Illinois Police Officers' Pension Investment Fund

NEWSLETTER
OCTOBER – NOVEMBER 2026



Chief Investment Officer Kent Custer is a Finalist for 2026 CIO Industry Innovation Awards

We are delighted to announce that Kent Custer, the Illinois Police Officers' Pension Investment Fund's chief investment officer, was named a finalist for Chief Executive Officer magazine's Industry Innovation Awards in the Public Defined Benefit category for funds with less than $50 billion in assets under management.

The award honors "those institutional fund investment office leaders who have thrived and driven great results for their funds, even as markets have been volatile and the political climate has changed."

2026 Allocators' Choice Awards
CIO Custer was also a finalist for Institutional Investor's 2026 Allocators' Choice Awards and was profiled in an article headlined, *The Pension Fixer Who Finally Got to Build His Own Portfolio*.

The article notes, "When Custer was asked to build one pension portfolio to manage hundreds of plans in the state five years ago, the former submarine officer (turned aluminum industry executive turned investor) had already built a name for himself structuring or restructuring pensions that had gotten over their skis. He had done this with the Illinois Prepaid Tuition Trust Fund when he joined in 2011, and again with the Dallas Police and Fire Pension System in 2018."

“I was very happy in Dallas,’ he said. ‘But when you get an opportunity to start a brand-new fund that was going to be over $10 billion from scratch, you take a second look.”

The IPOPIF team is glad he did!

Investment Updates

Strategic Asset Allocation Review

Following a comprehensive review of the strategic asset allocation by staff and the general investment consultant, Cerity Partners, the board approved minor changes to stock and bond allocations, while leaving private market allocations unchanged.

- While maintaining a constructive outlook, US Small Cap equity and International Developed equity allocations were trimmed by 2% and 1%, respectively, to reduce market overweights.
- To balance these changes, the US Large Cap equity allocation was increased by 3% to reduce the market underweight.
- Noting significant overlap in US Treasury holdings and modest return enhancement, the 3% dedicated US Treasury allocation was eliminated, and the Core Bond allocation was increased from 3% to 6%.
- The fund left its long-term targets unchanged for real estate (5%), infrastructure (3%), private equity (7%), and private credit (5%).

Manager Searches

IPOPIF board approved a $250 million commitment to TA Realty Value-Add Fund XIV at its October board meeting—its first non-core private real estate investment. The investment advances a private markets buildout approved by the board in February. In addition to TA Realty, finalists 1 Seed Capital and Townsend Group remain under consideration.

Other manager search updates include:

- Contracting for the Fund’s inaugural private equity commitment was completed in June, and capital call funding has been initiated.
- At the July meeting, the board approved the selection of Partners Group for a commitment to invest $450 million (or an approximately 3% allocation) in private infrastructure.
- Also at the July meeting, the Board approved a search for Opportunistic Private Credit investments targeting one or two managers for a total commitment of $250 million.

Investment Performance

2026 year-to-date through September 30.

- The Fund was up 10.4%, outpacing the Policy Index (8.9%) and the Broad Benchmark (8.2%).
- Stocks were up 16.6% overall, with especially strong performance from Emerging Markets (+52.7%).
- Bonds felt the pressure from rising interest rates, with longer duration mandates turning slightly negative.

October Preliminary

- Fund performance was near flat, with valuation pressure on stocks offset by bond gains on easing interest rates.

Edward Bush Joins IPOPIF as Investment Officer

Edward Bush joined IPOPIF as an Investment Officer on August 31, bringing a strong background in investment operations and management.

Ed will initially focus on investment operations and compliance, including implementation of the Investment Policy Statement of Principle Supporting Police and Pensions. His responsibilities are expected to expand over time to include asset classes and investment managers.

Before joining IPOPIF, Ed spent eight years with the Illinois Municipal Retirement Fund (IMRF), most recently as Investment Analyst, Total Portfolio. He supported investment manager due diligence and monitoring, portfolio analysis, investment policy implementation, asset allocation initiatives, and preparation of materials for senior leadership and the Investment Committee.

Previously, he spent six years at Northern Trust in investment operations, financial reporting, and client service roles supporting institutional investors, including public pension and Taft-Hartley plans.

Ed holds Bachelor of Science degrees in Finance and Economics from Elmhurst University, as well as a Master of Business Administration in Accounting and a Master of Science in Finance from Lewis University.

Cerity Consultant Named 2026 Power Broker

Tim McEnery, a partner with Cerity Partners, was named a 2026 Power Broker by Chief Investment Officer (CIO) magazine after being nominated by Executive Director White.

Mr. White noted in his nomination that, "Tim McEnery exemplifies the role of a Knowledge Broker through his ability to translate complex investment concepts into actionable insight for fiduciaries, while also shaping the research agenda and intellectual capital of his firm. I find that Tim is particularly effective in distilling complex portfolio structures, market dynamics, and performance outcomes into concise, decision-ready insights for our Board of Trustees."

Tim was asked by CIO to provide insights into the one principle from his career that has proven especially relevant in today's environment, and how have you applied it recently? He stated:

"One principle I have come back to throughout my career is that strong governance leads to better investment outcomes. Markets are always uncertain, but institutional investors with disciplined governance structures are generally better positioned to stay focused and make thoughtful long-term decisions during periods of market stress and volatility. Over time, I have become increasingly convinced that outcomes are often less driven by having the perfect market view and more by having a decision-making framework that allows an organization to act consistently and efficiently."

Administration and Operations Updates

Trustee Election

At the October meeting, the board certified the election of candidates for the Board of Trustees, with the following candidates to the Board of Trustees for the term of January 2027 through December 2030:

Municipal Member Trustee (1 seat)

- Philip J. Suess, Mayor, City of Wheaton (Incumbent)

Beneficiary Member Trustee (1 seat)

- Daniel Hopkins, Collinsville, Retired (Incumbent)

Active Member List (2 seats)

- Lee Catavu, Sergeant, Aurora Police Department (Incumbent)
- Scott Ligon, Lieutenant, Springfield Police Department

Election ballots were mailed to 14,396 beneficiary members of the Article 3 police pension funds on August 17, 2026. The election date was September 11, 2026. A total of 3,456 ballots were returned for tabulation, which represented a 24.01% return rate. The results of the trustee election will be entered into the minutes at the December 11, 2026, meeting. The seating of the Trustees for terms of office effective January 1, 2027, will occur at this meeting as well.

New Municipal Trustee appointed by Gov. Pritzker
Executive Director White presented the newest member of the Board of Trustees, Itasca Mayor Jeff Pruyn, who was appointed by Governor J.B. Pritzker on July 11, 2026, as recommended by the Illinois Municipal League and with the advice and consent of the Senate.

General Legal Counsel, Rick Reimer, administered the Oath of Office to Trustee Pruyn prior to the start of the July board meeting.


Trustee Jeff Pruyn

Municipal Trustee Nawrocki Resigns. Board to Appoint Replacement
Municipal Trustee Debra Nawrocki, an elected member of the Board of Trustees with a term of office which began on January 1, 2025, and continues through December 31, 2028, submitted a letter of resignation effective as of December 31, 2026.

The remaining term of office (January 2027 through December 2028) will be filled through an appointment by the Board of Trustees as prescribed in Section 22B-116(h) of the Pension Code, which states that the Board of Trustees shall determine the procedure for filling the vacancy either through appointment, special election, or regular election.

The Trustee Election Policy was revised in March 2026 to include the procedures to fill the unexpired term of office for an elected seat, "[f]or a vacancy of an elected Trustee occurring with an unexpired term, the vacancy shall be filled by appointment by the Board of Trustees.

At its September meeting, the board approved the following procedures which will be followed to fill the unexpired term of office for the Municipal Trustee seat:

- October 16, 2026 -- The board approves the intention of completing the term of office in the municipal trustee seat through the appointment process.
- October 19, 2026. -- The vacancy and the procedure to fill the vacancy shall be announced via posting on the IPOPIF website and via notice to the Authorized Agents of the Article 3 police pension funds.

- November 18, 2026 -- Deadline for candidates for the unexpired term of office to submit a desire to serve nomination in writing to the executive director, using a form posted here on the IPPIF website.
- November 20, 2026 -- The executive director shall determine the eligibility of the candidates in accordance with Section 22B of the Pension Code.
- December 11, 2026 -- The recommendation of candidate(s) to be appointed to the unexpired term of office shall be on the agenda for a regular meeting of the Board of Trustees. The list of eligible candidates and qualifications compiled by the executive director will be provided to all members of the board at least one week prior to the board meeting date. The candidate to be appointed to the unexpired term of office shall be determined by the trustees using the list of eligible candidates compiled by the executive director.
- January 22, 2027 -- The appointment of the candidate to fill the unexpired term of office shall be added to the agenda for a regular meeting of the Board of Trustees. The Board will approve the candidate to fill the unexpired term of office by a majority vote of all Board of Trustees using the recommended list of candidates determined by the trustees.

The trustee appointed to fill the unexpired term of office of an elected trustee will serve until a successor is elected.

Special elections to fill the remainder of an unexpired term vacated by an elected trustee shall be held concurrently with and in the same manner as the next regular election for an elected trustee position. It is anticipated that the election for this seat would occur during the regular election cycle for this seat, which is scheduled for 2028, for the term of office beginning in January 2029. The appointed trustee will be eligible to participate in the election for the seat in the regular election cycle.

Executive Director Search
The search for a new executive director is in its final stages, with a candidate selected and contract negotiations underway. The search is expected to be concluded by the December Board of Trustees meeting, with the selected individual filling the position by year's end.

Shawn Curry Promoted to Deputy Executive Director
IPOPIF's first Board of Trustees chairperson, Shawn Curry, who served from February 2020 to December 2022, has been promoted to a new position, deputy executive director. The deputy executive director is a senior-level executive position that reports to, assists, and supports the executive director in the management of administrative and operational responsibilities of the IPOPIF.

Deputy Executive Director Curry most recently has served IPOPIF as manager of external affairs, acting as a liaison with participants and unions across the state. He will continue to do so.

Amy Zick Promoted to Controller
Amy Zick was recently promoted to controller. She previously was IPOPIF's senior accountant. Amy holds a Certified Public Accountant license in the State of Illinois and is a Notary Public. She is a graduate of the University of Illinois, Urbana-Champaign, where she earned a Bachelor of Science in Accountancy.

IPOPIF Adds Senior Accountant
Brittany Sleeter has joined the IPOPIF team as a senior accountant. Ms. Sleeter joins IPOPIF after working for the past few years with State Farm Insurance as a finance analyst. She holds a Bachelor of Science Degree in Accounting, a Master of Business Administration, and is currently completing coursework for the Certified Public Accountant.

Ms. Sleeter resides in the local Peoria area with her four children and husband, who is a correctional officer with the Illinois Department of Corrections.

IPOPIF Three Peats
The Government Finance Officers Association (GFOA) awarded IPOPIF the Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year 2025. The Fund has received this award for three consecutive fiscal years.

As noted by the GFOA, “The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.”

According to Mr. White, “This award is the result of the hard work and dedication of our finance team and staff, which was led by Controller Amy Zick and the assistance and support of the Sikich team conducting our fiscal year audit.”

When receiving the award, Controller Zick noted that “I would also like to acknowledge that every staff member of the IPOPIF contributes to the ACFR, and it is a team effort. I am fortunate to be able to take the lead on the project.”

IPOPIF Unfunded Actuarial Accrued Liability
During the July meeting, Mr. White presented to the Board of Trustees a question regarding the unfunded actuarial accrued liability (UAAL) owed by IPOPIF to the Illinois Municipal Retirement Fund (IMRF), and whether IPOPIF should consider prepaying or paying down this liability.

The UAAL is primarily due to the initial start-up of IPOPIF's participation in IMRF and is due to the statutory requirement that all employees in qualifying positions are automatically credited prior service for 20% of the qualifying period of employment, up to a maximum of five years. This 20% is given at no cost to the employee, and employees can purchase the remaining period of prior service by paying 4.5% of salary, plus interest. This purchase is discretionary to the employee and is not discretionary to IPOPIF. This prior service credit-of-service was not funded at the time of entry, creating an immediate unfunded liability.

Benefits to the IPOPIF from paying down the UAAL include reduced future interest costs on the UAAL balance, deduction in long-term payment amounts, and improvements in overall plan health. Mr. White noted that any prepayment of the current unfunded balance will not prevent future UAAL because it does not consider any future gains or losses associated with our plan. He also noted that IPOPIF can anticipate seeing the impact of any reduction in the UAAL with the calendar year 2028 pension contribution.

A motion was approved for the lump sum pre-payment of the total UAAL to be made in the fourth quarter of calendar year 2026, and to direct and authorize the executive director to work with IMRF and report back to the Board of Trustees.

Ethics Policy Revision Approval
An updated Ethics Policy was presented to the Board of Trustees for approval during the July meeting by Mr. White and passed by the Board. The revisions were recommended based on reviews by the Fiduciary Legal Counsel, General Legal Counsel, Executive Director, and Chief Investment Officer.

Ethics Training Presentation
The Illinois Pension Code mandates that each board member completes a minimum number of training hours annually. Training in Ethics is a component of this requirement. Board member training to "develop and maintain an adequate level of knowledge and understanding of relevant issues" is also noted in the Education and Training Policy (PP-2023-05).

Given this requirement, General Legal Counsel Reimer presented an updated and refreshed course on Basic Ethics for the Board of Trustees and staff members during the July meeting.

On the Beat

Executive Director White made a presentation to the IPPFA MidAmerican Pension Conference in Bloomington-Normal on October 26. He also spoke at the Illinois Professional Firefighters Association 2026 Fall Pension Seminar in Addison on November 6, 2026.

Deputy Executive Director Curry attended the Police Benevolent and Protective Association conference on the weekend of November 7-8. He has also attended various pension and local union meetings over the past few months. Any local pension board or union that would like to set up a call or meeting should contact him at scurry@ipopif.org to schedule.

IPOPIF Blotter

If you have photos you'd like to see posted on the IPOPIF Blue Line Mugshot page, we are always on the lookout for photos from members of the 352 Article 3 pension plans that are a part of IPOPIF to add. Please send photos in JPEG format to info@ipopif.org.

Roll Call

Monthly investment reports from October 2022 through September 2026 for each of the Article 3 funds are posted to the IPOPIF website here. IPOPIF monthly investment reports are available here.

As the consolidated asset pool that exists for the exclusive purpose of protecting and investing the assets of the pension funds covering police officers serving and protecting all downstate and suburban Illinois municipalities, we want our participants and their beneficiaries to know that they should always feel free to reach out to us at info@ipopif.org.

As noted in previous newsletters and above, key investment information is posted to the IPOPIF website and is reviewed and discussed at the IPOPIF Board meetings. The Board of Trustees will hold its regular meeting on Friday, December 11, 2026, at 9 am at the Twin Towers Plaza, 456 Fulton St, 4th Floor in Peoria.

Interested individuals may attend the meeting in person or via Zoom. The link to the Zoom call is included in the meeting agendas, which are also posted on our website. The 2026 Board of Trustees and Board of Trustee Committee meeting dates and times are posted here.

Links to Key Resources

- Monthly statement overview
- Monthly financial reports
- Monthly and quarterly investment reports
- Meeting Calendar