

Investment Update
Thursday, November 10, 2022

Transfer Schedule

Tranche #	Transfer Date	Number of Funds		\$ millions	
		Tranche	Total	Tranche	Total
1	March 1, 2022	14	14	220	220
2	April 1, 2022	18	32	443	663
3	May 2, 2022	14	46	354	1,017
4	June 1, 2022	27	73	770	1,787
5	June 24, 2022	45	118	1,268	3,055
6	August 1, 2022	36	154	1,463	4,518
7	September 1, 2022	62	216	1,893	6,411
8	October 3, 2022	54	270	928	7,340
9	November 1, 2022	36	306	389	7,729
10	December 1, 2022	18	324	624	8,352
DNT	Did Not Transfer	18	342	239	8,591
LIT	litigation plaintiffs	15	357	1,233	9,824

As of 11/9/22

Transfer Status Update

- Tranche-8 (10/3/22) reconciliation delivered to 40 funds on 11/2/22
 - Three reconciliations were preliminary subject to receipt of remaining assets.
 - 14 reconciliations are pending asset receipt or information
- Tranche-9 (11/1/22) transfer in process
 - 36 funds, ~\$389 million
- Tranche-10 (12/1/22) asset certification in process
 - 14 funds assigned, 7 on track as of Monday morning
- Outstanding prior tranche issues

Tranche	Date	# funds	Value \$M
2	April 1	1	\$16 M
5	June 24	3	\$18 M
6	August 1	2	\$5 M
7	September 1	8	\$211 M
8	October 3	12	\$164 M
Total		26	\$414 M

Status	# funds	Value \$M
No assets delivered	8	\$159 M
Partial assets delivered	15	\$236 M
All assets delivered*	4	\$19 M
Total	27	\$414 M

Funds Not Scheduled to Transfer

Litigants (15)
ARLINGTON HEIGHTS
AURORA
CHAMPAIGN
CHICAGO HEIGHTS
CHICAGO RIDGE
DEKALB
ELGIN
ELMHURST
EVANSTON
MOKENA
PALOS HEIGHTS
RANTOUL
VILLA PARK
WOOD DALE
WOODRIDGE

Did Not Transfer (18)
CALUMET PARK
CICERO
CRESTWOOD
EAST ST LOUIS
FAIRVIEW HEIGHTS
GLEN CARBON
GLENWOOD
HARVEY
LASALLE
MARYVILLE
METROPOLIS
MONTICELLO
PERU
ROBBINS
SOUTH CHICAGO HEIGHTS
STONE PARK
VENICE
WASHINGTON PARK

As of 11/9/22

Future Transfers

- IPOPIF Transition Period ends 12/31/22
- 33 Non-transferring Funds as of 11/9/22
 - Litigants: 15 funds, \$1.2 billion
 - Did Not Transfer: 18 funds, \$239 million
- No additional transfer dates are scheduled
- Will evaluate future transfers case by case
 - Default will be to accept cash only due to cost and complexity of transition management
 - Resolution of litigation may provide opportunity to utilize transition management

Participant Fund Cash Transactions

eCFM Summary

Access as of	Oct. 4	Nov. 3
Funds	119	140
Users	312	399
Contributions	Sept.	Oct.
# Transactions	15	12
Value \$M	12.8	11.8
Withdrawals	Sept.	Oct.
# Transactions	1	8
Value \$M	0.25	0.89

Recent transaction detail is shown to the right to provide additional perspective.

Date	Type	Amount
9/6/22	Contribution	1,170,102.66
9/6/22	Contribution	872,438.55
9/15/22	Withdrawal	250,000.00
9/15/22	Contribution	235,000.00
9/22/22	Contribution	250,000.00
9/23/22	Contribution	382,036.73
9/23/22	Contribution	468,450.92
9/23/22	Contribution	5,613,364.92
9/23/22	Contribution	349,063.62
9/23/22	Contribution	108,812.00
9/27/22	Contribution	1,700,000.00
9/28/22	Contribution	529,500.00
9/28/22	Contribution	366,278.89
9/28/22	Contribution	12,424.26
9/28/22	Contribution	130,045.62
9/30/22	Contribution	650,000.00
10/4/22	Contribution	5,000.00
10/14/22	Withdrawal	250,000.00
10/17/22	Contribution	100,000.00
10/18/22	Contribution	265,000.00
10/21/22	Withdrawal	5,000.00
10/21/22	Withdrawal	100.00
10/21/22	Withdrawal	50.00
10/21/22	Contribution	548,496.49
10/21/22	Contribution	1,000,000.00
10/21/22	Contribution	50.00
10/24/22	Contribution	5,613,364.92
10/25/22	Withdrawal	85,000.00
10/25/22	Withdrawal	5,000.00
10/25/22	Contribution	350,000.00
10/25/22	Contribution	103,000.00
10/25/22	Withdrawal	100.00
10/26/22	Contribution	1,000,000.00
10/27/22	Withdrawal	549,000.00
10/28/22	Contribution	1,700,000.00
10/31/22	Contribution	1,143,401.10

Performance Summary

Overall¹	March	2Q22	July⁴	August⁴	Sept.⁴
Overall ¹	0.5%	-9.7%	4.3%	-2.8%	-6.7%
Investment Pool	-	-10.4%	4.7%	-2.7%	-6.6%
Policy Benchmark ²	0.5%	-10.4%	4.3%	-2.3%	-6.7%
Broad Benchmark ³	0.6%	-13.6%	5.7%	-3.6%	-8.3%

1 - Overall includes the Investment Pool plus assets in transition

2 - Policy Benchmark is the weighted average of asset class benchmarks

3 - Broad Benchmark is 70% global stocks and 30% global bonds

4 - Recent monthly performance is preliminary

Asset Allocation 11/8/22

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
Growth	3,228	51.1%	3,159	50.0%	69	1.1%
RHUMBLINE US LARGE	1,156	18.3%	1,137	18.0%	18	0.3%
RHUMBLINE US SMALL	323	5.1%	316	5.0%	7	0.1%
SSGA NON-US DEVELOPED	989	15.7%	948	15.0%	42	0.7%
SSGA NON-US DEVELOPED SC	325	5.1%	316	5.0%	9	0.1%
SSGA EM EQUITY	435	6.9%	442	7.0%	(7)	-0.1%
Income	992	15.7%	1,011	16.0%	(19)	-0.3%
SSGA HIGH YIELD	628	9.9%	632	10.0%	(4)	-0.1%
SSGA EM DEBT	364	5.8%	379	6.0%	(15)	-0.2%
Inflation Protection	572	9.1%	569	9.0%	4	0.1%
SSGA TIPS	194	3.1%	190	3.0%	4	0.1%
SSGA REITS	227	3.6%	253	4.0%	(25)	-0.4%
PRINCIPAL US PROPERTY	151	2.4%	126	2.0%	25	0.4%
Risk Mitigation	1,525	24.1%	1,579	25.0%	(54)	-0.9%
IPOPIF CASH	191	3.0%	190	3.0%	1	0.0%
SSGA ST GOV-CREDIT	910	14.4%	948	15.0%	(38)	-0.6%
SSGA CORE BONDS	425	6.7%	442	7.0%	(18)	-0.3%
Total Investment Pool	6,318	100.0%	6,318	100.0%	-	0.0%
Transition Pool	580					
Participant Fund Accounts	519					
Grand Total	7,416					

General Commentary

- Cash flow planning
 - Currently cash flow positive due to transfers of residual cash
 - After transition, expect roughly 1% net outflow annually
 - Will start rolling cash flow forecast next year
- Non-transferrable Assets
 - Accepting contributions of excess cash
 - Verus starting evaluation of insurance contracts
- Project List
 - Active management planning and implementation
 - Migration to long-term asset allocation
 - Develop and implement ESG policy
 - Transition operational activity from investment staff, where appropriate.

Transition Consultant
Status Updates

IPOPIF asset transition status update

Objective:

Illinois Police Officers' Investment Fund (IPOPIF) aims to transfer all Article 3 downstate and suburban police pension plans, totaling over \$9 billion in assets, into one statewide investment asset pool.

Below is a summary of the key metrics identified for the overall asset transition.

Tranche	Key accomplishments since 10/14/2022
August 1 st September 1 st	<ul style="list-style-type: none"> Post-transfer reconciliations delivered to funds who transferred assets after the transfer deadline
October 3 rd	<ul style="list-style-type: none"> Post-transfer reconciliations delivered to funds who transferred assets (42/54)
November 1 st	<ul style="list-style-type: none"> 26 of 35 funds have transferred all or partial assets
December 1 st	<ul style="list-style-type: none"> Prepared CIAL version 1 and LOD for member funds
Fund Admin	<ul style="list-style-type: none"> 392 users across 140 member funds gained access to the cash management platform¹

Key Metric ²	Transferred	December 1 st Tranche	DNT Funds	Litigation Funds	Total remaining funds
Funds	289 ³	14	22	15	51
Ex. A submitted	N/A	9/14	10/22	2/15	21/51
Ex. B submitted	N/A	10/14	4/22	1/15	15/51
Ex. A & asset file submitted	N/A	5/14	2/22	0/15	7/51

Key success factors

- Legacy custodian contact and collection of asset holding files
- Asset holding file completeness validation prior to transfer
- Exhibit A receipt from member funds
- Cash management solution onboarding and training support
- Certified investment asset list process execution
- Post-transfer reconciliation process execution
- Month-end accounting close execution and report delivery

Trends

- Funds with outstanding activities from previous tranches require increased effort to close out
- Understanding of individual legacy custodian requirements to transfer assets is increasing
- Member funds who transferred on August 1st or earlier and retained 90 days of cash on hand are beginning to request cash withdrawals from the cash management solution
- IPOPIF will increase by \$392 Million upon completion of the November 1st tranche transfer to bring IPOPIF to a total of \$7.58 Billion in assets
- 37 funds (Est \$1.40 Billion) do not have an assigned transfer date
- Fund participation is increasing slightly in advance of the final tranche

¹Based on data as of 11/4/22

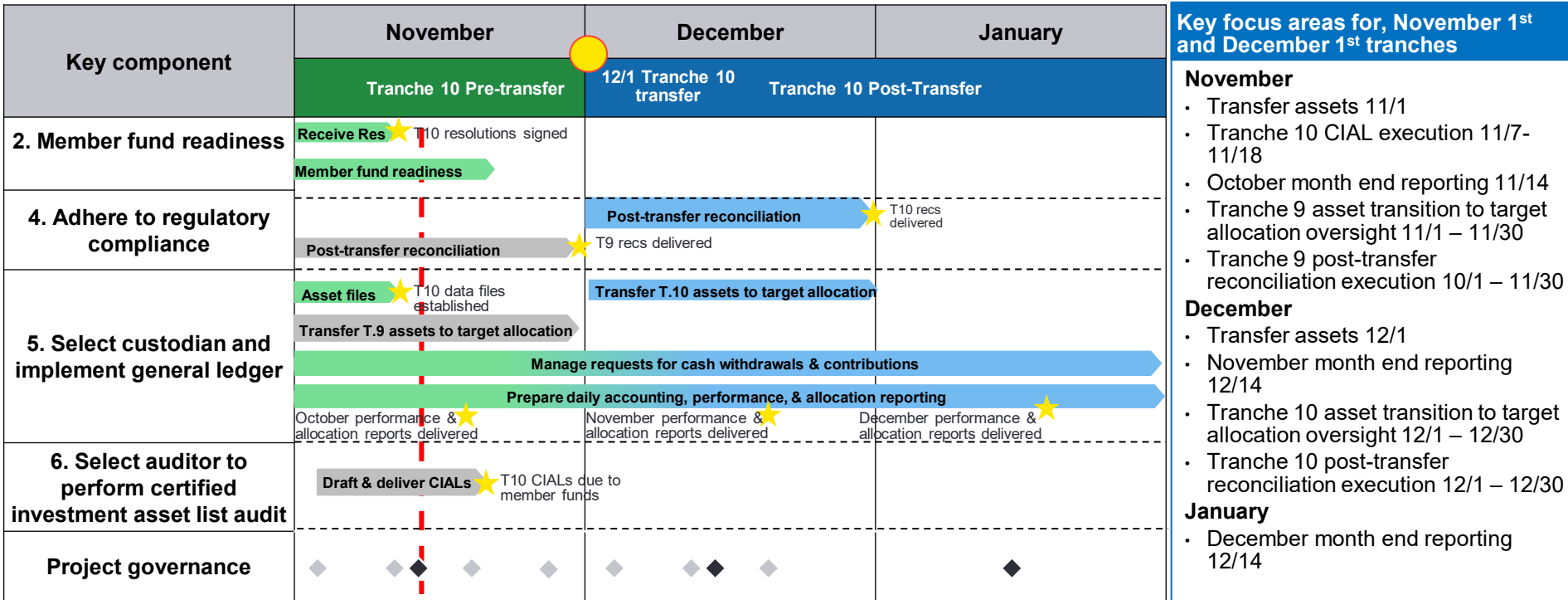
²Metrics based on data as of 11/8/22

³9 funds in the November 1st tranche have not transferred assets, 6 funds in the October 3rd tranche have not transferred assets, 1 fund in the September 1st has not transferred assets and 1 fund in the June 24th tranche has not transferred assets totaling 17 outstanding funds

Asset transition key components critical milestones timeline

Nov – Jan

The GANTT chart below covers the key components* and critical milestones for November 1st, December 1st and January tranche activities. Additionally, key focus areas for IPOPIF staff are identified.



Key focus areas for, November 1st and December 1st tranches

November

- Transfer assets 11/1
- Tranche 10 CIAL execution 11/7-11/18
- October month end reporting 11/14
- Tranche 9 asset transition to target allocation oversight 11/1 – 11/30
- Tranche 9 post-transfer reconciliation execution 10/1 – 11/30

December

- Transfer assets 12/1
- November month end reporting 12/14
- Tranche 10 asset transition to target allocation oversight 12/1 – 12/30
- Tranche 10 post-transfer reconciliation execution 12/1 – 12/30

January

- December month end reporting 12/14

*Key components 1, 3, 7, and 8 have been completed in previous months.

LEGEND: ■ December 1st tranche activity ■ Prev. tranche activity ★ Critical Path Milestone ● Transfer date ◆ Steering committee ◆ Board meeting