628
<i>Unemployment</i>	-	66	93	790
<i>Retirement Benefits</i>	3,595	8,778	14,703	105,333
	<b>90,035</b>	<b>115,139</b>	<b>404,952</b>	<b>1,381,652</b>
<u>Investment &amp; Banking</u>				
General Investment Consultant	106,875	35,625	106,875	427,500
Database Subscription	40	6,420	40	77,040
Custodial Services	-	43,488	(1,550)	521,850
	<b>106,915</b>	<b>85,533</b>	<b>105,365</b>	<b>1,026,390</b>
<b>Total Expenditures</b>	<b>379,951</b>	<b>424,713</b>	<b>1,208,330</b>	<b>5,096,516</b>
<b>Participating Fund Withdrawals</b>	<b>48,475,712</b>		<b>237,168,539</b>	
<b>Total Deductions</b>	<b>48,855,663</b>		<b>238,376,869</b>	

Warrant #25-07 Paid 1-2-2025



**Expenses for Ratification - January 24, 2025  
Board Meeting**

**BOARD OF TRUSTEES and MEETINGS**

**Education and Training**

	Daniel Hopkins	
11/22/2024	Out of pocket reimbursement for the International Foundation of Employee Benefit Plans Conference - Hotel, Travel, Meals and Incidental Expenses on November 9-14, 2024*	\$1,625.16

**Meeting Expenses**

	Sound & Light Creations by Scott Fort	
12/22/2024	Sound system with table top microphones, video screen, and projector for Board Meeting, December 13, 2024, Invoice #12132401	\$1,413.00

**Board Member Reimbursements**

	Lee Catavu	
12/13/2024	Out of pocket reimbursement for travel for December 13, 2024, Board Meeting	\$158.12
	Elizabeth Holleb	
12/20/2024	Out of pocket reimbursement for hotel and travel for December 13, 2024, Board Meeting	\$403.70
	Daniel Hopkins	
12/13/2024	Out of pocket reimbursement for hotel and travel for December 13, 2024, Board Meeting	\$323.80
	Philip Suess	
12/23/2024	Out of pocket reimbursement for hotel, travel and meal for December 13, 2024, Board Meeting	\$262.30
	<b>Total Board of Trustees and Meetings Board Member Reimbursements</b>	<b>\$1,147.92</b>

**TOTAL BOARD OF TRUSTEES AND MEETINGS EXPENSES \$4,186.08**

\*Paid December 17, 2024

**ADMINISTRATIVE OPERATIONS**

**Professional Services - Finance**

**Audit - Financial**

	Sikich LLP	
12/19/2024	Professional services rendered in connection with year end 2024 audit, Final Billing, Invoice #77979	\$15,000.00

**Audit - Certified Asset List**

	Lauterbach & Amen, LLP	
12/13/2024	Professional services rendered in connection with CIAL reports for Tranche 14 member funds, Invoice #98963	\$770.00

## Warrant #25-07 Paid 1-2-2025



## Expenses for Ratification - January 24, 2025 Board Meeting

### **ADMINISTRATIVE OPERATIONS (continued)**

#### **Professional Services - Finance (continued)**

##### **Agreed Upon Procedures - Article 3**

	KEB	
11/27/2024	Progress billing on 10 funds for Tranche 1, Pension Fund AUPs, Invoice #811948	\$18,000.00

#### **Professional Services - Government Liaison**

	Vision M.A.I. Consulting	
1/1/2025	Professional services rendered for January 2025, Invoice #1	\$5,700.00

#### **Professional Services - Actuarial Services**

	Foster & Foster, Inc.	
12/3/2024	Preparation of Fiscal Year 2024 Actuarial Valuation Reports for 190 participating pension funds and additional hours billed for data work for valuations, Invoice 34014	\$103,460.00

#### **Professional Services - Human Resources**

	Lauterbach & Amen, LLP	
12/13/2024	Professional services rendered for November 2024, Invoice #98961	\$1,727.08

#### **Professional Services - Legal**

##### **General**

	Reimer Dobrovolny & Labardi PC	
12/10/2024	Legal services rendered and disbursements for the period of October 7 -25, 2024, Invoice #31336	\$3,150.00

##### **Fiduciary & Litigation**

	Jacobs Burns Orlove & Hernandez LLP	
12/11/2024	Legal services rendered in November 2024 regarding general and investmen matters, Invoice #891	\$2,199.60

#### **Professional Services - Communication**

	Shepherd Communications	
12/27/2024	Professional Service Fee for January 2025	\$1,500.00

**Total Administrative Operations Professional Services Expenses      \$151,506.68**

#### **Services and Supplies**

##### **Office Lease**

	City of Peoria	
1/1/2025	Rent for January 2025, Invoice #57623	\$5,375.00

## Warrant #25-07 Paid 1-2-2025



## Expenses for Ratification - January 24, 2025 Board Meeting

### ADMINISTRATIVE OPERATIONS (continued)

#### Services and Supplies (continued)

##### Printing & Postage

	Samantha Lambert	
12/10/2024	Out of pocket reimbursement for postage for overnight mailing of documents to Board of Trustee member, December 2024	\$37.20
	TaMaYo Design, Inc.	
12/27/2024	Annual Comprehensive Financial Report for fiscal year 2024 graphic design work, Invoice #IPOPf 006	\$5,000.00
	<b>Total Services and Supplies, Printing &amp; Postage</b>	<b>\$5,037.20</b>

##### Supplies & Maintenance

	AAA Certified Confidential Security Corp	
12/31/2024	On-site confidential records destruction services for November and December 2024, Invoice #111631	\$44.40
	CityBlue Technologies, LLC	
12/18/2024	Epson AM-C4000 Ink-Cyan; Invoice I272696	\$337.00
	The Cleaning Source	
12/26/2024	Weekly cleaning service for December 2024, Invoice #IP1224	\$193.00
	<b>Total Services and Supplies, Supplies &amp; Maintenance</b>	<b>\$574.40</b>

##### Telecommunications

	AmeriCALL	
12/4/2024	Monthly telephone charges, 12/4/24 - 1/3/25, Invoice #3537300	\$313.85
	AT&T Mobility	
12/1/2024	Monthly wireless cell phone service, 12/2/24 - 1/1/25, Invoice #287302376880X12092024	\$716.66
	Comcast	
12/12/2024	Monthly data, voice secure packaged services, 12/16/24 - 1/15/25	\$334.26
	<b>Total Services and Supplies, Telecommunications</b>	<b>\$1,364.77</b>

##### Dues & Licenses

	Government Finance Officers Association (GFOA)	
12/31/2024	Certificate of Achievement review fee for Fiscal Year 2024 ACFR report, Invoice #00023410	\$460.00
	Levi, Ray & Shoup, Inc.	
12/5/2024	LRS Axcient CloudFinder for Office 365 backup, 25 licenses, November 2024, Invoice #332423	\$125.00

## Warrant #25-07 Paid 1-2-2025



## Expenses for Ratification - January 24, 2025 Board Meeting

### ADMINISTRATIVE OPERATIONS (continued)

#### Services and Supplies (continued)

##### Dues & Licenses (continued)

	Thomson Reuters	
12/17/2024	NetStaff CS Web Services fees and Manual processing, November 2024, Invoice #WS11561641	\$484.00
	<b>Total Services and Supplies, Dues &amp; Licenses</b>	<b>\$1,069.00</b>

##### Travel & Transportation

	Katherine Cobb	
12/9/2024	Out of pocket reimbursement for parking fees, December 2024	\$81.00
	Samantha Lambert	
12/10/2024	Out of pocket reimbursement for parking fees, December 2024	\$81.00
	<b>Total Services and Supplies, Travel &amp; Transportation</b>	<b>\$162.00</b>

##### Website

	Levi, Ray & Shoup, Inc.	
12/5/2024	Website hosting and related support, November 2024, Invoice #332422	\$200.00
	<b>Total Administrative Operations Services and Supplies Expenses</b>	<b>\$13,782.37</b>

### TOTAL ADMINISTRATIVE OPERATIONS EXPENSES

**\$165,289.05**

### INVESTMENT OPERATIONS

#### Investment & Banking

##### Database Subscriptions

	Evestment	
12/24/2024	Premium Package Services Subscription 12/30/24 - 12/29/25 Invoice #INV00075067	\$38,245.44

##### Investment Management

	State Street Global Advisors	
10/29/2024	Investment Management services for July, August, September 2024, Emerging Markets Equity Index Fund \$225,155,298 AUM, .88 bps, Invoice #SSGABA4076315	\$4,925.71
10/29/2024	Investment Management services Additional Fees for July, August, September 2024, Emerging Markets Equity Index Fund \$225,155,297 AUM, 2.52 bps, Invoice #SSGABA4076316	\$14,159.30
10/29/2024	Investment Management services for July, August, September 2024, Non-US Developed Index Fund \$2,118,940,852, .88 bps, Invoice #SSGABA4076322	\$46,355.93

## Warrant #25-07 Paid 1-2-2025



## Expenses for Ratification - January 24, 2025 Board Meeting

### INVESTMENT OPERATIONS (continued)

#### Investment & Banking (continued)

#### Investment Management (continued)

State Street Global Advisors (continued)		
10/29/2024	Investment Management services for July, August, September 2024, US Agg Bond Index Fund \$353,433,051 AUM, .88 bps, Invoice #SSGABA4076318	\$7,732.03
10/29/2024	Investment Management services for July, August, September 2024, US REIT Index Fund \$473,628,886 AUM, .88 bps, Invoice #SSGABA4076317	\$10,361.55
10/29/2024	Investment Management services for July, August, September 2024, US ST Gov/Credit Bond Index Fund 1,070,784,569 AUM, .88 bps, Invoice #SSGABA4076319	\$23,425.48
10/29/2024	Investment Management services for July, August, September 2024, US High Yield Bond Index Fund \$751,900,772 AUM, .88 bps, Invoice #SSGABA4076320	\$16,449.28
10/29/2024	Investment Management services Additional Fees for July, August, September 2024, US High Yield Bond Index Fund \$751,900,772 AUM, 2.52 bps, Invoice #SSGABA4076321	\$47,284.66
10/29/2024	Investment Management services for July, August, September 2024, US TIPS 0-5 Yrs Fund \$313,916,660 AUM, .88 bps, Invoice #SSGABA4076373	\$6,867.53
10/29/2024	Investment Management services for July, August, September 2024, Emerging Markets Bond Index Fund \$650,573,872 AUM, .88 bps, Invoice #SSGABA4076374	\$14,232.56
10/29/2024	Investment Management services Additional Fees for July, August, September 2024, - Emerging Markets Bond Index Fund \$650,573,872 AUM, 2.52 bps, Invoice #SSGABA4076375	\$40,912.53
10/29/2024	Investment Management services for July, August, September 2024, US Treasury Index Fund \$322,131,160 AUM, .88 bps, Invoice #SSGABA4076376	\$7,047.24
10/29/2024	Investment Management services for July, August, September 2024, Emerging Markets ex China Equity Index Fund \$384,825,929 AUM, .88 bps, Invoice #SSGABA4076377	\$8,418.81

Warrant #25-07 Paid 1-2-2025



**Expenses for Ratification - January 24, 2025  
Board Meeting**

<b>INVESTMENT OPERATIONS (continued)</b>		
<b>Investment &amp; Banking (continued)</b>		
<b>Investment Management (continued)</b>		
	State Street Global Advisors (continued)	
10/29/2024	Investment Management services Additional Fees for July, August, September 2024, Emerging Markets ex China Equity Index Fund \$384,825,929 AUM, 2.52 bps, Invoice #SSGABA4076378	\$24,200.49
	<b>Total Investment &amp; Banking Investment Management</b>	<b>\$272,373.10</b>
	<b>Total Investment Operations Investment &amp; Banking Expenses</b>	<b>\$310,618.54</b>
	<b>TOTAL INVESTMENT OPERATIONS EXPENSES</b>	<b>\$310,618.54</b>
	<b>TOTAL EXPENSES FOR RATIFICATION</b>	<b>\$480,093.67</b>





## ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

TO: Board of Trustees  
FROM: Richard White, Executive Director  
Regina Tuczak, Chief Financial Officer  
RE: Agenda Item 7.3 – Cash Management Policy  
DATE: January 24, 2025

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**RECOMMENDATION:** Approve the recommended changes to the Cash Management Policy PP-2022-01.

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With over two years of historical information regarding cash contributions and withdrawals from participant funds, and with the conclusion of the transfer of investment assets from participant funds, revisions to the Cash Management Policy are recommended by the Fund's Chief Investment Officer and Chief Financial Officer. A summary of the recommended changes are as follows:

- 1) Delete provisions pertaining to cash flow planning, including participant fund forecasting and projections. Based on cash flow experience and portfolio liquidity, the forecasting process would be of minimal value.
- 2) Delete references to the initial transfer of assets and initial user access.
- 3) Formalize that account details and transfer instructions are provided to Account Representatives upon request and can be provided to other individuals only if authorized by an Account Representative.
- 4) Provide that in certain situations, staff of the Fund can process a withdrawal for a participant fund with written approval from an Authorized Agent of the respective fund.

With respect to items 3 and 4 above, these policy revisions reflect current practices of Fund staff.

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

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**POLICY NUMBER:** PP-2022-01  
**SUBJECT:** CASH MANAGEMENT POLICY  
**EFFECTIVE DATE:** January 14, 2022  
**AMENDED:** September 9, 2022  
**AMENDED:** April 14, 2023  
January 24, 2025

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**INDEX:**

SECTION A: DEFINITIONS  
SECTION B: CASH FLOW PLANNING  
SECTION C: LOCAL CASH  
SECTION D: CASH MANAGEMENT PROCEDURES

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**SECTION A: DEFINITIONS**

1. "Authorized Agent" means persons identified in accordance with IPOPIF Administrative Rule AR-2021-03 or Administrative Rule AR 2023-01 and having the powers and duties to represent the Participating Police Pension Fund as detailed in AR-2021-03.
2. "Account Representative" means an Authorized Agent, the Treasurer of a Participating Police Pension Fund, or a person authorized by a Participating Police Pension Fund Board of Trustees' Resolution to contribute or withdraw cash from the Participating Police Pension Fund Account.
3. "Custodian" means the custodial bank holding all IPOPIF investment assets.
4. "Participating Police Pension Fund" or "Pension Fund" means a pension fund established pursuant to Article 3 of the Illinois Pension Code.
5. "Pension Fund Account" means the specific custody account assigned to each Participating Police Pension Fund.

**SECTION B: CASH FLOW PLANNING**

1. Objectives:
  - a. Ensure that cash is available for withdrawal when needed by each Pension Fund to pay expenses, benefits, and other required payments to beneficiaries.
  - b. Minimize the cost and impact associated with raising cash.
  - c. Minimize “cash drag” on investment performance.
  - d. Minimize the risk of fraud and errors.
  - e. Invest contributions quickly.
2. IPOPIF staff will maintain a rolling cash flow forecast including:
  - a. projected Pension Fund cash flows;
  - b. projected administrative and operating expenses; and
  - c. projected investment commitments, contributions, and distributions from investments, including private markets.
3. Pension Fund cash flow projection
  - a. Pension Funds are expected to provide monthly cash flow projections annually.
  - b. Each Pension Fund’s projection should include the amount expected to be contributed to, and withdrawn from, the Pension Fund Account for each month of the year.
  - c. Pension Funds are expected to submit an updated projection if there are any material changes to any of the monthly projections.
  - d. IPOPIF will provide submission instructions and templates to the Authorized Agents.

**SECTION C: LOCAL CASH**

1. Pension Funds are encouraged to maintain an account at a local bank or financial institution to facilitate cash transfers and the payment of expenses and benefits.
2. At the time of the initial transfer of assets to the IPOPIF, the Participating Police Pension Funds are encouraged to hold sufficient cash in their local account to pay an estimated 3 months of expenses and benefits.
- 3.1. Following the initial transfer of assets, each Pension Fund is encouraged to hold sufficient cash in its local account to limit cash withdrawals from the Pension Fund Account to once per month.
- 4.2. It is the exclusive responsibility of the Pension Fund to ensure that it has enough cash on hand to pay expenses and benefits.

**SECTION ~~CD~~: CASH MANAGEMENT PROCEDURES**

1. Cash Management Portal
  - a. Account Representatives ~~will~~ have the ability to initiate and monitor cash transfers for their account on the Custodian's cash management portal (portal).
  - b. Specific account details and transfer instructions ~~will~~ are provided directly to the Account Representatives upon request. Such instructions can be provided to other individuals if authorized by an Account Representative. ~~be provided directly to the Account Representatives as part of the initial user access set-up process and upon request thereafter.~~
  - c. Manual cash processing may be utilized at the discretion of IPOPIF staff.
2. Contributions
  - a. Cash may be contributed to the Pension Fund account on any day the Custodian is open for business.
  - b. Funds received by the Custodian will be invested on the same day if feasible or on the next business day. IPOPIF expects funds received prior to 10:00 AM CT will be invested on the same day.
  - c. Pension Funds shall provide notification of contributions using the portal or by email.
3. Withdrawals
  - a. Cash withdrawal requests shall be submitted at least seven calendar days prior to the requested transfer date to ensure availability and to minimize costs.
  - b. IPOPIF may, in its sole discretion and based on the circumstances, process cash withdrawal requests with fewer than seven calendar days before the requested transfer date.
  - c. Multiple transactions can be entered up to 13 months in advance.
  - d. Pension Funds shall initiate withdrawal transactions using the cash management portal.
  - ~~d.e.~~ A withdrawal may be processed by IPOPIF staff on behalf of a participant fund with written approval from an Authorized Agent of the respective fund.
4. IPOPIF Monitoring and Oversight
  - a. The IPOPIF cash allocation (cash on hand) is expected to exceed monthly cash demands.
  - b. IPOPIF staff will monitor cash activity and rebalance as necessary to ensure funds are available.

# Finance and Accounting Update

As of January 16, 2025



# Completed

**Recruitment of Senior Accountant/Auditor**

**Matt Roedell started with the Fund on January 1, 2025**

**Responsibilities include main contact for Agreed Upon Procedures engagements, assistance with cash management matters, and other Strategic Plan initiatives.**

**Fiscal Year 2024**

- **Submitted Annual Comprehensive Financial Report to Illinois Department of Insurance**
- **Submitted all investment information (purchases, sales, investment income, etc.) to Illinois Department of Insurance**
- **Applied to Government Finance Officers Association for Certificate of Achievement for Excellence in Financial Reporting**

# Current Initiatives

## Agreed Upon Procedures of Article 3 Police Pension Funds

- Bi-weekly status calls with CPA firms and IL Dept of Insurance resume January 29

### Tranche 1 Status

- 30 Participant Pension Funds selected
- Procedures began on October 1; concluded November 30
- Draft reports issued weeks of December 2<sup>nd</sup> and 9<sup>th</sup>
- Participant Pension Funds had 30 days to provide additional materials to the CPA firms and until January 31 to submit a written response

### Tranche 2 Status

- 66 Participant Pension Funds selected; communication to Participant Pension Funds in process
- Funds selected are April 30, 2024, fiscal year ends
- Communication from CPA firms regarding required documents to occur on or around January 31
- Procedures to commence on or around March 1

# Current Initiatives (continued)

<b>Cash Management</b>	<ul style="list-style-type: none"><li>• <b>Customer service from Finance/Accounting prioritized to assist with increased inquiries and requests from participant funds as 2025 withdrawals input into the cash management system at State Street</b></li><li>• <b>Working with custodian to obtain reporting on user deletes due to inactivity (over 300 users deleted in 4<sup>th</sup> quarter of 2024 due to inactivity)</b></li></ul>
<b>Valuation and Cost Rule</b>	<b>Calculation set-up to commence</b>
<b>Fiscal Year 2025 Budget</b>	<b>Mid-Year Budget review to be presented at March 14<sup>th</sup> Board Meeting</b>



# Agreed Upon Procedures- Tranche 1

- 30 Funds, received draft findings
- Of the 30 Fund selected (*DRAFT RESULTS*):
  - Funds with no findings or exceptions =4
  - Funds providing all documentation, but exceptions noted = 8
  - Funds not providing all documentation=16
  - Funds providing late documentation, review still in process = 2
- Common Findings (*DRAFT RESULTS*):
  - Minimum contribution requirement not met
  - Required training or training certificates to verify completion not provided
  - Benefit payment calculation differences
  - Contribution calculation differences
  - Audited Financial Statements of the Pension Fund not provided

# Agreed Upon Procedures- Tranche 2

<p>Bartlett Police Pension Fund                      Beardstown Police Pension Fund                      Belvidere Police Pension Fund                      Calumet City Police Pension Fund                      Country Club Hills Police Pension Fund                      Dixon Police Pension Fund                      Dolton Police Pension Fund                      Frankfort Police Pension Fund</p>	<p>Glenwood Police Pension Fund                      Granite City Police Pension Fund                      Harwood Heights Police Pension Fund                      Lake Villa Police Pension Fund                      Lisle Police Pension Fund                      Marengo Police Pension Fund                      Maywood Police Pension Fund                      Minooka Police Pension Fund</p>	<p>Oak Forest Police Pension Fund                      Schaumburg Police Pension Fund                      Sugar Grove Police Pension Fund                      Westmont Police Pension Fund                      Winfield Police Pension Fund                      Worth Police Pension Fund</p>	<p><b>K E B</b></p>
<p>Anna Police Pension Fund                      Bethalto Police Pension Fund                      Benton Police Pension Fund                      Bloomington Police Pension Fund                      Chester Police Pension Fund                      Creve Coeur Police Pension Fund                      East Peoria Police Pension Fund                      Fairview Heights Police Pension Fund</p>	<p>Greenview Police Pension Fund                      Harrisburg Police Pension Fund                      Hoopeston Police Pension Fund                      Kankakee Police Pension Fund                      Lawrenceville Police Pension Fund                      Lincoln Police Pension Fund                      Olney Police Pension Fund                      Robinson Police Pension Fund</p>	<p>Saint Charles Police Pension Fund                      Shiloh Police Pension Fund                      Taylorville Police Pension Fund                      Troy Police Pension Fund                      Wood River Police Pension Fund                      Yorkville Police Pension Fund</p>	<p><b>L &amp; A</b></p>
<p>Algonquin Police Pension Fund                      Burr Ridge Police Pension Fund                      Edwardsville Police Pension Fund                      Elk Grove Police Pension Fund                      Flossmoor Police Pension Fund                      Highwood Police Pension Fund                      Libertyville Police Pension Fund                      Litchfield Police Pension Fund</p>	<p>Marion Police Pension Fund                      Matteson Police Pension Fund                      Morris Police Pension Fund                      Niles Police Pension Fund                      Northbrook Police Pension Fund                      Olympia Fields Police Pension Fund                      Palos Park Police Pension Fund                      Pekin Police Pension Fund</p>	<p>Rantoul Police Pension Fund                      Romeoville Police Pension Fund                      Round Lake Police Pension Fund                      Sterling Police Pension Fund                      West Dundee Police Pension Fund                      Wilmington Pension Fund</p>	<p><b>R S M</b></p>



## **Illinois Police Officers' Pension Investment Fund**

### **Board of Trustees Meeting Minutes**

**Friday, December 13, 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, LaSalle Ballroom, Peoria, IL. 61602. Members of the public were invited to participate remotely or in person.

#### **Members of the 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
- Greg Turk, Deputy Chief Investment Officer
- Barbara Meyer, Investment Officer
- Steve Yoon, Investment Officer
- Amy Zick, Senior Accountant

- Kate Cobb, Administrative Analyst
- Samantha Lambert, Administrative Analyst
- Joe Miller, Information Technologist

**Others Present:**

- Rick Reimer, General Legal Counsel, Reimer, Dobrovlny & Labardi PC
- Taylor Muzzy, Fiduciary Legal Counsel, Jacobs Bums Orlove & Hernandez, LLP
- Tim McEnery, Verus
- Chris Shelby, Verus
- Scott Whalen, Verus
- Kim Shepherd, Shepherd Communications (Zoom)
- William Collins, State Street Bank & Trust
- Brian LeFevre, Sikich CPA LLC
- Megan Holford, Lauterbach & Amen LLP (Zoom)
- Armen Panossian, Oaktree
- Rahav Khanna, Oaktree
- Michael Trefz, Oaktree
- Jack Neumark, Fortress
- Aaron Blanchette, Fortress
- Alex Margolies, Fortress
- Lucy Liu, Fortress
- Danny Kayne, Fortress
- Sudhir Krishnamurthi, Rock Creek
- Matt Bullough, Rock Creek
- Kevin Kelly, Rock Creek
- Sengal Selassie, Brightwood (Zoom)
- Amira Artis, Brightwood
- Delia Roges, Brightwood
- Members of the Public

## 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 10:00 A.M.

## Roll Call

### 2.1- Roll Call: Discussion and Potential Action:

A roll call was conducted. Eight (8) Trustees were present in the meeting room. One (1) Trustee joined via Zoom. A quorum was established with the required number of six (6) Trustees present in the meeting room.

Board of Trustees:

Present:

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

Zoom:

- Brad Cole (Zoom)

All individuals present are reflected in the list of attendees.

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.

A motion was made by Trustee Inman and seconded by Trustee Poulos to allow Trustee Cole to participate in the December 13, 2024, meeting of the Board of Trustees by audio, video, or internet conferencing.

Motion carried by roll call vote.

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

Nays- None

Absent- Trustee Cole

Trustee Cole joined the meeting via Zoom at 10:02 A.M.

## **Board of Trustees**

### 3.1- Board of Trustees Recognition of Trustee Elizabeth Holleb: Discussion and Potential

#### Action:

On January 30, 2020, Governor JB Pritzker appointed the IPOPIF Transition Board of Trustees consisting of nine members in accordance with 40 ILCS 5/22B-115. Elizabeth Holleb was appointed to the Transition Board of Trustees with a term of office from January 2020 through December 2020.

In 2020, Elizabeth Holleb was elected to the first IPOPIF Permanent Board of Trustees representing municipalities with a term of office January 2021 through December 2024. Trustee Holleb did not seek re-election to the Board of Trustees for an additional term.

December 13, 2024, will be the final meeting of the term for Trustee Holleb. The Illinois Police Officers' Pension Investment Fund, the Board of Trustees, the executive team and staff, service providers, and stakeholders appreciate the service of Trustee Holleb and wish her well in her future endeavors.

Trustee Inman exited the meeting at 10:10 A.M.

3.2- Annual Comprehensive Financial Report FY 2024: Discussion and Potential Action:

In accordance with the Pension Code (40 ILCS 5/22B-125): At least annually, the books, records, accounts, and securities of the Fund shall be audited by a certified public accountant selected by the board and conducted in accordance with the rules and procedures promulgated by the Governmental Accounting Standards Board. The audit opinion shall be published as a part of the annual report of the Fund, which shall be submitted to the transferor pension funds and to the Department of Insurance.

Fund staff prepared the Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2024, which includes the financial statements as of and for the years ended June 30, 2024, and 2023. Also included in the ACFR is an Introductory Section, an Investment Section, and a Statistical Section. A final draft of the ACFR was provided to the Board of Trustees for review.

Brian LeFevre, Principal, Sikich CPA LLC, presented to the Board of Trustees. Sikich was engaged to perform the audit of the Fund's financial statements as of and for the year ended June 30, 2024. In addition to their audit opinion included in the ACFR, generally accepted auditing standards require certain matters to be communicated to those charged with governance at the conclusion of the audit. A final draft of the document that communicates these required matters was prepared by Sikich and included in the materials provided. Mr. LeFevre indicated that an unmodified (clean) audit opinion will be issued; there are no audit adjustments and no management comments or recommendations.

Chief Financial Officer (CFO) Tuczak and Mr. LeFevre answered all questions from the Board of Trustees.

A motion was made by Trustee Holleb and seconded by Trustee Bowers to approve the annual comprehensive financial report as of and for the year ended June 30, 2024.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

3.3- Financial and Operational Policies Review: Discussion and Potential Action:

Per the Audit and Budget Committee Policy (PP 2020-09), the Audit & Budget Committee's responsibilities include the following:

*Meet with the Executive Director, Chief Investment Officer, and Chief Financial Officer, at least annually, to discuss the effectiveness of the internal financial and operational control policies and compliance with all financial and regulatory reporting requirements. It is suggested that this annual review be held in conjunction with the review of the Annual Comprehensive Financial Report (ACFR)*

The information is presented to the Board of Trustees in conjunction with the review of the ACFR as an Audit and Budget Committee meeting is not scheduled until the first quarter of calendar 2025.

CFO Tuczak summarized the financial and operational procedures transitioned or assumed by Finance and Accounting operations during Fiscal Year 2024, including the related controls pertaining to these procedures. Compliance with financial and regulatory reporting requirements was also presented in summary.

CFO Tuczak noted that evaluation of the procedures and related internal controls continues to be under review for improvements and efficiencies. Further changes are anticipated as part of the Strategic Plan for Finance and Accounting.

CFO Tuczak answered all questions. No formal action was taken on this item.

3.4- Meeting Minutes- October 18, 2024: Discussion and Potential Action:

Executive Director White presented the Board of Trustees Meeting Minutes from October 18, 2024, to the Board of Trustees and recommended they be approved.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Holleb to approve the Board of Trustees Meeting Minutes from October 18, 2024.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman



3.5- Board of Trustees Closed Session Minutes- June 14, 2024, July 19, 2024, and September 13, 2024: Discussion and Potential Action:

General Legal Counsel Reimer provided the closed session meeting minutes to the Board of Trustees for June 14, 2024, July 19, 2024, and September 13, 2024.

General Legal Counsel Reimer and Executive Director White answered all questions.

Trustee Holleb suggested to the Board of Trustees that the meeting minutes be presented as a summary in the future and not like a transcript.

A motion was made by Trustee Bowers and seconded by Trustee Hopkins to approve the Closed Session Meeting Minutes for June 14, 2024, July 19, 2024, and September 13, 2024.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

A motion was made by Trustee Hopkins and seconded by Trustee Poulos to release the Closed Session Meeting Minutes for June 14, 2024, July 19, 2024, and September 13, 2024.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

3.6- Board of Trustees and Committee Meeting Schedule: Discussion and Potential Action:

Executive Director White presented a revised calendar of Board of Trustee Meeting dates and Committee Meeting dates to the Board of Trustees. The revision that is being presented today is to re-schedule Committee Meetings from February 7, 2025, to March 14, 2025.

Executive Director White answered all questions.

A motion was made by Trustee Bowers and seconded by Trustee Hopkins to approve the revision to the Board of Trustees 2025 Meeting Schedule to re-schedule the February 7, 2025, Committee Meetings to March 14, 2025.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

## **Administration**

### 4.1 Governmental Liaison Report

This item was not addressed.

### 4.2- Retainer Agreement- Jacobs, Burns, Orlove, & Hernandez, LLP: Discussion and Potential Action:

The Board of Trustees retained the services of Jacobs, Burns, Orlove & Hernandez, LLP (JBOH) to perform fiduciary legal counsel duties to the IPOPIF. These services have been provided since 2021 and were originally retained by the Board of Trustees via the RFP process.

The retainer agreement is on a calendar year basis and the 2025 retainer agreement is presented for Board approval. There are no changes, or fee increases in the new retainer agreement.

IPOPIF Investment and Administrative Executive Team are very pleased with the services provided by JBOH and support the extension of the services agreement.

Executive Director White answered all questions from the Board of Trustees.

A motion was made by Trustee Swanlund and seconded by Trustee Hopkins to approve the Attorney Retainer Agreement with Jacobs, Burns, Orlove & Hernandez, LLP (JBOH) and authorize the Executive Director to execute the agreement.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

4.3- Professional Services Agreement- Lake Forest Bank & Trust: Discussion and Potential Action:

The IPOPIF and the Lake Forest Bank & Trust (Wintrust Community Bank) entered into a Professional Services Agreement (PSA) to provide the Fund with commercial banking services which were retained after the RFP process on May 8, 2020. The initial agreement was for a two-year period beginning on June 1, 2020, through May 31, 2022. The PSA also provided for a renewal option for an additional two-year period terminating on May 31, 2024.

The Fund and the LFBT communicated regarding the expiration and an extension of the PSA was executed on November 19, 2024, with a term of June 1, 2024, through May 31, 2026, under the same terms that are presently contained in the current Agreement, except for one change to the current interest rate of 0.10% which will be converted to an Earnings Credit Rate of 0.30% on deposits which minimally impacts the Fund due to the low balances kept in these accounts. Consistent with the initial agreement, the extension allows for termination with 30 days written notice.

This extension was important to allow for the continuation of banking services to the Fund and was reviewed by the General Legal Counsel and Chief Financial Officer during this process.

A motion was made by Trustee Hopkins and seconded by Trustee Poulos to approve a one-time exemption to the Purchasing and Professional Services Contracting Policy (PP-2020-11) Section E-6 Length of Contracts to provide for the Lake Forest Bank and Trust Company contract to extend for a six-year period through 2026.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

4.4- IPOPIF Employee Handbook: Discussion and Potential Action:

Executive Director White presented the Board of Trustees with revisions to the IPOPIF Employee Handbook sections regarding the Illinois Personnel Records Review Act, and the Illinois Human Rights Act.

Fiduciary Legal Counsel Muzzy reviewed all documents before submission to the Board of Trustees.

Executive Director White answered all questions.

A motion was made by Trustee Hopkins and seconded by Trustee Poulos to approve the Employee Handbook, revised as of January 1, 2025.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustee Inman

4.5- Manager of External Affairs and Communications- Job Description: Discussion and Potential Action:

Executive Director White presented to the Board of Trustees a new position for a Manager of External Affairs and Communication.

This position is a new position for IPOPIF. This position would be responsible for more “client service” contacts with our stakeholders and increased external communications for the Fund which would include proactive outreach, communication, and contacts with the Article 3 police pension funds including regular meetings with the Board members at their individual meetings and at group events where these members attend to communicate about the Fund, respond to questions, and generally build upon the trust and accountability between the IPOPIF and our stakeholders.

This role would assume many of the commitments that the Executive Director, Chief Financial Officer, and Chief Investment Officer performed during the transition period which translates to a more efficient use of time and resources for the executive team. This approach is more proactive and cost-efficient for the Fund in continuing our marketing and communication efforts.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Hopkins to approve the Manager of External Affairs and Communication job description, the salary compensation range for Manager of External Affairs and Communication, the addition of Manager of External Affairs and Communication as a full-time position and delete the Communication

Specialist position to the Fiscal Year 2025 annual budget, from February 2025 through June 2025.

Motion carried by roll call vote.

Ayes- Trustees Suess, Swanlund, Catavu, Poulos, Bowers, Hopkins,

Nayes- Holleb and Cole

Absent- Trustee Inman

4.6- Administration and Operations Update: Discussion and Potential Action:

Executive Director White briefed the Board of Trustees on current and upcoming events

Executive Director White answered all questions.

**Finance**

5.1- Monthly Financial Reports: Discussion and Potential Action:

CFO Tuczak explained the delay in the issuance of the October 2024 Financial Statements to the Board of Trustees, due to the Tranche 14 transition of Article 3 funds effective October 1, 2024. No action was taken on this item.

5.2- Warrants: Discussion and Potential Action

5.2.1- Warrant #2025-05: Discussion and Potential Action:

CFO Tuczak presented Warrant #2025-05 to the Board of Trustees and recommended approval.

CFO Tuczak answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Bowers to approve Warrant #2025-05.

Motion carried by roll call vote.

Ayes- Trustees Suess, Catavu, Poulos, Bowers, Hopkins, Holleb

Nayes- Trustee Cole

Absent- Trustee Inman and Swanlund

5.2.2- Warrant #2025-06: Discussion and Potential Action:

CFO Tuczak presented Warrant #2025-06 to the Board of Trustees and recommended approval.

CFO Tuczak answered all questions.

A motion was made by Trustee Bowers and seconded by Trustee Hopkins to approve Warrant #2025-06.

Motion carried by roll call vote.

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

Nayes- Trustee Cole

Absent- Trustee Inman

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

CFO Tuczak presented a finance and accounting update to the Board of Trustees, noting the Agreed-Upon Procedures for /Tranche 1 of the Article 3 Funds included 30 participating funds. Procedures began on October 1 and concluded on November 30. Twenty-eight of those funds were responsive and submitted some or all requested materials.

Tranche 2 is scheduled to begin in January of 2025, with approximately sixty Pension Funds to be selected. CFO Tuczak also noted that with the conclusion of the external audit and communication of the audit results, the Annual Comprehensive Financial Report will be distributed to the Illinois Department of Insurance and the Board of Trustees.

CFO Tuczak answered all questions.

**Investments**

7.3- Verus Quarterly Report- 3Q2024: Discussion and Potential Action:

Tim McEnery, Verus, and Scott Whalen, Verus, presented the third quarter investment performance review report to the Board of Trustees as of September 30, 2024.

Mr. Whalen, and Mr. McEnery answered all questions.

Trustee Cole exited the meeting at 11:21 A.M.

7.4- Investment Update Report: Discussion and Potential Action:

Chief Investment Officer (CIO) Custer provided an investment update including performance, value growth, funding & rebalancing, asset allocation, and cash flow.

Mr. Custer discussed two investment operations issues. Staff is working on an update to the Cash Management Policy to delete provisions relating to participant fund cash forecasting. Based on cash flow experience and portfolio liquidity, there would be minimal value in the forecasting process. IPOPIF staff is also evaluating custody structure and reporting options to optimize the incorporation of investments that report on a lagged basis vs. daily.

CIO Custer answered all questions.

7.5- Investment Manager Database Subscription Renewal: Discussion and Potential Action:

CIO Custer reviewed staff's request to renew the eVestment database subscription for three years. The contract price is \$38,245 for 2025, with options for two extensions with 3% price increases.

CIO Custer answered all questions.

A motion was made by Trustee Hopkins and seconded by Trustee Bowers to approve a new three-year subscription to the eVestment database as a sole-source procurement.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustees Inman and Cole

6.0- Lunch Break

A motion was made by Trustee Bowers and seconded by Trustee Hopkins to recess for lunch.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustees Inman, and Cole

Lunch recess at 11:47 A.M.

A motion was made by Trustee Poulos and seconded by Trustee Hopkins to reconvene general session.

Motion carried by roll call vote.

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

Nays- None

Absent- Trustees Inman, and Cole

General Session reconvened at 12:32 P.M.

7.1- Investment Custodian Review: Discussion and Potential Action:

Chief Investment Officer Custer discussed the services and performance of the investment custodian, State Street Bank and Trust (SSBT). He then introduced William Collins, SSBT VP and Relationship Manager, who made a presentation to the Board of Trustees covering the SSBT organization, service offerings, and technology and performance improvement initiative.

Mr. Collins, CIO Custer, and CFO Tuczak answered all questions.

7.2- Private Credit Interviews and Manager Selection: Discussion and Potential Action:

Investment Officer Yoon and Verus Consultant Chris Shelby briefed the Board of Trustees regarding the Private Credit asset class, the investment manager search process, and the agenda for the Board interview.

At 1:19 P.M. Armen Panossian, Raghav Khanna, and Michael Trefz from Oaktree presented to the Board of Trustees. Upon conclusion, they answered all questions.

At 1:58 P.M. Alex Margolies, Lucy Liu, Jack Neumark, Danny Kayne, and Aaron Blanchette from Fortress presented to the Board of Trustees. Upon conclusion, they answered all questions.

At 2:35 P.M. Sudhir Krishnamurthi, Matt Bullough, and Kevin Kelly from Rock Creek presented to the Board of Trustees. Upon conclusion, they answered all questions.

At 2:57 P.M. Sengal Selassie, Amira Artis, and Delia Roges from Brightwood presented to the Board of Trustees. Upon conclusion, they answered all questions.



A motion was made by Trustee Hopkins and seconded by Trustee Holleb to approve a 3% commitment to a customized private credit platform to be managed by Oaktree Capital Management, L.P. This commitment would equate to approximately \$390 million based on IPOPIF total fund value of \$13 billion.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustees Cole and Inman

7.6- Private Markets Consultant Search Update: Planning: Discussion and Potential Action:

CIO Custer and Deputy CIO (DCIO) Turk provided an update regarding the search for a Private Markets Consultant.

CIO Custer and DCIO Turk answered all questions.

The Board discussion indicated a desire for the Board to interview the same high caliber firms interviewed by staff including Albourne, Callan, Verus, and Wilshire.

A motion was made by Trustee Hopkins and seconded by Trustee Bowers to invite Albourne, Callan, Verus, and Wilshire to interview at the Board of Trustees meeting in January for final selection by the Board.

Motion carried by roll call vote.

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

Nayes- None

Absent- Trustees Cole and Inman

**General Legal Counsel**

8.1- General Legal Counsel Report: Discussion and Potential Action:

Rick Reimer, General Legal Counsel, did not have a report to the Board of Trustees.

**Fiduciary Legal Counsel**

9.1- Fiduciary Legal Counsel Report: Discussion and Potential Action:

Taylor Muzzy, Fiduciary Legal Counsel, did not have a report to the Board of Trustees.

## **Public Comment**

### 10.0- Public Comment:

An opportunity for public comment was provided at 3:44 P.M. No comments were heard, and no discussion was provided.

## **Adjournment**

### 12.0- Adjournment:

A motion was made by Trustee Holleb and seconded by Trustee Bowers to adjourn the Board of Trustees Meeting.

Motion carried by a roll call vote.

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

Nays- None

Absent- Trustees Cole and Inman

Meeting adjourned at 3:45 P.M.

Respectfully submitted by:

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Kate Cobb, Administrative Analyst

Approved by:

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Phil Suess, Chairperson, Board of Trustees

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Lee Catavu, Secretary, Board of Trustees

Date Approved by the Board of Trustees: January 24, 2025

DRAFT

**STRATEGIC  
PLAN  
2024 – 2026**



**Illinois Police Officers'  
Pension Investment Fund**

**4th QUARTER – 2024  
STRATEGIC PLAN REPORT  
BOARD OF TRUSTEES  
JANUARY 24, 2025**

# VISION, MISSION, AND CORE VALUES



**VISION:** To be a high performing and trusted provider of institutional investment services to our members, beneficiaries, employers, and taxpayers.



**MISSION:** Build and maintain the long-term stability of the investment fund to enable our partners to meet financial obligations and fund pension benefits for participants and beneficiaries.



**CORE VALUES:**  
Accountability  
Stewardship  
Excellence  
Trust  
Respect

# STRATEGIC GOALS



- **INVESTMENT**
  - Generate net returns that exceed the assumed actuarial rate of return
- **GOVERNANCE**
  - Ensure good governance by implementing best practices for accountability and transparency
- **MANAGEMENT**
  - Effectively and efficiently administer the funds to achieve desired results
- **STAKEHOLDER RELATIONS**
  - Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.

# OBJECTIVES



### INVESTMENT

- Review and revise the asset allocation and Investment Policy Statement
- Develop investment plans for private market asset classes
- Conduct investment manager searches
- Develop compliance monitoring and reporting framework
- Expand investment communications
- Resolve non-transferable assets



### GOVERNANCE

- Good governance policy and procedures
- Enhance effectiveness of the Board and Organization



### MANAGEMENT

- Determine desired outputs and services of finance and accounting
- Develop, design, and document internal controls, policies and procedures to support outputs and services pertaining to finance and accounting operations
- Evaluate current resources and long-term needs to support outputs and services of the finance and accounting operations
- Implement the information technology roadmap to align technology with best practices and team resources to achieve organizational goals
- Complete the human resources plan to assess people, benefits, succession planning needs to support IPOPIF and regulatory requirements



### STAKEHOLDER RELATIONS

- Effectively provide information to participating pension funds, participants and beneficiaries, municipalities, and other stakeholders

# STRATEGIC PLANNING FLOW CHART



## DEVELOPMENT

STRATEGIC PLAN APPROVED ANNUALLY BY BOARD OF TRUSTEES  
MISSION, VISION, VALUES, STRATEGIC GOALS AND OBJECTIVES  
CONNECTED TO THE OVERALL SUCCESSFUL LEADERSHIP, OVERSIGHT AND ACHIEVEMENT OF THE FUND



## MONITORING

QUARTERLY REVIEWS BY BOARD OF TRUSTEES  
REPORTING ON THE OBJECTIVES' PROGRESS AND WHO IS RESPONSIBLE FOR THE IMPLEMENTATION  
CONNECTED TO THE BUDGET DEVELOPMENT AND APPROVAL PROCESS



## IMPLEMENTATION

REGULAR PROGRESS REPORTS TO BOARD OF TRUSTEES  
ACTION STEPS BY EXECUTIVE STAFF AND IPOPIF TEAM TO ACHIEVE GOALS AND OBJECTIVES  
CONNECTED TO PERFORMANCE EVALUATION OF EXECUTIVE DIRECTOR AND CHIEF INVESTMENT OFFICER



STRATEGIC PLAN  
2024 – 2026

STATUS AND  
DELIVERABLES



**Illinois Police Officers'  
Pension Investment Fund**

# STRATEGIC PLAN FOURTH QUARTER 2024 CURRENT DASHBOARD: ALL OBJECTIVES

IPOPIF Strategic Plan Dashboard				
	PRIOR STATUS	CURRENT STATUS	TIMELINE	RESPONSIBLE PARTY
<b>GOAL 1 - INVESTMENTS:</b> Generate net returns that exceed the assumed actuarial rate of return.				
1				
1.1	COMPLETE	ON TRACK	2025-1st Q	Kent Custer
1.2	AT RISK	ON TRACK	2025-2nd Q	Kent Custer
1.3	ON TRACK	ON TRACK	Variable	Kent Custer
1.4	ON TRACK	DELAYED	2025-4th Q	Kent Custer
1.5	ON TRACK	COMPLETE	2024- 4th Q	Kent Custer
1.6	ON TRACK	SLOW	2025-4th Q	Kent Custer
1.7	NEW	NEW GOAL	Variable 2025-2027	Kent Custer
<b>GOAL 2 - GOVERNANCE:</b> Ensure good governance by implementing best practices for accountability and transparency.				
2				
2.1	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White
2.2	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White
<b>GOAL 3 - MANAGEMENT:</b> Effectively and efficiently administer the fund to achieve desired results.				
3				
3.1	ON TRACK	DELAYED	2025-2nd Q	Regina Tuczak
3.2	ON TRACK	ON TRACK	TBD	Regina Tuczak
3.3	ON TRACK	ON TRACK	TBD	Regina Tuczak
3.4	ON TRACK	ON TRACK	2025-2nd Q	Richard White
3.5	ON TRACK	ON TRACK	2025- 2nd Q	Richard White
<b>GOAL 4: STAKEHOLDER RELATIONS:</b> Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.				
4.1	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White

# INVESTMENTS - DASHBOARD

Goal: Generate net returns that exceed the assumed actuarial rate of return.

	PRIOR STATUS	CURRENT STATUS	TIMELINE	RESPONSIBLE PARTY
<b>GOAL 1 - INVESTMENTS:</b> Generate net returns that exceed the assumed actuarial rate of return.				
1				
1.1	COMPLETE	ON TRACK	2025-1st Q	Kent Custer
1.2	AT RISK	ON TRACK	2025-2nd Q	Kent Custer
1.3	ON TRACK	ON TRACK	Variable	Kent Custer
1.4	ON TRACK	DELAYED	2025-4th Q	Kent Custer
1.5	ON TRACK	COMPLETE	2024- 4th Q	Kent Custer
1.6	ON TRACK	SLOW	2025-4th Q	Kent Custer
1.7	NEW	NEW GOAL	Variable 2025-2027	Kent Custer

# INVESTMENTS - DELIVERABLES

Goal: Generate net returns that exceed the assumed actuarial rate of return.

## GOAL 1 - INVESTMENTS: Generate net returns that exceed the assumed actuarial rate of return.

1.1

Investment Policy Statement and Asset Allocation completed for Fiscal Year 2024

1.2

Board of Trustees approved Private Market Consultant Finalists

1.3

Board of Trustees approved retaining two active investment managers for Emerging Markets ex-China strategy

1.3

Board of Trustees approved retaining one active investment manager for Private Credit investments.

1.3

Emerging Market Debt (EMD) Manager Funding

# GOVERNANCE - DASHBOARD

Goal: Ensure good governance by implementing best practices for accountability and transparency

	PRIOR STATUS	CURRENT STATUS	TIMELINE	RESPONSIBLE PARTY
<b>2</b> <b>GOAL 2 - GOVERNANCE:</b> Ensure good governance by implementing best practices for accountability and transparency.				
2.1 Good governance policy and procedures	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White
2.2 Enhance effectiveness of the Board and Organization	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White

# GOVERNANCE - DELIVERABLES

Goal: Ensure good governance by implementing best practices for accountability and transparency

**GOAL 2 - GOVERNANCE:** Ensure good governance by implementing best practices for accountability and transparency.

2.1

Continued development of objectives were worked on this quarter

2.2

Continued development of objectives were worked on this quarter

# MANAGEMENT – DASHBOARD

Goal: Effectively and efficiently administer the fund to achieve desired results

	PRIOR STATUS	CURRENT STATUS	TIMELINE	RESPONSIBLE PARTY
<b>GOAL 3 - MANAGEMENT:</b> Effectively and efficiently administer the fund to achieve desired results.				
3				
3.1 Determine desired outputs and services of finance and accounting operations	ON TRACK	DELAYED	2025-2nd Q	Regina Tuczak
Develop, design and document internal controls, policies and procedures to support outputs and services pertaining to finance and accounting operations		ON TRACK	TBD	
3.2	ON TRACK			Regina Tuczak
Evaluate current resources and long-term needs to support outputs and services of the finance and accounting operations		ON TRACK	TBD	
3.3	ON TRACK			Regina Tuczak
Implement the information technology roadmap to align technology with best practices and team resources to achieve organizational goals		ON TRACK	2025-2nd Q	
3.4	ON TRACK			Richard White
Complete the human resources plan to assess people, benefits, succession planning needs to support IPOPIF and regulatory requirements		ON TRACK	2025- 2nd Q	
3.5	ON TRACK			Richard White

# MANAGEMENT - DELIVERABLES

Goal: Effectively and efficiently administer the fund to achieve desired results

## GOAL 3 - MANAGEMENT: Effectively and efficiently administer the fund to achieve desired results.

- 3.1 Oversee Agreed Upon Procedures of Article 3 Police Pension Funds, Tranche 1.
- 3.1 Oversight of receipt of 30 draft AUP reports from the outsourced CPA firms.
- 3.1 Onboarding and verification of Tranche 14 Article 3 Police Pension Funds into the Cash Management System.
- 3.2 Board of Trustees approved the Annual Comprehensive Financial Report for Fiscal Year 2024, noting an unmodified audit opinion (clean opinion), no audit findings, adjustments or management comments from the external auditor.
- 3.2 Developed cash management log documenting user matters.
- 3.3 Hired in December a Senior Accountant/Auditor.
- 3.4 Continued development of objectives were worked on this quarter
- 3.5 Continued development of objectives were worked on this quarter



# STAKEHOLDER RELATIONS - DASHBOARD

Goal: Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.

	PRIOR STATUS	CURRENT STATUS	TIMELINE	RESPONSIBLE PARTY
<b>GOAL 4: STAKEHOLDER RELATIONS:</b> Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.				
4.1 Effectively provide information to participating pension funds, participants and beneficiaries, municipalities, and other stakeholders	ON TRACK	ON TRACK	2025 - 2nd Q	Richard White

# STAKEHOLDER RELATIONS - DELIVERABLES

Goal: Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.

**GOAL 4: STAKEHOLDER RELATIONS:** Maintain constructive communication and partnerships with employers, participating police pension funds, their participants, and beneficiaries.

4.1

Regional Stakeholder Meeting presentation by Executive Director White, Chief Investment Officer Custer, and Chief Financial Officer Tuczak was conducted on October 23, 2024 in Rockford.

4.1

Executive Director White participated in a panel discussion about Private Credit Investing at the NCPERS Advanced Trustee Studies Program on October 27, 2024.

4.1

Chief Financial Officer Tuczak presented about the IPOPIF to the IPFA Pension Seminar on November 1, 2024.

4.1

Newsletters were published and distributed to stakeholders.

4.1

Final Report on the Statutory Transition Period was published and distributed.

# STRATEGIC PLAN – OTHER DELIVERABLES

## 5. OTHER ACCOMPLISHMENTS: Not specifically attributed to a specific goal and objective

- 5 Board of Trustees received the Strategic Plan review of accomplishments and deliverables for Quarters Two and Three
- 5 The initial tranche of the Agreed Upon Procedures process to review Article 3 police pension funds began.
  
- 5 Final tranche of assets transferred to the consolidated trust fund occurred on October 1 2024 with 18 funds participating and over \$1.6 billion transferred.
- 5 Executive Director White, Chief Investment Officer Custer, and Chief Financial Officer Tuczak met with Trustee Debra Nawrocki for new trustee orientation sessions.

**STRATEGIC PLAN  
2024 – 2026**

**CALENDAR AND  
REPORTING**



**Illinois Police Officers'  
Pension Investment Fund**

# STRATEGIC PLAN CALENDAR

DAY	DATE	DELIVERABLE
FRIDAY	JANUARY 24, 2025	Quarterly Report
FRIDAY	MARCH 14, 2025	Board of Trustees Annual Review

**STRATEGIC  
PLAN  
2024 – 2026**

**QUESTIONS  
AND  
DISCUSSION**



**Illinois Police Officers'  
Pension Investment Fund**

**BOARD OF TRUSTEES  
JANUARY 24, 2025**



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 8.3 Board of Trustees Nomination and Election of Officers  
DATE: JANUARY 24, 2025

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### DISCUSSION:

The IPOPIF By Laws set forth that the Annual Meeting of the Board “shall be the first regular meeting held in the calendar year, unless otherwise agreed upon by the Board.” The Board of Trustees has previously held the election for the Board Officers at this annual meeting, which per the By Laws Section 301 are the Chairperson, Vice Chairperson, and Secretary:

**§302 Duties of the Chairperson.** The Chairperson shall preside over all functions and duties of the Board, unless such functions or duties are specifically delegated to other Trustees, employees, or agents of the Board. The Chairperson shall preside over all meetings of the Board and may execute all orders, certificates, and other documents necessary to carry out the affairs and activities of the Board.

The Pension Code mandates that the Board of Trustees shall select a Chairperson of the Board of Trustees from “among the trustees” for a term of 2 years and that the Chairperson shall alternate between a trustee from the Municipal or Appointed trustees and the Participant or Beneficiary trustees.

**§303 Duties of the Vice-Chairperson.** The Vice-Chairperson shall perform the functions and duties of the Chairperson during any vacancy in that office or during any such time the Chairperson is unable to perform his or her duties. The Vice-Chairperson shall serve as Chairperson at any meeting of the Board in the absence of the Chairperson.

**§304 Duties of the Secretary.** The Secretary shall perform the following duties and functions: (1) be the custodian of all Board records, minutes of the meetings, and documentation; (2) record the minutes of all regular, special, and emergency meetings of the Board; (3) execute any and all documents on behalf of the Board; (4) certify the authenticity of all resolutions or documents of the Board; and (5) perform all other duties necessary to the administration of the Board. The Board may retain an independent contractor/vendor to perform some or all of these duties.

The election of the Board Officers requires a simple majority vote of the trustees present (Section 208).



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

TO: IPOP BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 8.3.1 CHAIRPERSON of the BOARD OF TRUSTEES (40 ILCS 5/22B-115(b))  
DATE: JANUARY 24, 2025

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**RECOMMENDATION:** Motion to elect Trustee \_\_\_\_\_ to serve as the Chairperson of the Board of Trustees for the two-year term of office effective January 24, 2025.

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### **DISCUSSION:**

The Pension Code mandates that the Board of Trustees shall select a Chairperson of the Board of Trustees from “among the trustees” for a term of 2 years and that the Chairperson shall alternate between a trustee from the Municipal or Appointed trustees and the Participant or Beneficiary trustees.

Trustee Phil Suess (Municipal Trustee) was elected as Chairperson in February 2023 and will complete the term of office at this meeting. The Chairperson elected by the Board of Trustees at this meeting shall be either a Participant or Beneficiary Trustee and will serve through the January 2027 meeting.

The election of the Chairperson requires a simple majority vote of the trustees present.

Eligible trustees to serve as Chairperson are:

- Participant Trustees
  - Scott Bowers
  - Lee Catavu
  - Paul Swanlund
- Beneficiary Trustees
  - Daniel Hopkins
  - Mark Poulos





# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

TO: IPOP BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 8.3.2 VICE CHAIRPERSON of the BOARD OF TRUSTEES  
DATE: JANUARY 24, 2025

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**RECOMMENDATION:** Motion to elect Trustee \_\_\_\_\_ to serve as the Vice Chairperson of the Board of Trustees for the two-year term of office effective January 24, 2025.

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### **DISCUSSION:**

The Fund By Laws require that Board of Trustees shall have officers of the Board that includes a Vice Chairperson who shall be elected at the annual meeting and serve a two-year term of office.

The Vice Chairperson elected by the Board of Trustees will serve through the January 2027 meeting. The election of the Vice Chairperson requires a simple majority vote of the trustees present.

All members of the Board of Trustees are eligible to serve as Vice Chairperson.



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 8.3.3 SECRETARY of the BOARD OF TRUSTEES  
DATE: JANUARY 24, 2025

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**RECOMMENDATION:** Motion to elect Trustee \_\_\_\_\_ to serve as the Secretary of the Board of Trustees for the two-year term of office effective January 24, 2025.

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### **DISCUSSION:**

The Fund By Laws require that Board of Trustees shall have officers of the Board that includes a Secretary who shall be elected at the annual meeting and serve a two-year term of office.

The Secretary elected by the Board of Trustees will serve through the January 2027 meeting. The election of the Secretary requires a simple majority vote of the trustees present.

All members of the Board of Trustees are eligible to serve as Secretary.



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

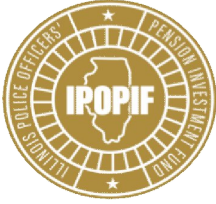
## MEMORANDUM

TO: IPOPIF BOARD OF TRUSTEES  
FROM: RICHARD WHITE, EXECUTIVE DIRECTOR  
RE: Item 8.4 APPOINTMENT OF COMMITTEES  
DATE: JANUARY 24, 2025

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### RECOMMENDATIONS:

1. Motion to appoint Trustees Hopkins, *Nawrocki*, Suess, and Swanlund as members of the **Audit and Budget Committee** for a one-year term and to designate Trustee \_\_\_\_\_ as the Chairperson.
  2. Motion to appoint Trustees Bowers, Inman, *Nawrocki*, and Poulos as members of the **Contract Committee** for a one-year term and to designate Trustee \_\_\_\_\_ as the Chairperson.
  3. Motion to appoint Trustees Catavu, *Cole*, Hopkins, and Suess as members of the **Election Committee** for a one-year term and to designate Trustee \_\_\_\_\_ as the Chairperson.
  4. Motion to appoint Trustees Bowers, Inman, Poulos, and Suess as members of the **Governance Committee** for a one-year term and to designate Trustee \_\_\_\_\_ as the Chairperson.
  5. Motion to appoint Trustees Catavu, *Cole*, *Nawrocki*, and Swanlund as members of the **Legislative Committee** for a one-year term and to designate Trustee \_\_\_\_\_ as the Chairperson.
-



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

**DISCUSSION:**

The Board of Trustees may appoint one or more committees, as provided for in Section 309 of the By Laws, with each committee having at least three Trustees as members. Each committee shall have at least one member appointed from the participant or beneficiary Trustees and one member appointed from the municipal or appointed Trustees. The Chairperson of the Board of Trustees may appoint at least one Trustee.

The Chairperson shall designate one of the Committee members to serve as the Committee Chairperson.

The Board of Trustees last designated committees and members in April 2024 with four members per committee, with two members from the Participant/Beneficiary group and two members from the Municipal/Appointed group. (See List Below)

In advance of this meeting, the Board of Trustees were surveyed regarding the assignment of committees. Trustee Cole noted his preference to continue to serve on the Election and Legislative Committees. Trustee Nawrocki noted that she could continue to serve on those committees which Trustee Holleb had previously been a member of, if this was the assumption of the Board, but noted that Trustee Holleb was the Chairperson of the Contract Committee, and she would be comfortable if another Chairperson was selected at this time due to her new tenure as a Trustee.

The following proposed Committee assignments reflect the last designated committee assignments, and the responses received to the recent survey.

The Board of Trustees may appoint committees for a one-year term of office at this meeting and the Chairperson shall designate the committee chairperson from those committees.

**PROPOSED 2025 COMMITTEE ASSIGNMENTS**

	<b>Audit &amp; Budget</b>	<b>Contract</b>	<b>Election</b>	<b>Governance</b>	<b>Legislative</b>
<b>TRUSTEES</b>					
Bowers		Bowers		Bowers	
Catavu			Catavu		Catavu
Cole			Cole		Cole
Hopkins	Hopkins		Hopkins		
Inman		Inman		Inman	
Nawrocki	Nawrocki	Nawrocki			Nawrocki
Poulos		Poulos		Poulos	
Suess	Suess		Suess	Suess	
Swanlund	Swanlund				Swanlund



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## **COMMITTEE ASSIGNMENTS, AS OF APRIL 2024** **AUDIT AND BUDGET COMMITTEE**

Members: Trustees Holleb, Hopkins, Suess, and Swanlund

Chairperson: Trustee Swanlund

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## **CONTRACT COMMITTEE**

Members: Trustees Bowers, Holleb, Inman and Poulos

Chairperson: Trustee Holleb

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## **ELECTION COMMITTEE**

Members: Trustees Catavu, Cole, Hopkins, and Suess,

Chairperson: Trustee Hopkins

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## **GOVERNANCE COMMITTEE**

Members: Trustees Bowers, Inman, Poulos, and Suess

Chairperson: Trustee Suess

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## **LEGISLATIVE COMMITTEE**

Members: Trustees Catavu, Cole, Holleb, and Swanlund

Chairperson: Trustee Catavu

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# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

**TO: IPOPIF BOARD OF TRUSTEES**  
**FROM: RICHARD WHITE, EXECUTIVE DIRECTOR**  
**RE: GENERAL LEGAL COUNSEL REPORT**  
**DATE: JANUARY 24, 2025**

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**Recommended action:** Receive report. No formal action is required.

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General Legal Counsel Rick Reimer will provide a verbal report to the Board of Trustees. No written materials are provided for this report.



# ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

## MEMORANDUM

**TO: IPOPIF BOARD OF TRUSTEES**  
**FROM: RICHARD WHITE, EXECUTIVE DIRECTOR**  
**RE: FIDUCIARY LEGAL COUNSEL REPORT**  
**DATE: JANUARY 24, 2025**

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**Recommended action:** Receive report. No formal action is required.

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Fiduciary Legal Counsel Taylor Muzzy will provide a verbal report to the Board of Trustees. No written materials are provided for this report.