



Illinois Police Officers' Pension Investment Fund

Audit & Budget Committee Meeting Minutes

Friday, October 18, 2024, at 1:00 P.M.

A regular meeting of the Audit & Budget Committee of the Illinois Police Officers' Pension Investment Fund was conducted at Pere Marquette Hotel, 501 Main Street, Peoria, IL 61602. Members of the public were invited to participate remotely or in person.

Attendees (3)

Audit & Budget Committee Members:

- Paul Swanlund, Chairperson
- Daniel Hopkins
- Phil Suess
- Elizabeth Holleb

IPOPIF Staff:

- Richard White, Executive Director
- Kent Custer, Chief Investment Officer
- Regina Tuczak, Chief Financial Officer/ Assistant Executive Director
- Amy Zick, Senior Accountant
- Kate Cobb, Administrative Analyst
- Samantha Lambert, Administrative Analyst
- Joe Miller, Information Technologist

Others present:

- Taylor Muzzy, Fiduciary Legal Counsel, Jacobs Bums Orlove & Hernandez, LLP
- Rick Reimer, General Legal Counsel, Reimer, Dobrovoly & Labardi PC (Zoom)
- Members of the Public (Zoom)

Agenda

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

Call to order

The meeting was called to order at 1:04 PM by Chairperson Swanlund.

Roll Call

A roll call was conducted. 3 Trustees were present and 1 absent. A quorum was established with the 3 required number of Trustees present.

Audit & Budget Committee:

- Paul Swanlund, Chairperson
- Phil Suess
- Daniel Hopkins
- Elizabeth Holleb (Zoom)

All individuals present are reflected in the list of attendees.

Remote Attendance

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 three members of the Committee is required to be present in the Board meeting room to comply with the Open Meetings Act.

A motion was made by Trustee Hopkins and seconded by Trustee Suess to allow Trustee Elizabeth Holleb to participate in the October 18, 2024, meeting of the Audit and Budget Committee by audio, video, or internet conferencing.

Motion was carried by a roll call vote.

Ayes: Trustees Hopkins, Suess, Swanlund

Nays: None

Abstain: None

Absent: Trustee Holleb

Trustee Holleb joined the meeting at 1:06 P.M.

Minutes

3.1- Meeting Minutes- May 17, 2024: Discussion and Potential Action: The Audit & Budget Committee minutes were reviewed from May 17, 2024, and discussed by the members of the Committee. Executive Director White answered all questions.

A motion was made by Trustee Suess and seconded by Trustee Hopkins to approve the Audit & Budget Committee Meeting minutes from May 17, 2024, as presented.

Motion was carried by a roll call vote.

Ayes: Trustees Swanlund, Suess, Hopkins, and Holleb

Nayes: None

Abstain: None

Absent: None

Fiscal Year 2025 Budget

4.1- Fiscal Year 2025 Budget Update: Discussion and Potential Action:

CFO Tuczak provided the Audit & Budget Committee with a summary presentation of the Budget for Fiscal Year 2025 (FY 25 Budget) as compared to current year expenses through September 30, 2024, the conclusion of the first quarter of the fiscal year. CFO Tuczak noted anticipated reductions in actual expenses as compared to FY 25 Budget for (1) Election services and postage due to sole candidacy for each Board position eligible for election in 2024, and for (2) personnel expenses in Investment and Administrative operations due to open staff positions in the recruitment process which had budgeted anticipated start dates on or prior to October 1.

With respect to anticipated expenses that have not been budgeted, a Request for Proposal for a Private Markets Consultant was posted on September 18, 2024. The fees associated with the hiring of a Private Markets Consultant are not included in the FY 25 Budget.

CFO Tuczak noted amendments to the FY 25 Budget will be presented at the next Audit and Budget Committee meeting.

CFO Tuczak answered all questions.

Agreed Upon Procedures

5.1- Examination and Investigation AUP Update: Discussion and Potential Action:

CFO Tuczak presented a brief overview of the timetable of the Agreed Upon Procedures to be performed by the Independent CPA firms on the Police Pension Funds established under Article 3 of the Illinois Pension Code to the Audit & Budget Committee for Tranches 1 and 2.

The Memorandum of Understanding with the Illinois Department of Insurance requires that each Article 3 fund shall be examined once every three years. It is anticipated that six Tranches will be completed over the three (3) year period, with each Tranche approximately six months apart. 30 Article 3 funds were selected for the first Tranche; subsequent Tranches are anticipated to have at least 60 Article 3 funds.

CFO Tuczak discussed the factors used to determine the Article 3 funds selected for Tranche 1, the process by which the workplan of procedures was developed, and the considerations in the timeframe established for Tranche 1 and subsequent Tranches. CFO Tuczak noted that timing considerations included the most efficient process and any capacity concerns for the CPA firms; and reasonable timeframes for Article 3 funds to submit materials, review draft reports prepared by the Independent CPA firms, and provide local police pension fund board responses,

A list of assignments for each firm for Tranche 1 and the workplan to be utilized by the Independent CPA firms was provided to the Audit & Budget Committee.

CFO Tuczak answered all questions.

Public Comment

An opportunity for public comment was provided at 1:23 P.M. No comments were heard, and no discussion was provided.

Adjournment

A motion was made by Trustee Suess and Trustee Hopkins to adjourn the Audit & Budget Committee meeting at 1:24 P.M.

Motion was carried by a roll call vote.

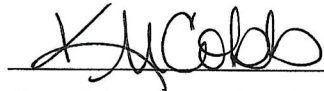
Ayes: Trustees Swanlund, Suess, Hopkins, and Holleb

Nays: None

Abstain: None

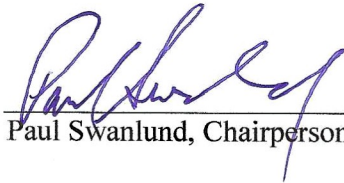
Absent: None

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Kate Cobb", written over a horizontal line.

Kate Cobb, Administrative Analyst

Approved by:

A handwritten signature in blue ink, appearing to read "Paul Swanlund", written over a horizontal line.

Paul Swanlund, Chairperson, Audit and Budget Committee

Date Approved by the Audit and Budget Committee: March 14, 2025