

Monthly news & updates

October | 2021

UPCOMING EVENTS

[PTSD Training](#)

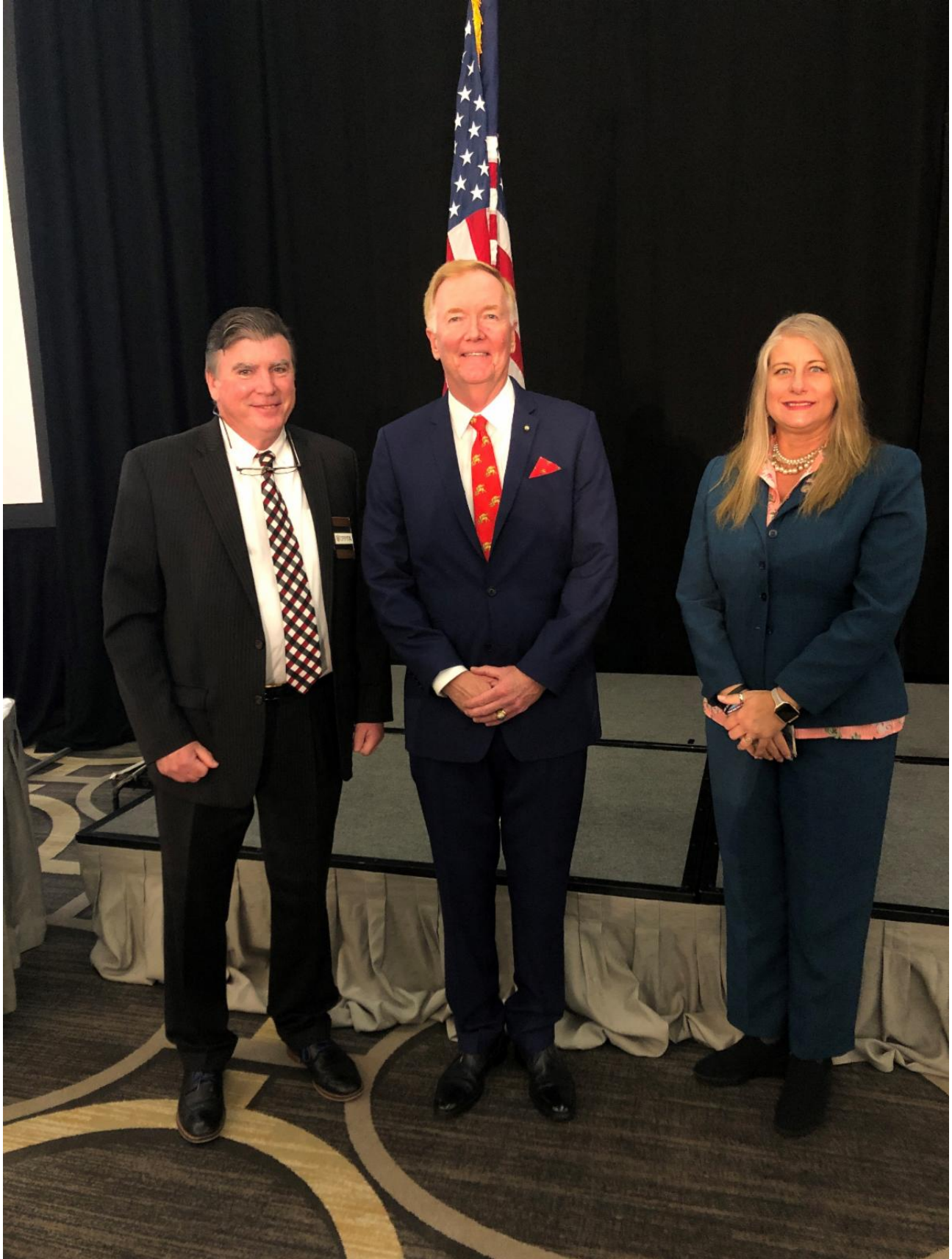
ONLINE TRAINING

[16 Hour Online CTP Course](#)

[8 Hour Online Training](#)

[4 Hour Online Transition Training](#)

2021 MidAmerican Conference Highlights



Pictured (Left to right):
James McNamee, *IPPFA President*, Admiral James Foggo, *U.S. Navy*, and Stephanie Kifowit, *State Representative -- 84th District* at the 2021 IPPFA MidAmerican Pension Conference.

Illinois Police Officers' Pension Investment Fund Updates

Nine-Member Board of Trustees Sworn In Following a Statewide Election Process Underway to Transition Assets Leading to Consolidation

Since its founding in 1985, the Illinois Public Pension Fund Association (IPPFA) has played a critical role in the protection of police and fire defined benefit retirement funds across the state of Illinois. On behalf of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund (IPOPIF), thank you for tirelessly working during the past 36 years with scores of plan trustees to ensure that they were provided with the education and critical information they needed to best serve their members and beneficiaries. Your mission has been a vital one and your efforts have been greatly appreciated by those who have and will continue to benefit from your assistance.

As you know, the Illinois Pension Consolidation Act of 2019 established the IPOPIF for the exclusive purpose of protecting and investing the assets of the Article 3 pension funds covering police officers serving and protecting all Illinois downstate and suburban municipalities and their beneficiaries, while also supporting our municipal partners who employ them. We are fiercely dedicated to the mission of providing a dignified retirement for our participants and their beneficiaries.

Given that the process of the transition of assets leading up to the consolidation is well underway, I thought it would be an opportune time to update members of the IPPFA on the milestones we've reached and the activities we anticipate as we go into the fourth quarter.

As we move ahead with the transition of assets and begin taking on our state-mandated responsibilities, we will be actively engaged with many of you and want to thank you in advance for making this process as seamless as possible. We are confident that you will find the IPOPIF to be a transparent, trusted and financially responsible steward of the pension fund assets entrusted to our care. Know that we will diligently serve all our stakeholders.

Working together with the leadership of local police plans, much can be accomplished in the coming weeks and months that will ultimately benefit the participants and beneficiaries of each municipality's police pension plan.

Recent milestones for the IPOPIF include:

- The IPOPIF is governed by an independent and autonomous nine-member Board of Trustees who were sworn into office in January 2021 after a statewide election. Five members represent active and retired law enforcement and are elected by the members of the downstate and suburban police pension funds. Three municipal members are elected by the municipalities and one member is appointed by the Governor. The Trustees of the IPOPIF are fiduciaries and will continue to discharge their duties with integrity and solely in the best interest for the participants and beneficiaries of the Article 3 participating funds.

The first meeting of the Board of Trustees occurred in February 2020. Through September 15, 2021, the Board of Trustees have met 34 times. Additionally, the Board of Trustees appointed six committees to assist with the governance of the Fund and provide recommendations to the Board of Trustees. Collectively, these committees have met 35 times.

The board members are:

- Shawn Curry, Chairperson, Participant Representative, Sergeant, Peoria Police Department
- Daniel Hopkins, Vice Chairperson, Beneficiary Representative, Retired Officer, Collinsville Police Department
- Paul Swanlund, Secretary, Participant Representative, Officer, Bloomington Police Department
- Elizabeth Holleb, Treasurer, Municipal Representative, Finance Director, City of Lake Forest
- Lee Catavu, Participant Representative, Officer, Aurora Police Department
- Brad Cole, Illinois Municipal League Representative, Executive Director of the Illinois Municipal League, Carbondale
- Michael Inman, Municipal Representative, Mayor, City of Macomb
- Mark Poulos, Beneficiary Representative, Retired Lieutenant, Rock Island Police Department

- Phil Suess, Municipal Representative, Mayor, City of Wheaton

○ Kent Custer was hired by the Board of Trustees to serve as Chief Investment Officer (CIO) in March. Kent most recently was CIO of the Dallas Police and Fire Pension System. He recently hired Steve Yoon as an Investment Officer. Steve joins the IPOPIF from the Municipal Employees' Annuity and Benefit Fund of Chicago.

○ The Board of Trustees retained Verus Advisory, Inc., as our general investment consultant and State Street Bank and Trust as the IPOPIF's investment custodian.

○ The Board approved and the fund is conducting a Request for Proposals search for transition managers and passive investment managers who will assist with the transition of assets from the local police pension funds into the IPOPIF asset pool. The fund is also conducting a search for the CPA firm needed to determine the Certified Investment Asset List.

○ The Board of Trustees have issued administrative rules to manage the transition process. It anticipates that additional rules will be issued.

○ The IPOPIF is conducting regular meetings with stakeholder groups as we ramp up our communication outreach efforts.

○ A website has been established for the consolidated fund. Please visit it at www.ipopif.org.

As we begin to invest the pooled assets, we intend to leverage our significantly larger size fund to reduce costs through better negotiating power. The size also will provide access to investments that were closed to smaller local funds and access to best-in-class investment managers at competitive pricing. Lower management costs and performance fees will ensure more money is available to fund pension benefits for the retirees and beneficiaries of the Article 3 pension funds.

The consolidated asset pool we are in the middle of establishing will be comprised of the fund assets that continue to be locally owned by the participating police pension funds. These assets cannot be accessed by the state, nor is the IPOPIF asset pool affected by the state government's financial condition. And, as the law stipulates, the Board of Trustees will ensure that the financial condition of one participating pension fund will have no effect on the financial condition of any other participating fund.

We anticipate that IPOPIF will be operationally ready to receive and manage assets by December 2021 or January 2022. We foresee being fully operational by June 30, 2022 and prepared to fulfill all statutory requirements. As we move into Fiscal Year 2023 and beyond, we will continue to build our investment program to maximize the return potential for a more than \$9 billion investment fund

In closing, I want to again thank the members of the IPPFA for the outstanding work you have done in the last three decades plus and continue to do. I assure you that the Illinois Police Officers' Pension Investment Fund will think strategically and will be continuously improving. We are laser-focused on investment excellence which means achieving the best risk-adjusted returns possible through the prudent investment of contributions and investment income.

Richard White is the executive director of the Illinois Police Officers' Pension Investment Fund.



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[SEC takes action against firms for cybersecurity procedures](#)

[With New Cybersecurity Enforcement, the SEC Puts Its Money Where Its Mouth Is](#)

[What's Next in Cybersecurity](#)

NEWS LINKS

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[Commission on Government Forecasting and Accountability](#)

[The State Pension Funding Gap: Plans Have Stabilized in Wake of Pandemic](#)

[Municipal Pension Funding Increased in Recent Years, but Challenges Remain](#)

[State Exports from Illinois](#)

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[States Embrace Vaccine Mandates Despite Potential Worker Exodus](#)

[Mixed Reaction to Biden Vaccine Mandate](#)

[Public Plans Database snapshot](#)

[Embattled Pa. teacher pension fund subpoenaed by SEC over 'compensation and gifts' to staff](#)

[HealthCare Roundtable e-News – September 21, 2021](#)

[Sirens](#)

[2021 Biennial Report \(2019 – 2020\)](#)

[Public Plans Database -- Downloadable Data](#)

[Pension funding is down over the last decade, but has held steady through the pandemic](#)

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