

February-March 2026 Newsletter

Illinois Police Officers' Pension Investment Fund Continues Building Private Market Investments *Approves Private Markets Strategic Plan Hires Lexington Partners for Private Equity*

The \$15 billion Illinois Police Officers' Pension Investment Fund (IPOPIF) Board of Trustees approved a Private Markets Investment Strategic Plan at its special meeting on February 6, 2026. The plan emphasizes patience in long-term implementation, excellence in generating returns, prudence in diversification and capital protection, flexibility in seizing opportunities, and introspection in developing best-in-class practices and governance.

The multi-year private markets investment plan outlines asset targets, pacing models, investment procedures, risk management systems, data collection protocols, and regular reviews, along with governance and operational best practices.

At its March 20, 2026, meeting, the IPOPIF Board of Trustees approved the selection of Lexington Partners for private equity investment management. Finalist interviews were conducted during the Board's January 16, 2026, meeting with additional finalists, including Adams Street Partners and Muller & Monroe Asset Management. Following the interviews, staff, in coordination with Albourne, completed final due diligence, including two on-site visits, and recommended a \$450 million commitment to Lexington Partners. Funding is expected to be initiated by the end of June.

A search for private infrastructure investment management was approved and initiated in January and is on track for Board interviews in June and final selection in July. A search request for private non-core real estate is expected at the April 17 Board meeting.

Investment Updates

Investment Performance

In its quarterly report to the board, Verus, general consultant, noted that the IPOPIF investment portfolio returned 3.1% in the fourth quarter of 2025, 8.5% fiscal year-to-date, and 17.9% for the calendar year 2025, outperforming its Policy Index and Broad-Based Policy Index during each period.

Since the fund's inception in April 2022, the IPOPIF investment portfolio has returned 8.1% on an annualized basis through the end of the fourth quarter, compared to the Policy Index of 7.9% and the Broad-Based Policy Index of 8.0%.

Notably, the IPOPIF portfolio has performed better than its median peer since inception and ranked in the top decile in a representative universe of Public Pensions with assets greater than \$1 billion.

CIO Custer highlighted that active managers have added \$104 million in cumulative value to the IPOPIF portfolio net of all investment management fees. International value managers ARGA (emerging markets) and LSV (small cap) were especially strong in 2025.

The Fund was off to a strong start in early 2026, followed by a volatile March. The Fund was up 5.6% through February, led by small-cap (US and international), emerging markets, and REITs. The investment markets pulled back significantly in March as the Iran war and higher gas prices dampened economic enthusiasm. Bonds were not immune to price pressure due to renewed inflation and interest rate concerns. Risk assets rallied in the final two days of the month, mitigating March losses.

Hiring of Verus Affirmed

The IPOPIF Board reselected Verus for a five-year General Investment Consultant contract beginning May 1st. Verus was previously selected at the January board meeting; however, the board revisited the decision following Verus' February announcement that it would merge with Cerity Partners, expected to close by the end of the first quarter. The Board reevaluated all candidates, including Callan, Meketa, and NEPC.

Executive Director White to Retire at Year's End

The Board of Trustees voted to form a special committee of the Board to undertake a recruitment search and selection process to find a replacement for Executive Director Richard White, who is retiring at the end of 2026.

The formation of a special committee of the Board of Trustees will significantly assist in the timely and appropriate oversight of this process, as well as efficiently using the time of the Board of Trustees. The committee will set the rules and process, but it is anticipated that the committee will be responsible for most of the search and selection process, resulting in the committee making an ultimate recommendation of a candidate to the Board of Trustees at the culmination of the process. The entire Board of Trustees will make the final decision on the selection of the Executive Director.

The Board of Trustees approved the Executive Director search special committee and appointed Trustees Mark Poulos, Lee Catavu, and Debra Nawrocki.

Trustee Elections

The Election Committee is tasked with reviewing and recommending the policy and election process to the Board of Trustees. The Committee met on February 6, 2026, and unanimously recommended that the revised Election Policy be approved by the Board of Trustees.

These revisions included a possible switch to an electronic voting procedure, which the Board declined to do. Another change outlined the process for the appointment of a new trustee to an existing vacancy, which was provided for in a revision to the pension code. The policy set a schedule for the next cycle, starting earlier, which provides some time and calendar advantages for the Fund.

The Board of Trustees authorized the opening of the trustee election process at the March 20, 2026, meeting. The elected trustees serve four-year terms of office with the election on a two-year staggered election cycle. The elected trustees will be seated in January 2027 and serve through December 2030.

The trustee seats and incumbent trustee subject to election currently are:

- Municipal Member Trustee
 - Trustee Seat #1: Trustee Philip Suess
- Active Member Trustees
 - Trustee Seat #4: Trustee Lee Catavu
 - Trustee Seat #5: Trustee Paul Swanlund
- Beneficiary Member Trustee
 - Trustee Seat #7: Trustee Daniel Hopkins

Trustee Seat #9 is the seat appointed by the Governor as recommended by the Illinois Municipal

League and with the advice and consent of the Senate. The appointment is for a two-year term of office and will run from January 2027 through December 2028.

The nomination period for all trustee seats will run for a period of over five weeks from April 6, 2026, through May 8, 2026. The Election Policy provides the administrative rules for challenges to the nomination petition process and for the resolution of these challenges.

The timeline for this process, which begins after the close of the nomination period, is detailed in the election policy. Key dates throughout the election season are:

- April 6, 2026 – May 8, 2026: Nomination Period for Board Member Candidates is open.
- May 13-14, 2026: Nomination Challenge Period.
- May 20-21, 2026: Nomination Challenge Determination Period
- May 28, 2026: Nomination Challenge Decision Date
- June 5, 2026: Board of Trustees will review findings and issue a determination of nomination challenge decision by general legal counsel and approval of candidate(s) and appropriate action to begin election ballot process, if necessary.
- July 31, 2026: Deadline for participating police pension funds to provide elector information to IPOPIF.
- August 3, 2026: Elector information is provided to the election services vendor.
- August 17, 2026: Official ballot packets are mailed to qualified electors.
- August 17 – September 11, 2026: Election period with ballots returned directly to the election services vendor.
- September 11, 2026: Ballots must be received by 5:00 PM (Central Time).
- September 14, 2026: Election vendor conducts the final tabulation of election ballots and delivers electronic results of the election tabulation to IPOPIF. IPOPIF will publish the election results on the IPOPIF website by 5 pm CDT
- September 16-17, 2026: Election challenge period for candidates.
- September 18, 2026: Election committee meeting.
- September 23-24, 2026: Election result challenge determination period
- October 1, 2026: Election result challenge decision date
- October 16, 2026: Board of Trustees review findings of election challenge decision by general legal counsel and certification of election results.
- December 11, 2026: Results of trustee election entered into the minutes of the meeting. The elected Board of Trustees will have an Oath of Office administered and will be seated for the term of office beginning on January 1, 2027.
- January 22, 2027: Annual meeting of the Board of Trustees

Governmental Liaison Rehired

Completing its RFP search for a governmental liaison, IPOPIF rehired Vision M.A.I. Consulting to provide governmental liaison services under a five-year contract. Vision M.A.I. was first selected by the Board of Trustees for Governmental Liaison services through the RFP process in 2020 and has been providing these services for the past five years under a fixed fee contract.

On the Road

Executive Director White participated in a panel discussion about law enforcement public pensions during the Fraternal Order of Police Education and Empowerment Summit on March 31, 2026. Las Vegas, NV.

White will also make a presentation to the Illinois Public Pension Fund Association (IPPPA) Illinois Pension Conference. April 29, 2026. Galena, IL, and will also present at the Illinois Professional Firefighters Association (IPFA) Spring Pension Seminar. May 1, 2026. Addison, IL

Shawn Curry, manager of external affairs, continues to make visits to Article 3 pension fund meetings throughout the state. Local plans interested in a meeting may contact him at scurry@ipopif.org.

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 February 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, April 17, 2026, at 9 am at the Twin Towers Plaza, 456 Folton 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 Trustees 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](#)