



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

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

**Friday, June 13, 2025**

A regular meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was conducted at the Pere Marquette Hotel, 501 Main Street, 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
- Shawn Curry, Manager of External Affairs and Communication

### **Others Present:**

- Vince Mancini, General Legal Counsel, Reimer, Dobrovolsky & Labardi PC
- Taylor Muzzy, Fiduciary Legal Counsel, Jacobs Burns Orlove & Hernandez, LLP
- Tim McEnery, Verus
- Kim Shepherd, Shepherd Communications (Zoom)
- Greg Kiesewetter, CIC, Cook Castle Associates LLC.
- Austin Kiesewetter, Cook Castle Associates LLC
- 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. Seven Trustees were present in the meeting room, and one (1) was absent. One (1) seat is vacant. A quorum was established with the required number of six (6) Trustees present in the meeting room.

Board of Trustees Roll Call:

Present:

- Paul Swanlund, Chairperson
- Lee Catavu, Vice-Chairperson
- Scott Bowers, Secretary
- Debra Nawrocki
- Mark Poulos
- Daniel Hopkins
- Michael Inman

Absent:

- Phil Suess

Vacant:

- 1 Trustee seat

All individuals present are reflected in the list of attendees.

2. Remote Meeting Participation: Discussion and Potential Action:

The item was not addressed.

3. Board of Trustees Meeting Minutes- April 11, 2025: Discussion and Potential Action:

Executive Director White presented the Board of Trustees Meeting Minutes from April 11, 2025, for approval.

A motion was made by Trustee Hopkins and seconded by Trustee Nawrocki to approve the Board of Trustees Meeting Minutes from April 11, 2025.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

#### 4. Ratify Audit & Budget Committee Minutes- October 18, 2024: Discussion and Potential

##### Action:

Executive Director White presented the Audit & Budget Committee Minutes from October 18, 2024. Executive Director White answered all questions and recommended ratification by the Board of Trustees.

A motion was made by Trustee Poulos and seconded by Trustee Hopkins to accept the Audit & Budget Committee Meeting Minutes from October 18, 2024.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

#### 5. General Legal Counsel Services RFP and Firm Selection: Discussion and Potential

##### Action:

Executive Director White presented to the Board of Trustees a request to discontinue the Request for Proposal (RFP) for General Legal Counsel.

The Board of Trustees approved the issuance of a Request for Proposal (RFP) seeking a qualified law firm to serve as its general legal counsel. The current general legal counsel was retained in May 2020, and by policy, external contracted service providers must be submitted for bid every five (5) years through the RFP process. The RFP was to hire an outside general legal counsel to provide independent legal advice and services related to the full range of issues of Illinois public pension law.

The Executive Director was designated as responsible for the RFP search process, interaction with the respondent firms and communication with the Board of Trustees. Fiduciary Legal Counsel assisted the Executive Director with the RFP process and review of the materials.

Executive Director White answered all questions.



Adjourn to Closed Session:

A motion was made by Trustee Hopkins and seconded by Trustee Poulos to enter into closed session in accordance with 5 ILCS 120/2(c)(1) to discuss the appointment, employment, compensation, or dismissal of employees or legal counsel for the public body.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

The Board of Trustees adjourned to closed session at 9:05 P.M.

A motion was made by Trustee Inman and seconded by Trustee Poulos to resume open session.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

Open session resumed at 9:31 A.M.

Report of Actions Taken in Closed Session:

Fiduciary Legal Counsel Taylor Muzzy stated that no reportable action was taken in closed session.

5. General Legal Counsel Services RFP and Firm Selection: Discussion and Potential

Action: (continued):

A motion was made by Trustee Inman and seconded by Trustee Poulos to discontinue the Request for Proposal for General Legal Counsel, approve the retention of Reimer, Dobrovolsky & Labardi PC as General Legal Counsel and authorize the Executive Director to finalize and execute the contract on behalf of the IPOPIF, and to include a contract provision

with a 5 hour daily minimum for the General Legal Counsel when attending in-person the Board of Trustees and Committee meetings.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Sues

Vacant- 1

## **Investments**

### 6. Chief Investment Officer Report: Discussion and Potential Action:

Chief Investment Officer (CIO) Custer provided an investment update including performance, funding and rebalancing, asset allocation, monthly participant fund cash flow, non-transferable assets, and other various updates.

CIO Custer answered all questions.

### 7. Verus Quarterly Report- 1Q2025: Discussion and Potential Action:

Tim McEnery, Verus, provided a quarterly report to the Board of Trustees on the investment markets and the performance of the Fund as of March 31, 2025.

Since its inception in April 2022, the IPOPIF Investment Portfolio has returned 4.4% on an average annualized basis through the end of the first quarter, compared to the Policy Index of 4.5% and the Broad-Based Policy Index of 4.1%. The IPOPIF Investment Portfolio has performed better than its median peer since inception in April 2022 and ranked in the 34th percentile in a representative universe of Public Pensions with assets greater than \$1 billion. The IPOPIF investment team actively monitors current asset allocations vs. policy targets and conducts rebalancing trades as appropriate. Total assets increased by approximately \$53 million to \$12.7 billion over the quarter.

CIO Custer and Mr. McEnery answered all questions.

## **Break**

A break was taken at 10:11 A.M., and the meeting was reconvened at 10:26 A.M.

## **Investments (cont.)**

### **8. Passive Investment Manager(s) Review: Discussion and Potential Action:**

Investment Officer (IO) Barbara Meyer provided a review to the Board of Trustees on investment managers RhumbLine Advisers LP and State Street Global Advisors (SSGA). Both Investment Managers were hired in October of 2021 to manage passive index funds.

RhumbLine performance meets expectations for a passive manager, tracking the benchmark since inception with minimal variance. RhumbLine's client service and portfolio management teams are both proactive and excellent to work with. RhumbLine exceeds MWDBE Brokerage goals while adhering to best execution requirements. Disabled Veteran-owned Broker-Dealer Academy Securities is one of the brokerage firms included in RhumbLine's MWDBE brokerage total; RhumbLine speaks highly of Academy.

SSGA performance meets expectations for a passive manager, tracking the respective benchmarks since inception. SSGA has done a great job "crossing" IPOPIF's trades over the past year to reduce trading costs, including market impact. IPOPIF's significant SSGA transactions over the past 12 months were driven by: Measured movements into active management, T14 transition, and rebalancing to align with the IPOPIF strategic asset allocation.

IO Meyer answered all questions.

### **9. Bank Loan Investment Manager(s) Review: Discussion and Potential Action:**

Investment Officer (IO) Steve Yoon provided a review to the Board of Trustees on bank loan managers Ares and Aristotle.

Aristotle trailed the index by 0.5% since inception attributable to the strategy's focus on high-quality loans and downside protection. During periods of low volatility and market support for low-quality loans, the strategy tends to lag the index.

On the other hand, Ares has outperformed the same index by 0.2% attributable to their willingness to invest in lower quality loans, proprietary risk management, and unique sourcing. Ares' outperformance has come from the security selection, having exposures to high-conviction names within the lower quality CCC rating class, and unique sourcing.

The composite bank loans portfolio lagged the index by 0.2%. Both managers are performing as expected and retain high conviction from Mr. Yoon.



IO Yoon answered all questions.

10. High-Yield Bond Investment Manager Search Request: Discussion and Potential Action:

Chief Investment Officer (CIO) Custer and Verus presented education to the Board of Trustees on the High Yield Bond asset class on March 14, 2025.

Investment Officer (IO) Yoon presented a search request for an Active US High Yield Bond Manager. Staff and Verus believe enhanced returns may be attainable through active management. Consistent with prior searches, Staff will utilize a phased search process.

Trustee Hopkins expressed a preference to consider smaller managers to broaden the field of potential candidates. CIO Custer indicated that the minimum AUM preference would be adjusted from \$2 billion to \$1 billion.

IO Yoon answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Hopkins to approve a search for an active US High Yield Bond investment manager.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

11. General Investment Consultant Search Request: Discussion and Potential Action:

Chief Investment Officer (CIO) Custer presented a search request for a General Investment Consultant. He noted that the Illinois Pension Code limits consultant contracts to five years and the Verus contract will expire on April 30, 2026. Verus has been a valuable resource and partner to IPOPIF and is welcome to rebid for another engagement.

The General Consultant search process will be similar to that used for the recently completed Private Markets Investment Consultant and will utilize a phased approach to promote participation and improve evaluation efficiency and effectiveness. Phase 1 is a Request For Information (RFI) of the most pertinent information. Based on the evaluation of RFI submissions, the highest caliber candidates will be invited to participate in Phase 2,

which is the submission of the full proposal and all required documentation. However, any candidate who meets the minimum requirements can submit a full proposal. The Request for Proposal (RFP) has been provided separately to the Board of Trustees, including the RFI, Questionnaire, and template contract. Trustees will have access to all candidate submissions. Selection of finalists by the Board is planned for the December 12, 2025, Board meeting with finalist interviews and selection to Occur at the January 2026 Board meeting.

CIO Custer answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Nawrocki to approve a search for a general investment consultant.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

## **Finance**

### 16. Insurance Policy Review and Renewals: Discussion and Potential Action: (Out of order)

Commercial Insurance Coverage is provided through Cook Castle Associates, LLC, which has provided this coverage since the original contract was awarded through competitive bid in 2020. The current policies are expiring at the end of the fiscal year.

The Audit & Budget Committee recommended and discussed the insurance coverages with Mr. Greg Kiesewetter, Certified Insurance Counselor (CIC) at their April 11, 2025, meeting and recommended that the coverages be renewed, as recommended.

Chief Financial Officer Tuczak briefed the Board of Trustees on the renewal coverages and renewal premiums and answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Hopkins to approve Insurance Policy Contracts for the term July 1, 2025, to June 30, 2026.



Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

17. FY 2026 Budget Review and Approval: Discussion and Potential Action: (Out of order)

CFO Tuczak presented the proposed annual budget for Fiscal Year 2026 to the Board of Trustees and reviewed the components of the budget with the Board. She noted that the proposed budget had been reviewed by the Audit and Budget Committee at its meeting on April 11, 2025, and was recommended for approval. CFO Tuczak reviewed some updates that are included in the proposed budget versus what was presented to the Audit and Budget Committee.

CFO Tuczak answered all questions.

A motion was made by Trustee Hopkins and seconded by Trustee Poulos to adopt Resolution 2025-02: Approving the Budget for Fiscal Year 2026 in the amount of \$5,653,574 for Board, Administrative, and Investment Operations

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

12. & 13. Monthly Financial Statement- March 2025 and April 2025- Discussion and Potential Action:

CFO Tuczak discussed the monthly financial statement for March and April 2025, along with fiscal year-to-date cash flows, with the Board of Trustees.

CFO Tuczak answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Inman to approve the monthly financial statements for March and April 2025.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Poulos, Hopkins, Inman, and Nawrocki  
Nayes- None  
Absent- Trustee Suess  
Vacant- 1

14. & 15. Warrant #2025-11 and Warrant #2025-12: Discussion and Potential Action

CFO Tuczak presented Warrant #2025-11 and Warrant #2025-12 to the Board of Trustees and recommended approval.

CFO Tuczak answered all questions.

A motion was made by Trustee Inman and seconded by Trustee Hopkins to approve Warrant #2025-11 and Warrant #2025-12.

Motion carried by roll call vote:

Ayes- Trustees Swanlund, Catavu, Bowers, Poulos, Hopkins, Inman, and Nawrocki  
Nayes- None  
Absent- Trustee Suess  
Vacant- 1

18. Board of Trustees Expenditure Approval: Discussion and Potential Action:

Executive Director White briefed the Board of Trustees on the request for the Board of Trustees to consider the approval of Trustee Hopkins to be provided with printer cartridges for an existing private printer, which is solely dedicated to IPOPIF, which would permit the printing of documents specifically related to the performance of his Trustee duties.

The approval of this expense would allow Trustee Hopkins to print documents on his private printer, which is done for further reference during the review of documents specifically related to his duties with the IPOPIF. Trustee Hopkins has a dedicated printer for these IPOPIF documents.

Executive Director White answered all questions.

A motion was made by Trustee Poulos and seconded by Trustee Catavu to approve a one-time annual expense not to exceed \$600.00 for the Fiscal Year 2026 to be used for printer cartridges for Trustee Hopkins' private printer.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Abstain- Trustee Hopkins

Vacant- 1

19. Cost and Valuation Rule: Discussion and Potential Action:

CFO Tuczak reviewed the Cost and Valuation Rule with the Board of Trustees that provides that a true-up or final allocation of all costs is to be performed based on the December 31, 2024, pro rata balance of each participant pension fund as compared to the consolidated December 31, 2024, balance of all participant pension funds. A separate calculation is to be performed for investment manager fees, which will be allocated on a pro rata basis to each participant's pension fund based on the time that a participant's pension fund's assets were invested by IPOPIF. Staff is nearly complete with these calculations, with an open item to add interest expense for May 2025, when the rate of return information is available.

CFO Tuczak reviewed a summary of the calculation details and noted that it is anticipated that the adjustment to all the Article 3 police pension funds will be completed soon and included in the June monthly statements. She noted that the calculations (1) result in small adjustments to each participant fund that are equitable; (2) are consistent with the Valuation and Cost Rule most recently amended by the Board on September 13, 2024; (3) are consistent with equitable treatment as required by the Illinois Pension Code 40 ILCS 5/Art. 22B.

CFO Tuczak answered all questions.

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

CFO Tuczak provided a finance and accounting update to the Board of Trustees. Valuation and Cost Rule calculations, Fiscal Year 2025 close, and Agreed Upon Procedures were discussed, and CFO Tuczak answered all questions.

## **Administration and Operations**

21. Executive Director Report: Discussion and Potential Action:

Executive Director White provided an update to the Board of Trustees on current and upcoming meeting dates, reports, and public meetings.



Monthly investment reports for April and May 2025 for each of the Article 3 funds are finalized and have been uploaded to the IPOPIF website ([www.ipopif.org](http://www.ipopif.org)) and are available via the online portal.

The April newsletter has been published and distributed, with the June newsletter coming at the end of the month.

The next Board of Trustees Meeting is scheduled to take place on September 12, 2025. Location is to be determined.

Executive Director White answered all questions.

### **Board of Trustees (cont.)**

#### 22. Approve attendance to IFEBP 71<sup>st</sup> Annual Conference: Discussion and Potential Action:

Executive Director White presented to the Board of Trustees a request for consideration regarding the upcoming IFEBP Conference that is being held in Honolulu, Hawaii. According to the IFEBP, this conference is the largest educational conference in the multi-employer industry and features over 120 educational sessions presented by over 200 industry experts, with sessions ranging from basic to advanced level and organized into ten different tracks.

The Board of Trustees is requested to determine that the IFEBP 71<sup>st</sup> Annual Employee Benefits Conference meets the standard of trustee and fiduciary education as defined in the Education and Training Policy because attendance will add significant value to the roles and responsibilities of trustees and approve this specific conference for attendance by the Board of Trustees in accordance with this policy.

Executive Director White answered all questions.

A motion was made by Trustee Hopkins and seconded by Trustee Catavu to determine that there is significant value consistent with the requirements of the Education and Training Policy and approve attendance at the IFEBP 71<sup>st</sup> Annual Employee Benefits Conference by members of the Board of Trustees in accordance with the Education and Training Policy.

Motion carried by roll call vote:

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

Nayes- None

Absent- Trustee Suess

Vacant- 1

25. 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 11:42 A.M. No comments were heard, and no discussion was provided.

**Adjournment**

Adjournment:

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

Motion carried by roll call vote:

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

Nayes- None

Absent- None

Vacant- 1

Meeting adjourned at 11:44 A.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: September 12, 2025