

## OCTOBER NEWSLETTER

At the suggestion of some readers, we have shifted our newsletter distribution to follow shortly after our monthly Board of Trustee meetings. This will ensure the information we report is timely and reflects the latest actions by the board.

### **Transfer of Assets from Local Article 3 Funds**

With the 4<sup>th</sup> quarter of 2022 underway, we are excited by the progress we have made in transferring local Article 3 Funds assets to the Illinois Police Officers' Pension Investment Fund as mandated by Public Act 101-0610. As of October 3, 270 of the 357 Article 3 funds have or are in the process of transferring funds via seven monthly tranches. When these asset transfers are completed, the IPOPIF consolidated fund will have approximately \$7.4 billion in assets.

Based on the current documentation status, we expect to transfer approximately 50 more local funds in November and December representing approximately \$1.0 billion in assets. There are 15 local funds that are not scheduled to transfer as they are plaintiffs in the lawsuit questioning the constitutionality of the law creating IPOPIF and the Illinois Firefighters Pension Investment Fund and 21 funds that were placed in "Did Not Transfer" status when they failed to transfer funds as scheduled.

For those funds that have yet to make the transfer, the IPOPIF requires that Authorized Agent appointments and investment data feeds be established at least one month prior to the transfer date. Numerous previous communications detailed the transfer process and requirements. A summary "Road Map" of the process may be found [here](#). The IPOPIF [website](#) also has detailed information about the IPOPIF as well as a [communications page](#) where Article 3 fund officials can access helpful documents, such as [Frequently Asked Questions – Transfer of Assets](#), [Exhibit A](#) and [Exhibit B](#) (for download), the required exhibits for the transfer of assets, and a memorandum on [cash management procedures](#).

### **November 1, 2022 Tranche Information**

In accordance with the Transfer of Assets Rule, IPOPIF sent letters to all Article 3 pension funds on December 20, 2021, providing the original Notice of Transfer Date. Subsequent communications have resulted in assigning a revised transfer date of **November 1, 2022**. Key actions requested in those letters included passing Board resolutions appointing [Authorized Agents](#) and directing investment fiduciaries to work with IPOPIF's custodian, State Street Bank and Trust (State Street), to share investment information and plan the transfer of assets. Copies of this letter and related communications, including the Transfer of Assets Rule, are available at <https://www.ipopif.org/resources/communication/>.

## IPOPIF Board of Trustee Notes

The November board meeting is scheduled for Thursday, November 10, 2022. The meeting will be an in-person meeting and conducted remotely via the Zoom platform. For information about the remote meeting and the agenda, please refer to the [meetings page](#) on our website.

### Investment Performance Update

2022 "[monthly flash](#)" reports have been posted on the IPOPIF website. Detailed quarterly reporting has begun. A comprehensive performance review from our investment consultant, Verus, covering the second quarter can be found [here](#). On page 6 of the report, you will find a table below that shows periodic, since-inception performance through June 30 for the IPOPIF fund relative to comparative passive benchmarks.

As we all know, investment markets have been challenging so far in 2022 with concerns about inflation, rising rates, and slowing economic activity negatively impacting most investments.

### Board Election Update

During the October 14, 2022, meeting of the Board of Trustees, the board approved the candidates for the election and authorized the election process for the Board of Trustees. Because the nomination process qualified the minimum number of candidates for each trustee seat, an election did not need to be conducted and the Board of Trustees acted under its authority to declare the election of candidates completed and certified the election of the following trustees:

Municipal Member Trustee (1 seat)

- Philip J. Suess

Beneficiary Member Trustee (1 seat)

- Daniel Hopkins

Active Member Trustee (2 seats)

- Lee Catavu
- Paul Swanlund

The seating of the trustees to the Board will occur at January 13, 2023, meeting.

### Spotlight on Staff

On October 3, 2022, IPOPIF announced that Regina M. Tuczak has joined the fund as finance director and assistant executive director. Tuczak, who reports to Richard White, executive director, of IPOPIF, will be primarily responsible for the financial operations of IPOPIF while also having managerial responsibilities for the administrative operations of IPOPIF. Her duties will

include planning, organizing, and directing IPOPIF's finance operations as well as advising the executive director on all matters relating to the operations of IPOPIF.

In the announcement, White stated. "Since the beginning of the year, the Illinois Police Officers Pension Investment Fund has received approximately \$6.54 billion in pension fund assets from

218 local Article 3 funds into our statewide consolidated fund. With this significant growth comes the need to add to our team experienced pension fund professionals who are committed to the mission of providing a dignified retirement for police officers and their beneficiaries from municipalities across the across the state and the Chicago suburbs.

"As demonstrated by her tenures with Cook County and Chicago retirement funds, Regina embodies such a commitment and understands the importance of discharging our duties with integrity and solely in the best interest of the individuals we serve. We are fortunate to have her become a member of the IPOPIF team," he added.

Tuczak joins the fund from the County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County where she had served as executive director since December 2018. Previous to that, she was the executive director of the Policemen's Annuity and Benefit Fund of Chicago. She began her career in the accounting field working for Deloitte & Touche LLP and Arthur Andersen LLP. Tuczak has her MBA from the University of Chicago, Graduate School of Business and received a BA in economics with high distinction from the University of Michigan. A certified public accountant, she is a member of the Government Finance Officers Association and the Illinois Government Finance Officers Association.

"I am delighted to join Richard and the pension fund professionals at the Illinois Police Officers' Pension Investment Fund," Tuczak stated in the news release. "Like them, I am dedicated to serving as a trusted and financially responsible steward of the pension assets entrusted to IPOPIF's care and will diligently serve all our stakeholders."

### **On the Road**

The Executive Director and the Chief Investment Officer participated in the IPPFA Mid-American Pension Conference in October, and the Executive Director is scheduled to participate in the IPFA in November. In addition, the Executive Director and Finance Director attended the Schaumburg Police Pension Fund meeting in October.

## Looking Ahead

As noted earlier in the newsletter, we continue to see the steady transfer of assets from local Article 3 pension plans. This has been a significant year for all involved and we very much appreciate the time and consideration of the Article 3 local plan officials and their advisors and custodians who have worked collegially with our team to ensure the process is handled professionally.

As always, members of our team will remain in contact with the leadership of the local Article 3 funds via phone, email, and in-person answering their questions and providing them with information about our statutory mandate and the transfer of assets process.

If you have any questions and would like to speak with a member of the IPOPIF team, feel free to call us at 309.280.6464 or email our executive director, Richard White, at [rwhite@ipopif.org](mailto:rwhite@ipopif.org).