

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

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

**Friday, March 14, 2025**

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:**

- Paul Swanlund, Participant Trustee, Chairperson
- Lee Catavu, Participant Trustee, Vice-Chairperson
- Scott Bowers, Participant Trustee, Secretary
- Daniel Hopkins, Beneficiary Trustee
- Mark Poulos, Beneficiary Trustee
- Michael Inman, Municipal Trustee
- Debra Nawrocki, Municipal Trustee
- Philip Suess, Municipal Trustee
- Vacant, Illinois Municipal League Trustee

#### **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
- Matt Roedell, Senior Accountant/ Auditor
- Kate Cobb, Administrative Analyst
- Samantha Lambert, Administrative Analyst
- Joe Miller, Information Technologist

#### **Others Present:**

- Rick Reimer, General Legal Counsel, Reimer, Dobrovolny & Labardi PC
- Taylor Muzzy, Fiduciary Legal Counsel, Jacobs Burns Orlove & Hernandez, LLP
- Tim McEnery, Verus
- Samantha Grant, Verus
- Kim Shepherd, Shepherd Communications (Zoom)
- Bukola Bello, Vision M.A.I. Consulting (Zoom)
- Members of the Public (Zoom)

#### **Agenda**

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

#### **Board of Trustees**

##### **1. Call Meeting to Order and Roll Call**

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

A roll call was conducted. Six Trustees were present in the meeting room. Two Trustees were absent. One (1) Trustee seat is vacant. A quorum was established with the required number of six (6) Trustees present in the meeting room.

#### **Board of Trustees:**

##### **Present:**

- Paul Swanlund, Chairperson
- Scott Bowers, Secretary
- Phil Suess
- Debra Nawrocki
- Michael Inman
- Mark Poulos

Absent:

- Daniel Hopkins
- Lee Catavu, Vice-Chairperson

Vacant:

- 1 Trustee seat

All individuals present are reflected in the list of attendees.

2. Remote Meeting Participation

The item was not addressed.

3. Recognition of Past Chairperson Phil Suess: Discussion and Potential Action:

Trustee Phil Suess was presented with a plaque to recognize his leadership and dedicated service to the Board of Trustees as Chairperson of the Board of Trustees from February 2023 through January 2025.

Vice-Chair Catavu entered the meeting at 9:03 A.M.

4. Ratify Board Motions and Actions- January 24, 2025: Discussion and Potential Action:

General Legal Counsel Reimer recommended the Board of Trustees ratify actions taken at the January 24, 2025, meeting due to the fact that it was learned after the meeting that the trustee seat held by the Illinois Municipal League trustee was considered vacant.

A motion was made by Trustee Inman and seconded by Trustee Poulos to:

- ratify that the quorum requirement under the Open Meetings Act was met throughout the meeting,
- to ratify that all motions were properly made, and no revisions are required, and
- to ratify that all votes recorded are in accordance with the Pension Code provisions and revisions to the vote count do not impact the approval/denial of any action taken.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

5. Board Meeting Minutes- January 24, 2025- Discussion and Potential Action:

Executive Director White presented the Board of Trustees Meeting Minutes from January 24, 2025, for approval.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Catavu to approve the Board of Trustees Meeting Minutes from January 24, 2025.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

6. Board and Committee Meeting Schedule Revision: Discussion and Potential Action:

Executive Director White presented a revised schedule of committee meetings to the Board of Trustees.

This revision will move the May committee meetings to June 13, 2025, and the November committee meetings to October 17, 2025. In addition, approve a special meeting of the Audit and Budget Committee for April 11, 2025.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Inman to approve the revised 2025 Board of Trustees and Committee Meeting schedule, as presented.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

7. FOIA/OMA Designee: Discussion and Potential Action:

As per the Pension Code, the Fund shall designate one or more members of the Fund to serve as the (1) Open Meetings Act designee (5 ILCS 120/1.05) and the (2) Freedom of Information Act officer (5 ILCS 140/3.5).

Executive Director White was previously appointed to these roles by the Board of Trustees and can continue, if so designated, upon approval by the Board of Trustees.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Catavu to approve Executive Director White as the Fund's Open Meetings Act (OMA) designee and the Freedom of Information Act (FOIA) officer in accordance with the Pension Code.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

8. Committee Assignments, Appointments, and Designation of Chairpersons:

Discussion and Potential Action:

Executive Director White briefed the Board of Trustees on the suggested members for the Audit & Budget Committee, Election Committee, and Legislative Committee. Chairperson Swanlund suggested that the Contract and Governance Committees be suspended at this time due to a decrease in activity for these committees.

Executive Director White answered all questions.

A motion was made by Trustee Suess and seconded by Trustee Poulos to:

- appoint Trustees Bowers, Hopkins, Nawrocki, and Suess as members of the Audit and Budget Committee for a one-year term and to designate Trustee Suess as the Chairperson through January 2026.
- appoint Trustees Bowers, Inman, Nawrocki, and Poulos as members of the Election Committee for a one-year term and to designate Trustee Poulos as the Chairperson through January 2026.

- appoint Trustees Catavu, Inman, and Poulos as members of the Legislative Committee for a one-year term and to designate Trustee Catavu as the Chairperson through January 2026.
- Suspend the Contract and Governance Committees.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

## **Investments**

### 9. Investment Update Report: Discussion and Potential Action:

Chief Investment Officer (CIO) Custer provided an investment update including performance, active manager value added, funding and rebalancing, asset allocation, monthly participant fund cash flow, private credit implementation, and future Board agenda planning.

CIO Custer answered all questions.

### 10. Verus Quarterly Report: Discussion and Potential Action:

CIO Custer, and Tim McEnery, Verus, reviewed the investment markets and IPOPIF performance as of December 31, 2024.

CIO Custer and Mr. McEnery answered all questions.

### 11. Investment Policy Statement and Strategic Asset Allocation: Discussion and Potential Action:

CIO Custer briefed the Board of Trustees on the Investment Policy Statement and proposed revisions. 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.

CIO Custer answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Catavu to adopt the Investment Policy Statement with proposed revisions as attached, including the modified Statement of Principle Supporting Police and Pensions. In accordance with the Illinois

Pension Code, the adoption of asset allocation policies and investment policies require a vote of at least 6 Trustees (40 ILCS 5/22B-117c).

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

**12. U.S. Small-Cap Investment Education and Search Request: Discussion and Potential**

**Action:**

Samantha Grant, Verus, provided the Board of Trustees education on the U.S. Small-Cap asset class.

CIO Custer and Ms. Grant answered all questions.

CIO Custer reviewed the request to conduct a search for active US small cap managers including: asset allocation, portfolio structure, search process, and fees.

A motion was made by Trustee Poulos and seconded by Trustee Inman to approve a search for a U.S. Small-Cap equity active investment managers.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

**Break**

A break was taken at 10:21 am and the meeting re-convened at 10:35 am.

**13. Investment Consultant Review: Discussion and Potential Action:**

As part of periodic Board review of investment service providers, CIO Custer provided the Board of Trustees with a review of investment consultant, Verus. Staff retains high conviction in the consultant team and is pleased with the support and contributions from Verus.

16. Monthly Financial Statement - January 2025

CFO Tuczak discussed a few notes regarding the monthly financial statements for December and January. Positive cash flows for December were almost equal to the negative cash flows in January, with 758 cash transactions over the course of both months. CFO Tuczak also noted that the December monthly financials include a supplemental schedule presenting all investment manager (IM) fees for the first six months of the fiscal year. The schedule provides transparency of all IM fees, including fees charged to the Fund and detailed on a warrant as well as those fees charged to and paid directly from the investment vehicle by the IM.

CFO Tuczak answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Poulos to approve monthly financial statements for December 2024 and January 2025.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

17. Warrant #2025-08

18. Warrant #2025-09

CFO Tuczak presented Warrants #2025-08 and #2025-09 to the Board of Trustees and recommended approval.

CFO Tuczak answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Suess to ratify Warrant #2025-08 and Warrant #2025-09.

Motion carried by roll call vote.

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

19. Chief Financial Officer Update: Discussion and Potential Action:

CFO Tuczak provided a finance and accounting update to the Board of Trustees. Current initiatives in process, include bi-weekly calls with the hired CPA firms and the Illinois Department of Insurance pertaining to the Agreed Upon Procedures of the Article 3 funds. A status of Tranches 1 and 2 was provided. Also in process are the calculations of the true-up allocations under the Valuation and Cost Rule. .

Mid-Year FY 2025 budget review is to be presented at the March 14 Audit and Budget Committee; and drafting has begun for the FY 2026 budget which is scheduled to be presented at the April 11 Audit and Budget Committee.

CFO Tuczak answered all questions.

**Administration and Operations**

21. General Legal Counsel Search Review: Discussion and Potential Action:

Executive Director White presented to the Board of Trustees the request to hire outside general legal counsel to provide independent legal advice and services related to the full range of issues of Illinois Public Pension Law.

The current general legal counsel was retained in May 2020, and by policy, external contracted service providers must be submitted for bid every five years through the RFP process.

Executive Director White answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Poulos to approve a search for a General Legal Counsel.

Motion carried by roll call vote.

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

Nayes- None

Absent- Trustee Hopkins

Vacant- 1

22. Executive Director Update: Discussion and Potential Action:

Executive Director White provided an update on administrative items.

Statements of Economic Interest have been sent out to all members of the Board of Trustees for their completion. The deadline for completion is May 1, 2025.

Executive Director White provided an updated status on the Strategic Plan Objectives.

Executive Director White answered all questions.

**Lunch Break**

Lunch recess at 11:51 A.M and the meeting reconvened at 12:57 P.M.

20. Illinois General Assembly Resolution Presentation: Discussion and Potential Action:

Executive Director White introduced Illinois Representative Travis Weaver(R) 93<sup>rd</sup> District who prepared the 103<sup>rd</sup> General Assembly Illinois House Resolution 957 acknowledging the IPOPIF for the receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.

Executive Director White answered all questions.

23. Public Comments:

The Open Meetings Act (OMA) states that any person must be permitted an opportunity to address public officials under the rules established and recorded by the public body. (5 ILCS 120/2.06(g)). An opportunity for public comment was provided at 1:03 P.M. No comments were heard, and no discussion was provided.

24. Adjourn to Closed Session (if necessary)

None.

25. Reports of Actions Taken in Closed Session (if necessary)

None.

## Adjournment

### Adjournment:

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

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Suess, Poulos, Inman, and Nawrocki

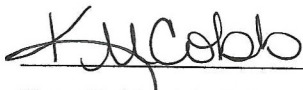
Nayes- None

Absent- Trustee Hopkins

Vacant- 1

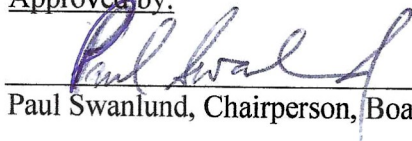
Meeting adjourned at 1:04 P.M.

Respectfully submitted by:

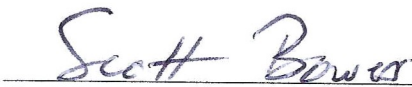


Kate Cobb, Administrative Analyst

Approved by:



Paul Swanlund, Chairperson, Board of Trustees



Scott Bowers, Secretary, Board of Trustees

Date Approved by the Board of Trustees: April 11, 2025