



Agenda
Village of Glen Ellyn
Police Pension Board Meeting
Wednesday, April 16, 2025
4:30 PM
Glen Ellyn Civic Center, Room 306

Visitors are most welcome to attend all meetings of the Police Pension Board and can find copies of the Agenda at the meeting or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring reasonable accommodation in order to participate in a meeting should contact The Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

- A. Call to Order**
- B. Roll Call**
- C. Public Comment**
- D. Approval of Minutes**
 - 1) January 15, 2025 Meeting
- E. Accountant's Report**
 - 1) Lauterbach and Amen will present the monthly financial report
 - 2) Presentation and approval of bills as listed in the monthly financial report
 - 3) Additional Bills
 - 4) Cash Management Policy
- F. Investment Report**
 - 1) IPOPIF - Verus Advisory Inc.
- G. Communication and Reports**
 - 1) Affidavits of Continued Eligibility
 - 2) Statements of Economic Interest
- H. Trustee Training Updates**
 - 1) Approval of Trustee Training Registration Fees & Reimbursable Expenses
- I. Approval of Membership/Withdrawals from Fund**
- J. Applications for Retirement/Disability Benefits**
- K. Old Business**
- L. New Business**
 - 1) Certify Board Election Results
 - 2) IDOI Annual Statement
 - 3) Fiduciary Liability Insurance Renewal
- M. Attorney Report**
 - 1) Legal Updates
- N. Adjourn to Exec Session, if needed**

O. Adjourn



Minutes
Village of Glen Ellyn
Police Pension Board Meeting
Regular Meeting
January 15, 2025
4:30 PM
Civic Center Room 306

Board or Commission: Police Pension
Meeting: Regular
Quorum: Yes

Date: January 15, 2025
Called to Order: 4:30 p.m.
Adjourned: 4:54 p.m.

MEMBER ATTENDANCE:

Jim Monson	President	Present
John Adduci	Trustee	Present
William Housey Jr.	Trustee	Absent
James King	Trustee	Present
Anthony Terranova	Trustee	Present

Also Present:

Patrick Brankin	Finance Director
Ray Page	Lauterbach & Amen
Derek Flessner	Lauterbach & Amen

Public:

A. CALL TO ORDER

The January 15, 2025 meeting of the Police Pension Board was called to order by President Monson at 4:30 pm at the Glen Ellyn Civic Center, Room 306.

B. PUBLIC COMMENT – None

C. APPROVAL OF MINUTES

1. October 10, 2024 special meeting

MOTION TO APPROVE MINUTES FROM OCTOBER 10, 2024 POLICE PENSION BOARD SPECIAL MEETING

MOTION BY: James King, Trustee

SECONDED BY: Anthony Terranova, Trustee

RESULT: UNANIMOUS APPROVAL

2. Semi Annual Review of Closed Session Meeting Minutes

MOTION TO KEEP ALL CLOSED SESSION MEETING MINUTES CLOSED

MOTION BY: Anthony Terranova, Trustee

SECONDED BY: James King, Trustee

RESULT: UNANIMOUS APPROVAL

D. Accountant's Report

1. Lauterbach and Amen delivered the monthly financial report, with Ray Page presenting the financial details for the month ending October 31, 2024
Statement of Net Position as of October 31, 2024

- Total Assets: \$41,454,521.00
- Total Contributions: \$2,252,726.00
- Net Position: 3,587,073.00
- Total Fund is up \$3,185,297.00

Lauterbach & Amen reviewed the payroll report, quarterly disbursement report, and transfer report in detail.

2. Presentation and approval of bills as listed in the monthly financial report – The Police Pension Board reviewed the quarterly disbursements. Trustee Adduci motioned to approve the disbursements totaling \$15,854.11 as outlined in the Quarterly Disbursement report; Trustee King seconded the motion.

MOTION TO APPROVE QUARTERLY DISBURSEMENTS IN THE AMOUNT OF \$15,854.11

MOTION BY: John Adduci, Trustee

SECONDED BY: James King, Trustee

RESULT: UNANIMOUS APPROVAL

AYES – Adduci, Terranova, Monson, King

3. Additional Bills – None

4. Cash Management Policy – No action at this time.

E. Investment Report

1. IPOPIF Versus Advisory Inc. – The Police Pension Board received and reviewed the performance of the IPOPIF report.

F. Communication and Reports

1. Affidavits of Continued Eligibility – Lauterbach & Amen confirmed that the Affidavits of Continued Eligibility were mailed on December 31, 2024. As of now, affidavits from Dawn Allen, Joseph Bacci, and James Hammond remain outstanding. A second request will be issued by Lauterbach & Amen, providing a 30-day deadline for response.

2. Statements of Economic Interest – The list of filers are due on February 1, 2025. The

statements of Economic Interest must be completed and turned in by May 1, 2025; failure to comply will result in personal fines being assessed.

G. Trustee Training Updates

1. Approval of Trustee Training Registration Fees and Reimbursable Expenses – Lauterbach & Amen reminded the Police Pension Board to ensure all complete their required training by the end of the year.

H. Approval of Membership / Withdrawals from Fund – President Monson announced that Caitlin Sabeca resigned on January 2, 2025.

I. APPLICATIONS FOR RETIREMENT / DISABILITY BENEFITS - None

J. OLD BUSINESS

1. Portability Updates – Lauterbach & Amen reported that estimates for Caitlin Tabor were run in late 2023, but no response has been received in over a year. If this matter arises again, the calculations will need to be updated. It is recommended that this item be removed from the agenda.

K. NEW BUSINESS

1. Approve Annual cost of Living Adjustments for Pensioners – Lauterbach & Amen explained the COLA would be effective on January 1, 2025 per the state statute.

Trustee Adduci motioned to approve the Annual Cost of Living adjustments as stated in the packet; Trustee King seconded the motion.

MOTION TO APPROVE ANNUAL COST OF LIVING ADJUSTMENTS AS STATED IN THE PACKET. MOTION BY: John Adduci, Trustee SECONDED BY: James King, Trustee RESULT: UNANIMOUS APPROVAL AYES – Adduci, Terranova, Monson, King

2. Review Trustee Term Expirations and Election Procedures – Lauterbach & Amen reviewed the upcoming term expirations, noting that the terms for James King, James Monson, and Anthony Terranova are set to expire in May. They offered to assist with the election process if all parties wished to seek re-election. All confirmed their interest in continuing their roles.

L. ATTORNEY’S REPORT

1. Annual Independent Medical Examination – Ray Munch & Thomas Hartzell – President Monson provided an update, stating that both individuals underwent re-evaluations last month, and their disabilities were confirmed.

Trustee Adduci motions to continue Ray Munch and Thomas Hartzell’s disability payments; Trustee Terranova seconds the motion.

MOTION TO CONTINUE RAY MUNCH AND THOMAS HARTZELL'S DISABILITY PAYMENTS

MOTION BY: John Adduci, Trustee

SECONDED BY: Anthony Terranova, Trustee

RESULT: UNANIMOUS APPROVAL

AYES - Terranova, Adduci, Monson, King

2. Review, Adopt and Publish Decision and Order – Thomas Roman QILDRO - The police pension board reviews the decision and order. Trustee Terranova motioned to adopt the decision and order for Thomas Roman QILDRO; Trustee King seconded the motion.

MOTION TO ADOPT THE DECISION AND ORDER FOR THOMAS ROMAN QILDRO

MOTION BY: Anthony Terranova, Trustee

SECONDED BY: James King, Trustee

RESULT: UNANIMOUS APPROVAL

AYES - Terranova, Adduci, Monson, King

3. Legal updates - None

M. ADJOURNMENT – President Monson motioned and Trustee Terranova seconded to adjourn the meeting. The meeting was adjourned at 4:54 p.m.

Submitted by Elisa Pollina, Recording Secretary

Reviewed by Finance Director Brankin



**Glen Ellyn Police Pension
Board**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 4/16/2025 4:30 PM
Department: Finance
Department Head: Patrick Brankin
Category: Report
Prepared By: Patrick Brankin

**AGENDA ITEM (ID # 2025-
334)**

DOC ID: 2025-334

IPOPIF - Verus Advisory Inc.

Statement of the Issue:

Analysis:

Budget Impact:

Contribution to Strategic Plan

Action Requested:

Attachments:

1. IPOPIF 2-28-25
2. IPOPIF 3-31-25
3. Verus Statement February 2025



Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$42,417,550.92	\$41,447,815.46
Contributions	\$80,700.00	\$180,100.00
Withdrawals	(\$63,636.00)	(\$127,272.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$16,287.41	\$27,103.86
Administrative Expense	(\$468.69)	(\$1,334.91)
Investment Expense	(\$919.19)	(\$1,365.31)
Investment Manager Fees	(\$2,864.60)	(\$3,756.92)
IFA Loan Repayment	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Realized Gain/Loss	\$31,522.17	\$37,616.80
Unrealized Gain/Loss	\$29,428.57	\$948,693.61
Ending Balance	<u>\$42,507,600.59</u>	<u>\$42,507,600.59</u>

Performance Summary:

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	0.17%	2.43%	2.43%	10.30%	N/A	N/A	N/A	5.35%	04/01/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

GLEN ELLYN POLICE PENSION FUND

Fund Name: IPOPIF Pool

Month Ended: February 28, 2025



Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$42,417,550.92	\$41,447,815.46
Contributions	\$80,700.00	\$180,100.00
Withdrawals	(\$63,636.00)	(\$127,272.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$16,287.41	\$27,103.86
Administrative Expense	(\$468.69)	(\$1,334.91)
Investment Expense	(\$919.19)	(\$1,365.31)
Investment Manager Fees	(\$2,864.60)	(\$3,756.92)
IFA Loan Repayment	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Realized Gain/Loss	\$31,522.17	\$37,616.80
Unrealized Gain/Loss	\$29,428.57	\$948,693.61
Ending Balance	\$42,507,600.59	\$42,507,600.59

Unit Value Summary:

	Current Period	Year to Date
Beginning Units	3,515,391.875	3,512,453.656
Unit Purchases from Additions	6,695.731	14,933.593
Unit Sales from Withdrawals	(5,214.770)	(10,514.414)
Ending Units	3,516,872.835	3,516,872.835
Period Beginning Net Asset Value per Unit	\$12.066237	\$11.800246
Period Ending Net Asset Value per Unit	\$12.086761	\$12.086761

Performance Summary:

GLEN ELLYN POLICE PENSION FUND

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	0.17%	2.43%	2.43%	10.30%	N/A	N/A	N/A	5.61%	04/06/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

Statement of Transaction Detail for the Month Ending 02/28/2025

GLEN ELLYN POLICE PENSION FUND

Trade Date	Settle Date	Description	Amount	Unit Value	Units
IPOPIF Pool					
02/20/2025	02/21/2025	Redemptions	(63,636.00)	12.203030	(5,214.7704)
02/27/2025	02/28/2025	Contribution	80,700.00	12.052456	6,695.7307



February 2025 Statement Supplement

Cash Flows

Period	Contributions	Withdrawals
February 2025	\$50 million	\$59 million
CY 2025	\$105 million	\$116 million

Expenses Paid

Period	Administrative Expenses	Investment Expenses	Direct Investment Manager Fees
2/3/2025	\$142,906.56	\$280,271.60	\$873,459.45
CY 2025	\$407,312.30	\$416,444.33	\$1,145,832.55

- Expenses are paid from the IPOPIF Pool and allocated proportionately by member value.
- Investment expenses exclude investment manager fees.
- Direct Investment Manager Fee includes those fees invoiced and paid by IPOPIF. Other investment manager fees are tracked separately and reported to the Board and disclosed in the Fund’s Annual Comprehensive Financial Report.

Investment Pool Details

Date	Units	Value	Unit Price
1/31/2025	1,071,893,785.6264	12,933,724,276.08	12.066237
2/28/2025	1,071,155,250.3226	12,946,797,248.86	12.086761

A spreadsheet with complete unit and expense detail history is linked on the [Article 3 Fund Reports page](#) as [IPOPIF Unit and Expense Information.xlsx](#).

NAV and Receivable Calculations Under Development

The IPOPIF [AR 2022-01 Valuation and Cost Rule.pdf](#), stipulates that subsequent to transfer of investment assets from all Article 3 Funds, the Net Asset Value (NAV) for each Participating Police Pension Fund will include a final true-up allocation of all costs paid using funds from the total consolidated IPOPIF investment portfolio for the period January 1, 2023, through December 31, 2024, and all loan payments made to the Illinois Finance Authority subsequent to January 1, 2023. These adjustments are expected to be completed in the first quarter of 2025.

Resources

- Monthly statement overview: [Link to Statement Overview](#)
- Monthly financial reports: <https://www.ipopif.org/reports/monthly-financial-reports/>
- Monthly and quarterly investment reports: <https://www.ipopif.org/reports/investment-reports/>
- IPOPIF Board Meeting Calendar: <https://www.ipopif.org/meetings/calendar/>



Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$42,507,600.59	\$41,447,815.46
Contributions	\$79,000.00	\$259,100.00
Withdrawals	(\$63,636.00)	(\$190,908.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$27,243.73	\$54,347.59
Administrative Expense	(\$519.94)	(\$1,854.85)
Investment Expense	(\$470.74)	(\$1,836.05)
Investment Manager Fees	(\$353.14)	(\$4,110.06)
IFA Loan Repayment	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Realized Gain/Loss	(\$28,603.80)	\$9,013.00
Unrealized Gain/Loss	(\$819,031.76)	\$129,661.85
Ending Balance	<u>\$41,701,228.94</u>	<u>\$41,701,228.94</u>

Performance Summary:

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	(1.93%)	0.45%	0.45%	5.80%	4.52%	N/A	N/A	4.52%	04/01/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

GLEN ELLYN POLICE PENSION FUND

Fund Name: IPOPIF Pool

Month Ended: March 31, 2025



Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$42,507,600.59	\$41,447,815.46
Contributions	\$79,000.00	\$259,100.00
Withdrawals	(\$63,636.00)	(\$190,908.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$27,243.73	\$54,347.59
Administrative Expense	(\$519.94)	(\$1,854.85)
Investment Expense	(\$470.74)	(\$1,836.05)
Investment Manager Fees	(\$353.14)	(\$4,110.06)
IFA Loan Repayment	\$0.00	\$0.00
Adjustment	\$0.00	\$0.00
Realized Gain/Loss	(\$28,603.80)	\$9,013.00
Unrealized Gain/Loss	(\$819,031.76)	\$129,661.85
Ending Balance	\$41,701,228.94	\$41,701,228.94

Unit Value Summary:

	Current Period	Year to Date
Beginning Units	3,516,872.835	3,512,453.656
Unit Purchases from Additions	6,643.663	21,577.256
Unit Sales from Withdrawals	(5,315.111)	(15,829.525)
Ending Units	3,518,201.386	3,518,201.386
Period Beginning Net Asset Value per Unit	\$12.086761	\$11.800246
Period Ending Net Asset Value per Unit	\$11.852997	\$11.852997

Performance Summary:

GLEN ELLYN POLICE PENSION FUND

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	(1.93%)	0.45%	0.45%	5.80%	N/A	N/A	N/A	4.76%	04/06/2022

Returns for periods greater than one year are annualized

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

Statement of Transaction Detail for the Month Ending 03/31/2025

GLEN ELLYN POLICE PENSION FUND

Trade Date	Settle Date	Description	Amount	Unit Value	Units
IPOPIF Pool					
03/21/2025	03/24/2025	Redemptions	(63,636.00)	11.972656	(5,315.1114)
03/28/2025	03/31/2025	Contribution	79,000.00	11.891031	6,643.6628



March 2025 Statement Supplement

Cash Flows

Period	Contributions	Withdrawals
March 2025	\$76 million	\$63 million
CY 2025	\$181 million	\$179 million

Expenses Paid

Period	Administrative Expenses	Investment Expenses	Direct Investment Manager Fees
3/3/2025	\$158,359.96	\$143,375.29	\$107,556.49
CY 2025	\$565,672.26	\$559,819.62	\$1,253,389.04

- Expenses are paid from the IPOPf Pool and allocated proportionately by member value.
- Investment expenses exclude investment manager fees.
- Direct Investment Manager Fee includes those fees invoiced and paid by IPOPf. Other investment manager fees are tracked separately and reported to the Board and disclosed in the Fund’s Annual Comprehensive Financial Report.

Investment Pool Details

Date	Units	Value	Unit Price
2/28/2025	1,071,155,250.3226	12,946,797,248.86	12.086761
3/31/2025	1,072,322,085.7475	12,710,229,998.94	11.852997

A spreadsheet with complete unit and expense detail history is linked on the [Article 3 Fund Reports page](#) as [IPOPf Unit and Expense Information.xlsx](#).

NAV and Receivable Calculations Under Development

The IPOPf [AR 2022-01 Valuation and Cost Rule.pdf](#), stipulates that subsequent to transfer of investment assets from all Article 3 Funds, the Net Asset Value (NAV) for each Participating Police Pension Fund will include a final true-up allocation of all costs paid using funds from the total consolidated IPOPf investment portfolio for the period January 1, 2023, through December 31, 2024, and all loan payments made to the Illinois Finance Authority subsequent to January 1, 2023. These adjustments are expected to be completed in the second quarter of 2025.

Resources

- Monthly statement overview: [Link to Statement Overview](#)
- Monthly financial reports: <https://www.ipopif.org/reports/monthly-financial-reports/>
- Monthly and quarterly investment reports: <https://www.ipopif.org/reports/investment-reports/>
- IPOPf Board Meeting Calendar: <https://www.ipopif.org/meetings/calendar/>

Total Fund
Asset Allocation & Performance (Net of Fees) - Preliminary

Illinois Police Officers' Pension Investment Fund
Period Ending: February 28, 2025

	Market Value	% of Portfolio	Target (%)	1 Mo	QTD	Fiscal YTD	YTD	1 Yr	2024	2023	Since Inception	Inception Date
Total Fund with Member and Transition Accounts	12,934,630,123	100.0	100.0	-0.1	2.4	6.6	2.4	10.4	9.8	13.7	5.4	03/01/22
<i>Policy Index</i>				0.0	2.4	6.6	2.4	10.3	9.7	14.2	5.3	
<i>Policy Index- Broad Based</i>				-0.2	2.3	6.7	2.3	10.8	10.8	16.8	5.2	
IPOPIF Investment Portfolio	12,934,630,123	100.0	100.0	-0.1	2.3	6.4	2.3	10.2	9.6	13.7	5.3	04/01/22
<i>Policy Index</i>				0.0	2.4	6.6	2.4	10.3	9.7	14.2	5.3	
<i>Policy Index- Broad Based</i>				-0.2	2.3	6.7	2.3	10.8	10.8	16.8	5.1	
Growth	7,501,810,121	58.0	58.0	-1.0	2.5	6.7	2.5	11.9	12.8	19.4	6.5	04/01/22
<i>Growth Benchmark</i>				-1.0	2.6	6.8	2.6	11.9	12.8	19.5	6.4	
RhumbLine Russell 1000 Index	2,951,114,804	22.8	23.0	-1.8	1.4	10.5	1.4	18.1	24.5	26.5	11.0	04/01/22
<i>Russell 1000 Index</i>				-1.7	1.4	10.5	1.4	18.1	24.5	26.5	11.2	
RhumbLine Russell 2000 Index	606,039,610	4.7	5.0	-5.3	-2.8	6.5	-2.8	6.7	11.6	16.8	2.9	04/01/22
<i>Russell 2000 Index</i>				-5.3	-2.9	6.5	-2.9	6.7	11.5	16.9	3.0	
SSgA Non-US Developed Index	2,442,679,467	18.9	19.0	1.8	6.8	6.6	6.8	9.9	5.0	18.3	6.4	04/01/22
<i>MSCI World ex U.S. (Net)</i>				1.8	6.8	6.6	6.8	9.5	4.7	17.9	6.1	
International Developed Small Cap Equity	647,646,189	5.0	5.0	0.0	2.4	5.4	2.4	9.7	6.1	12.9	1.8	04/01/22
<i>MSCI World ex U.S. Small Cap Index (Net)</i>				-0.4	2.8	4.6	2.8	7.1	2.8	12.6	0.6	
Acadian ACWI ex US Small-Cap Fund	320,947,842	2.5	2.5	-0.5	1.2	4.6	1.2	10.8	-	-	12.7	02/01/24
<i>MSCI AC World ex USA Small Cap (Net)</i>				-1.1	0.3	0.8	0.3	4.4	-	-	5.0	
WCM International Small Cap Growth Fund	163,057,743	1.3	1.3	-0.9	1.8	6.0	1.8	4.7	-	-	4.7	03/01/24
<i>MSCI AC World ex USA Small Cap (Net)</i>				-1.1	0.3	0.8	0.3	4.4	-	-	4.4	
LSV International Small Cap Value Equity Fund	163,640,605	1.3	1.3	2.0	5.2	6.3	5.2	9.7	-	-	9.7	03/01/24
<i>S&P Developed Ex-U.S. SmallCap (Net)</i>				0.0	3.3	2.2	3.3	5.3	-	-	5.3	
Emerging Market Equities	854,330,051	6.6	6.0	-4.3	-2.3	-6.6	-2.3	0.7	2.9	9.7	-1.5	04/01/22
<i>Emerging Markets Equity Benchmark</i>				-3.8	-1.8	-5.3	-1.8	2.4	4.2	9.8	-1.2	
SSgA Emerging Markets ex China Equity	210,258,846	1.6	1.1	-3.4	-1.8	-6.4	-1.8	-	-	-	-1.2	05/01/24
<i>MSCI Emerging Markets ex China (Net)</i>				-3.8	-1.8	-6.2	-1.8	-	-	-	-0.6	
William Blair Emerging Markets ex China Growth Fund	264,342,649	2.0	2.0	-6.6	-8.9	-	-8.9	-	-	-	-8.9	01/01/25
<i>MSCI Emerging Markets ex China IMI (Net)</i>				-3.8	-2.6	-	-2.6	-	-	-	-2.6	
ARGA Emerging Markets Ex China Equity	379,728,556	2.9	2.9	-3.2	3.3	-	3.3	-	-	-	-0.4	12/01/24
<i>MSCI Emerging Markets ex China (Net)</i>				-3.8	-1.8	-	-1.8	-	-	-	-2.9	

The Principal USPA Real Estate Fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability. Emerging Market Equities includes the 2/27 \$95,000,000 contribution to ARGA for 3/1 funding, and the \$102,000,000 distribution from SSgA Emerging Markets ex China that settles on 3/4.

Total Fund
Asset Allocation & Performance (Net of Fees) - Preliminary

Illinois Police Officers' Pension Investment Fund
Period Ending: February 28, 2025

	Market Value	% of Portfolio	Target (%)	1 Mo	QTD	Fiscal YTD	YTD	1 Yr	2024	2023	Since Inception	Inception Date
Income	2,119,963,597	16.4	16.0	0.9	2.2	7.1	2.2	9.7	7.6	12.8	4.2	04/01/22
<i>Income Benchmark</i>				0.9	2.2	7.1	2.2	9.7	7.5	12.6	5.0	
SSgA High Yield Corporate Credit	935,577,158	7.2	7.0	0.7	2.1	7.8	2.1	10.3	8.4	13.8	5.3	04/01/22
<i>Spliced SSgA U.S. High Yield Index</i>				0.7	2.0	7.6	2.0	10.1	8.2	13.5	5.3	
Emerging Market Debt	786,186,959	6.1	6.0	1.4	3.0	7.1	3.0	9.7	6.5	11.2	3.0	04/01/22
<i>Emerging Markets Debt Benchmark</i>				1.6	3.0	7.2	3.0	9.8	6.5	11.1	4.4	
SSgA EMD Hard Index Fund	590,688,017	4.6	4.5	1.6	3.0	7.6	3.0	10.2	6.9	11.2	3.1	04/01/22
<i>Spliced SSgA EMD Hard Index</i>				1.6	3.0	7.2	3.0	9.8	6.5	11.1	3.5	
Capital Group Emerging Markets Debt	195,498,943	1.5	1.5	1.0	3.0	-	3.0	-	-	-	1.1	11/01/24
<i>Spliced Capital Group EMD Index</i>				1.1	2.7	-	2.7	-	-	-	1.3	
Bank Loans	398,199,480	3.1	3.0	0.1	0.7	5.0	0.7	8.0	-	-	8.0	03/01/24
<i>S&P UBS Leveraged Loan Index</i>				0.2	0.9	5.3	0.9	8.2	-	-	8.2	
Ares Institutional Loan Fund	132,724,695	1.0	1.0	0.1	0.7	5.5	0.7	8.6	-	-	8.6	03/01/24
<i>S&P UBS Leveraged Loan Index</i>				0.2	0.9	5.3	0.9	8.2	-	-	8.2	
Aristotle Institutional Loan Fund	265,474,785	2.1	2.0	0.2	0.7	4.8	0.7	7.6	-	-	7.6	03/01/24
<i>S&P UBS Leveraged Loan Index</i>				0.2	0.9	5.3	0.9	8.2	-	-	8.2	
Real Assets	737,708,897	5.7	6.0	2.7	3.7	10.9	3.7	11.6	5.7	5.6	1.3	04/01/22
<i>Real Assets Benchmark</i>				2.5	3.5	10.0	3.5	10.2	4.8	4.7	-1.6	
SSgA REITs Index	523,083,270	4.0	4.0	3.9	5.1	14.2	5.1	16.2	8.0	13.9	-0.2	04/01/22
<i>Dow Jones U.S. Select REIT Total Return Index</i>				3.9	5.1	14.3	5.1	16.2	8.1	14.0	-0.1	
Principal USPA	214,625,627	1.7	2.0	-0.1	0.4	1.3	0.4	-0.7	-1.9	-10.7	-5.8	05/01/22
Risk Mitigation	2,574,770,081	19.9	20.0	1.2	1.7	4.2	1.7	5.8	3.8	5.0	2.7	04/01/22
<i>Risk Mitigation Benchmark</i>				1.2	1.7	4.3	1.7	5.8	3.9	4.9	2.6	
SSgA US Treasury Index	388,854,962	3.0	3.0	2.2	2.7	4.2	2.7	-	-	-	6.8	05/01/24
<i>Blmbg. U.S. Treasury Index</i>				2.2	2.7	4.2	2.7	-	-	-	6.8	
SSgA Core Fixed Income Index	390,255,992	3.0	3.0	2.2	2.7	4.8	2.7	5.9	1.4	5.6	0.5	04/01/22
<i>Blmbg. U.S. Aggregate Index</i>				2.2	2.7	4.8	2.7	5.8	1.3	5.5	0.5	
SSgA Short-Term Gov't/Credit Index	1,306,735,737	10.1	10.0	0.7	1.2	4.2	1.2	5.6	4.4	4.6	3.1	04/01/22
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>				0.7	1.2	4.1	1.2	5.5	4.4	4.6	3.0	
SSgA US TIPS Index	395,819,011	3.1	3.0	1.2	2.0	4.5	2.0	6.7	4.8	4.6	2.8	04/01/22
<i>Blmbg. U.S. TIPS 0-5 Year</i>				1.1	2.1	4.5	2.1	6.6	4.7	4.6	3.0	
Cash	93,104,379	0.7	1.0	0.3	0.6	3.0	0.6	4.8	5.0	5.0	3.9	04/01/22
<i>90 Day U.S. Treasury Bill</i>				0.3	0.7	3.3	0.7	5.1	5.3	5.0	4.2	
IPOPIF Pool Fixed Income Transition	377,427	0.0	-									
Member Accounts	-	0.0	-									
Transition Account	-	0.0	-									

The Principal USPA Real Estate Fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability. Cash market value excludes the \$102,000,000 sale of SSgA Emerging Markets ex China that settles on 3/4.

Total Fund

Data Sources and Methodology Page

Illinois Police Officers' Pension Investment

Fund Period Ending: February 28, 2025

Performance Return Calculations

Performance is calculated using Time Weighted Rates of Return (TWRR) methodologies. Monthly returns are geometrically linked and annualized for periods longer than one year.

Data Source

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

Manager Line Up

Manager	Inception Date	Data Source	Manager	Inception Date	Data Source
RhumbLine Russell 1000 Index Fund	3/15/2022	State Street	SSgA EMD Hard Index Fund	3/14/2022	State Street
RhumbLine Russell 2000 Index Fund	3/15/2022	State Street	Capital Group Emerging Markets Debt Fund	10/21/2024	State Street
SSgA Non-US Developed Index Fund	3/10/2022	State Street	Ares Institutional Loan Fund	3/1/2024	Ares
SSgA Non-US Developed SC Index Fund	3/10/2022	State Street	Aristotle Institutional Loan Fund	3/1/2024	Aristotle
Acadian ACWI ex US Small-Cap Fund	1/30/2024	State Street	Principal USPA	4/6/2022	State Street
WCM International Small Cap Growth Fund	3/1/2024	WCM	SSgA REITs Index Fund	3/10/2022	State Street
LSV International Small Cap Value Equity Fund	3/1/2024	LSV	SSgA US Treasury Index Fund	5/1/2024	State Street
SSgA Emerging Markets Equity Index Fund	3/1/2022	State Street	SSgA Core Fixed Income Index Fund	3/17/2022	State Street
SSgA Emerging Markets ex China Equity Index Fur	5/1/2024	State Street	SSgA Short-Term Gov't/Credit Index Fund	3/17/2022	State Street
William Blair EM ex China Growth Fund	12/9/2024	William Blair	SSgA US TIPS Index Fund	3/17/2022	State Street
ARGA Emerging Markets Ex China Equity	12/1/2024	ARGA	Cash	3/22/2022	State Street
SSgA High Yield Corporate Credit	3/18/2022	State Street			

Custom Benchmark Composition

Benchmark	Time period	Composition
Policy Index -Broad Benchmark	4/1/2022 - Present	70% MSCI ACWI IMI (Net) and 30% Bloomberg Global Multiverse.
Spliced SSgA EMD Hard Benchmark	7/1/2023 - Present	100% JPM EMBI Global Diversified Index
Spliced SSgA EMD Hard Benchmark	3/14/2022 - 6/30/2022	100% JPM EMBI Global Core Index
Spliced SSgA U.S. High Yield Index	12/1/2022 - Present	100% ICE BofA US High yield Master II Constrained
Spliced SSgA U.S. High Yield Index	4/1/2022 - 11/30/2022	100% Bloomberg U.S. High Yield Very Liquid Index
Spliced Capital Group EMD Benchmark	1/1/2025 - Present	50% JPM GBI EM GD/30% JPM EMBI GD/20% JPM CEMBI BD
Spliced Capital Group EMD Benchmark	10/21/2024 - 12/31/2024	50% JPM EMBI GD/50% JPM GBI EM GD

Total Fund Data Sources and Methodology Page

Illinois Police Officers' Pension Investment Fund Period Ending: February 28, 2025

Policy Index Composition

As of 12/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23.0%	39.7%			
Russell 2000	5.0%	8.6%			
MSCI World ex U.S.	19.0%	32.8%			
MSCI World ex U.S. Small Cap	5.0%	8.6%			
MSCI Emerging Markets ex China	6.0%	10.3%			
Bloomberg US Corporate High Yield Index	7.0%		43.8%		
JPM EMBI Global Diversified Index	6.0%		37.5%		
Credit Suisse Leveraged Loan Index	3.0%		18.8%		
NFI-ODCE Equal-Weighted Index	2.0%			33.3%	
Dow Jones US Select REIT Index	4.0%			66.7%	
Bloomberg US Aggregate Index	3.0%				15.0%
Bloomberg US Treasury Index	3.0%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10.0%				50.0%
Bloomberg US TIPS 0-5 Year	3.0%				15.0%
90 Day US Treasury Bill Index	1.0%				5.0%

As of 10/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	0.8%	1.4%			
MSCI Emerging Markets ex China	5.2%	9.0%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10%				50.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 8/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	2%	3.4%			
MSCI Emerging Markets ex China	4%	6.9%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10%				50.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 11/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	0.7%	1.2%			
MSCI Emerging Markets ex China	5.3%	9.2%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10%				50.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 9/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	1.5%	2.6%			
MSCI Emerging Markets ex China	4.5%	7.8%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10%				50.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 7/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	3%	5.2%			
MSCI Emerging Markets ex China	3%	5.2%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	10%				50.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

Total Fund Data Sources and Methodology Page

Illinois Police Officers' Pension Investment Fund Period Ending: February 28, 2025

Policy Index Composition					
As of 6/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	4%	6.9%			
MSCI Emerging Markets ex China	2%	3.4%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	2%				10.0%
Bloomberg 1-3 Year Gov/Credit Index	11%				55.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 5/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	5%	8.6%			
MSCI Emerging Markets ex China	1%	1.7%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg US Treasury Index	1%				5.0%
Bloomberg 1-3 Year Gov/Credit Index	12%				60.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 4/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	19%	32.8%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	6%	10.3%			
Bloomberg US Corporate High Yield Index	7%		43.8%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	3%		18.8%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 3/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	8.5%		53.1%		
JPM EMBI Global Diversified Index	6%		37.5%		
Credit Suisse Leveraged Loan Index	1.5%		9.4%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 5/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	39.7%			
Russell 2000	5%	8.6%			
MSCI World ex U.S.	18%	31.0%			
MSCI World ex U.S. Small Cap	5%	8.6%			
MSCI Emerging Markets	7%	12.1%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	3%				15.0%
Bloomberg 1-3 Year Gov/Credit Index	13%				65.0%
Bloomberg US TIPS 0-5 Year	3%				15.0%
90 Day US Treasury Bill Index	1%				5.0%

As of 1/1/2023	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	18%	36.0%			
Russell 2000	5%	10.0%			
MSCI World ex U.S.	15%	30.0%			
MSCI World ex U.S. Small Cap	5%	10.0%			
MSCI Emerging Markets	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
JPM EMBI Global Diversified Index	6%		37.5%		
NFI-ODCE Equal-Weighted Index	2%			33.3%	
Dow Jones US Select REIT Index	4%			66.7%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

Policy Index Composition

As of 3/31/2022	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 3000	23%	46.0%			
MSCI ACWI ex USA IMI	20%	40.0%			
MSCI Emerging Markets IMI	7%	14.0%			
Bloomberg US Corporate High Yield Index	10%		62.5%		
50% JPM EMBI GD/50% JPM GBI EM GD	6%		37.5%		
NCREIF Property Index	2%			66.7%	
Dow Jones US Select REIT Index	4%			33.3%	
Bloomberg US Aggregate Index	7%				25.0%
Bloomberg 1-3 Year Gov/Credit Index	15%				53.6%
Bloomberg US TIPS 0-5 Year	3%				10.7%
90 Day US Treasury Bill Index	3%				10.7%

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2025 IPPFA Trustee Training Opportunities

IPPFA ONLINE SEMINAR COURSE

WHEN: Ongoing
• Online 8 hr. seminar (Recorded 2024)

WHERE: IPPFA Website:
www.ippfa.org/education/online-classes/

COST: IPPFA MEMBER: \$285.00/seminar IPPFA
NON-MEMBER: \$570.00/seminar

This online seminar agenda includes:

- School's in Session - How to Ace your Fund Administration
- Retirement Healthcare Funding
- Private vs. Public Pensions
- Pension Funding Policy
- Legal Updates and Recent Court Cases
- Ask Your Attorney
- Fiduciary Liability Insurance vs. Directors and Officers Insurance
- Benefit Enhancements to Attract and Retain Public Safety Officers
- Consolidation Update
- The Wonderfully Weird World of Administrative Review

- this online seminar satisfies 8 hours of the required continuing pension trustee training

16-hour Certified Trustee Programs* offered through IPPFA

IPPFA **ONLINE** Certified Trustee Program

COST: IPPFA MEMBER: \$ 550.00
IPPFA NON-MEMBER: \$1,100.00

Registration is online at the IPPFA website www.ippfa.org/education/trustee-program/

IPPFA In-Person Certified Trustee Program

WHEN: TBA

WHERE: TBA

COST: IPPFA MEMBER: \$500.00
IPPFA NON-MEMBER: \$1,000.00

*On December 18, 2019, Governor J.B. Pritzker signed SB 1300, making it Public Act 101-0610. This act will consolidate all Article 3 and 4 pension fund's investment assets. Under Public Act 101-0610, **training requirements have now been reduced from 32-hours to 16-hours of new trustee training**, however all pension trustees will still need 4-hours of mandatory consolidation transition training.

All Article 3 & 4 Pension Trustees elected or appointed are required to complete the 16-hour trustee certification course within 18 months of election or appointment to the board.



2025 IPPFA Pension Conferences

2025 Illinois Pension Conference

May 7th - 9th

Eagle Ridge Resort, Galena, IL

Agenda at a glance:

- Tuesday, May 6th - Heroes Family Fund Charity Golf Outing
Wednesday, May 7th - Educational Sessions 12:00 pm to 5:00 pm
Thursday, May 8th - Educational Sessions 8:00 am to 5:00 pm
Friday, May 9th - Educational Sessions 9:00 am to 12:00 pm
-

2025 MidAmerican Pension Conference

October 1st - 2nd

Oak Brook Hills Resort, Oak Brook

PLEASE NOTE THE SCHEDULE CHANGE TO 2 FULL DAYS

Agenda at a glance:

- Tuesday, September 30th - Heroes Family Fund Charity Golf Outing
Wednesday, October 1st - Educational Sessions 9:00 am to 5:00 pm
Thursday, October 2nd - Educational Sessions 9:00 am to 5:00 pm

No Friday Sessions

ARTICLE 3 AND ARTICLE 4 PENSION TRUSTEE CERTIFICATION

All elected and appointed Article 3 (police officers) and Article 4 (firefighters) local pension board trustees are required to participate in state-mandated trustee certification training.

WHAT IS THE FIRST YEAR CERTIFICATION REQUIREMENT?

The trustee certification training requirement for a first year trustee is at least 16 hours.

WHAT IS THE ANNUAL CERTIFICATION REQUIREMENT?

Annually, all trustees must complete a minimum of eight hours of continuing trustee education. Trustees are permitted to re-take previously selected courses to satisfy the training requirement.

WHERE CAN TRUSTEES RECEIVE THEIR TRAINING?

The Illinois Municipal League provides this certification training at **no charge** to all trustees.

[More information is available at \[iml.org/pensiontrustees\]\(https://iml.org/pensiontrustees\).](https://iml.org/pensiontrustees)

Trustee certification training is provided online, in partnership with Eastern Illinois University, and in accordance with all statutory requirements. If you have questions regarding pension trustee certification, please contact us by email at pensiontrustees@iml.org.

HOW MUCH DOES THE TRAINING COST?

\$0. The Illinois Municipal League provides this certification training at no charge. Really — it's free = no charge.

WHAT ARE SOME TRUSTEE EDUCATION TOPICS?

There are currently 21 videos available, including:

- Administrative Review **(New)**
- Felony Divestiture **(New)**
- Illinois Court System and Standard of Review **(New)**
- Mock Disability Pension Hearing **(New)**
- Pensionable Salary under Article 3 and 4 **(New)**
- QILDRO Training **(New)**
- Various Benefits Training **(New)**
- Articles 3 and 4 Pension Disability Pension Overview
- Duties and Ethical Obligations of a Pension Fund Fiduciary
- Board Oversight of Cyber Risk: Before a Breach
- Pension Plan Funding 101
- Illinois Public Employee Disability Act and Public Safety Employee Benefits Act
- Managing Generational Differences and Unconscious Bias in the Workplace





ARTICLE 3 AND ARTICLE 4 Pension Trustee Certification Instructions

March 10, 2025

How to Register (All Users Must Create an Account):

- 1) [Click here to visit the registration page.](#)
- 2) At the top of the page, click “Register” to create an account and click “Submit.”
- 3) Click “Login” to enter your username and password.
- 4) At the top of the page, click on “Dashboard” in the main menu.
- 5) Click “My Courses.”
- 6) Under basic information, [click on the course platform.](#)
- 7) Once the new window opens, enter your username and password and click “Submit.”

How to Take a Training Course:

- 1) After you sign into the course platform, select a training course.
- 2) Click “Content” on the navigation bar.
- 3) Scroll down and click the video link to open the training.
- 4) The training presentation is available by clicking “Download: PowerPoint Slides.”
- 5) After viewing the video, click “Quizzes” on the navigation bar to take the quiz assessment. A quiz will not be available until the training video has been viewed.
- 6) After passing the quiz, your certificate will take a few minutes to generate and will appear under “Certificates” on the navigation bar.
- 7) Click “Home” in the top left corner to return to the full course menu.

If you have questions regarding Article 3 or Article 4 pension trustee certification, please contact us by email at pensiontrustees@iml.org.

Pension Trustee Training Course

Course Titles	Credit Hours
Administrative Review	0.75 hours New
Articles 3 and 4 Pension Disability Pension Overview	2.50 hours
Board Oversight of Cyber Risk: Before a Breach	2.00 hours
Cyber Security: Best Practices	1.00 hour
Developments and Potential Changes in Federal and State of Illinois Labor and Employment Laws	1.50 hours
Duties and Ethical Obligations of a Pension Fund Fiduciary	1.50 hours
Felony Divestiture	0.75 hours New
How to Identify, Address and Prevent Sexual Harassment & Discrimination	1.00 hours
Illinois Court System and Standard of Review	1.00 hours New
Illinois Freedom of Information Act and Open Meetings Act	1.50 hours
Illinois Public Employee Disability Act and Public Safety Employee Benefits Act	1.50 hours
Let Me Ask You A Question	2.00 hours
Managing Generational Differences and Unconscious Bias in the Workplace	1.50 hours
Mock Disability Pension Hearing	1.75 hours New
Pension Plan Assumption 101: Common Approaches to Setting Actuarial Assumptions	0.75 hours
Pension Plan Funding 101: The Basics of Public Pension Funding Mechanics	0.75 hours
Pensionable Salary Under Articles 3 and 4	1.00 hour New
Public Pension Fund Accounting Principles	0.50 hours
QILDRO Training	1.00 hour New
Qualified Illinois Domestic Order "QILDRO"	1.50 hours
Various Benefits Training	2.00 hours New



2025 IPFA SPRING PENSION SEMINAR

Friday May 2, 2025 Red Shift

Empress Banquets 200 East Lake Street Addison, IL 60101 630-279-5900



IN-PERSON SEMINAR REGISTRATION FORM

Municipality,
District, or
Firm:

(please print or type)

Address: _____

City: _____, IL Zip: _____ Phone: _____

SEMINAR FEES: IPFA Members: \$ 230.00 Non - Members: \$ 320.00 Walk-In Registration: \$ 340.00

Avoid the walk-in surcharge – register on or before Monday, April 28, 2025

Registration opens at 07:00, event begins at 08:00, & ends at 16:00

First Name:	Last Name:	e-mail Address:	Member	Non-Member
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.
_____	_____	_____	\$ _____.	\$ _____.

TOTAL CHECK ENCLOSED \$ _____.

Payment must accompany this Registration Form and be received in our office **on or before** April 28, 2025 to qualify for lower rates. Reservations received after the above date will be charged walk-in registration fee. Requests for refunds must be received on or before Monday, April 28, 2025 for full fee credit. **No credits** of seminar fees after this date. Please mail the completed form to IPFA, 188 Industrial Drive, Suite 134, Elmhurst, IL 60126-1608, fax it to 630-833-2412, or scan & e-mail to ipfa@aol.com. Any questions, call 630-833-2405. For Tax Reporting Purposes our Federal I.D. Number is: 36-2650496.

The Illinois Pension Statute requires continuing education for all pension board trustees.

This seminar provides up to 8 hours of credits.

For IPFA Office Use: Date: _____ Check #: _____ Amount: _____ Payer: _____

**Glen Ellyn Police Pension Fund
Board of Trustees**

Notice of Election Results

**April 2025 Election
Active Member Positions**

Nominations are closed and have resulted in:

James Monson and Anthony Terranova

running unopposed for the positions of:

**Active Member Trustees
Two-Year Term Expiring May 11, 2027**

James Monson and Anthony Terranova have accepted the positions as members of the Board of Trustees and has agreed to uphold the duties required.

**Glen Ellyn Police Pension Fund
Board of Trustees**

Notice of Election Results

**April 2025 Election
Retired Member Position**

Nominations are closed and have resulted in:

Jim King

running unopposed for the position of:

**Retired Member Trustee
Two-Year Term Expiring May 11, 2027**

Jim King has accepted the position as a member of the Board of Trustees and has agreed to uphold the duties required.



Adele Korczak
PO Box 2950
Hartford, CT 06104-2950
Phone: (630) 961-7035
Fax: (630)961-7020
Email: AKORCZAK@travelers.com

March 19, 2025

Amy Homer
ROCKWOOD COMPANY
20 N WACKER DR STE 600

RE: Benefit Plan: VILLAGE OF GLEN ELLYN POLICE PENSION
535 DUANE STREET
GLEN ELLYN, IL 60137

Insurance Representative: Patrick Brankin
535 DUANE STREET
GLEN ELLYN, IL 60137

Expiring Policy Number: 106082905

Policy Period: May 1, 2025 to May 1, 2026

Dear Amy Homer:

On behalf of **Travelers Casualty and Surety Company of America** we are pleased to provide the attached proposal of insurance for your review.

The quotes contained in this document are valid until the expiration of your current policy, and are subject to the provision of, and Travelers' review and acceptance of, the required underwriting information noted in the Contingencies section. Travelers reserves the right to change the quotes in this document, or to refuse to bind coverage entirely, based on review of the required underwriting information or based on adverse change in the risk(s) to be insured prior to the quote expiration date noted in this document.

Please note that we require a response to this document prior to expiration of the Insured's current policy in order to facilitate policy renewal. The insured's current policy will expire and not be renewed in the absence of a request, and Travelers' agreement, to bind coverage.

Travelers is pleased to offer Risk Management PLUS+ Online[®], the industry's most comprehensive program for mitigating your management liability exposures, which is available to you at no additional cost. Please visit www.rmplusonline.com to view the services that are available. If you have additional questions about the site please contact your Underwriter.

Travelers Casualty and Surety Company of America, a subsidiary of The Travelers Companies, Inc., has consistently earned high ratings for financial strength and claims-paying ability from independent rating services, including a current A.M. Best rating of A++*. Founded in 1853, The Travelers Companies, Inc. is a Fortune 500 company, a component of the Dow Jones Industrial Average, and a leading provider of property casualty insurance for businesses.

Thank you for considering Travelers for your client's insurance coverages. We look forward to discussing this opportunity with you.

Sincerely,

Adele Korczak
Travelers Bond & Specialty Insurance

*A.M. Best's rating of A++ applies to Travelers Casualty and Surety Company of America as well as to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit www.travelers.com. Ratings listed herein are as of July 2023, are used with permission, and are subject to changes by the rating services. For the latest rating, access www.ambest.com.

Travelers Casualty and Surety Company of America
QUOTE OPTION #1

LIABILITY COVERAGES:

Coverage	Limit	Additional Defense Limit	Retention	Continuity Date	Prior & Pending Proceeding Date
Designated Benefit Plan Fiduciary Liability	\$1,000,000 for all Claims	N/A	\$10,000(A) for each Claim under Insuring Agreement A	05/01/2002	05/01/2002

TOTAL ANNUAL PREMIUM - \$5,915.00
 (Other term options listed below, if available)

COVERAGE DETAILS:

Settlement Program Limit of Liability: \$100,000 for each **Settlement Program Notice**, which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

HIPAA Limit of Liability: \$25,000 which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

502(c) Penalties Limit of Liability: N/A which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

EXTENDED REPORTING PERIOD AND RUN-OFF:

Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: 75%
 Additional Months: 12

Run-Off Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: N/A
 Additional Months: N/A

CLAIM DEFENSE FOR ASSOCIATION MANAGEMENT LIABILITY COVERAGE, LIABILITY COVERAGES AND/OR CYBER COVERAGE:

Duty to Defend

ANNUAL REINSTATEMENT:

Liability Coverage Limit of Liability: N/A

PREMIUM DETAIL:

Term	Payment Type	Premium	Taxes	Surcharges	Total Premium	Total Term Premium
1 Year	Prepaid	\$5,915.00	\$0.00	\$0.00	\$5,915.00	\$5,915.00

POLICY FORMS APPLICABLE TO QUOTE OPTION # 1:

DBP-15001-1112 Designated Benefit Plan Fiduciary Liability Coverage Declarations
 DBP-16001-1112 Designated Benefit Plan Fiduciary Liability Coverage

ENDORSEMENTS APPLICABLE TO QUOTE OPTION # 1:

AFE-19029-0719 Cap On Losses From Certified Acts Of Terrorism Endorsement
 AFE-19030-0920 Federal Terrorism Risk Insurance Act Disclosure Endorsement
 DBP-17014-1218 Illinois Changes Endorsement

DBP-19001-1112
DBP-19003-1112
DBP-19083-0315

Designation of Insurance Representative Endorsement
Governmental Plan Endorsement
Global Coverage Compliance Endorsement

CONTINGENCIES APPLICABLE TO QUOTE OPTION # 1:

This quote is contingent on the acceptable underwriting review of the following information prior to the quote expiration date.

None

QUOTE NOTES:

We will continue to monitor the Funding Ratio and active participants. If they decline we may need to get off account.

NOTICES:

It is the agent's or broker's responsibility to comply with any applicable laws regarding disclosure to the policyholder of commission or other compensation we pay, if any, in connection with this policy or program.

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, P.O. Box 2950, Hartford, CT 06104-2950.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA"), establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is no more than one percent of your premium, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA. Please note that no separate additional premium charge has been made for coverage for Insured Losses covered by TRIA. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium.

Coverage Disclaimer:

THIS QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS

AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.

THE PRECEDING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.

Legal and Legislative Update

Disability Claim Remanded to Pension Board Despite Failure to Treat

Petersen v. The Bd. of Trustees of the Oak Lawn Police Pension Fd., 2025 IL App (1st) 240591-U

Plaintiff originally applied for duty disability benefits after injuring his shoulder responding to two separate domestic incidents. Plaintiff underwent surgery to repair a partial rotator cuff tear and a “SLAP” tear in his right shoulder. Following surgery and physical therapy, Plaintiff returned to light-duty, yet he continued to experience problems with his right shoulder.

Plaintiff sought several doctors’ opinions as to his post-surgical medical condition. Ultimately, he was diagnosed with an intrasubstance rotator cuff tear and an intrasubstance supraspinatus tear. Surgery was recommended by all doctors making this diagnosis. Notably, those doctors expected Plaintiff to make a full recovery given his age and physical fitness. Nevertheless, Plaintiff chose not to have surgery.

After Plaintiff was taken off light duty and stripped of his police powers, he was involved in an off-duty altercation where he intervened in a possible domestic incident in Westchester. Plaintiff

In This Issue...

- 1 **Disability Claim Remanded to Pension Board Despite Failure to Treat**
- 2 **Firefighter Awarded PSEBA Benefits After Patient Transfer Injury**
- 4 **Trial Court Upholds Tier 2 Classification for Judges with Prior Service**
- 5 **Chicago Annuitants Again Denied Increased Insurance Benefits**
- 6 **Suggested Agenda Items for July 2025**
- 7 **RDL News**

wrestled a male subject to the ground, tackling and pinning him using both arms and knees to restrain the subject until police arrived. Body camera videos of the incident were made available to the Pension Board.

At the hearing, Plaintiff amended his application to alternatively request a non-duty disability. The independent medical examiners (“IMEs”) evaluated the evidence and gave conflicting opinions as to disability but also gave unanimous opinions as to surgery returning Plaintiff to full duty. One doctor opined Plaintiff was able to work

full, unrestricted duty as demonstrated by his conduct during the incident in Westchester. The other two doctors found Plaintiff to be disabled, but both recommended surgery, finding it had a high potential for improvement and would restore functionality at a high probability level between 80-90%, respectively.

The Pension Board concluded Plaintiff failed to establish he was disabled based on the opinion of one of the IMEs, along with the videos showing his actions during the Westchester incident. The Board also found Plaintiff's testimony was not credible as it was inconsistent with the videos, and thus, rendering unpersuasive the opinions of those doctors finding him to be disabled. Also, the Pension Board found Plaintiff's refusal to obtain further medical treatment was unreasonable and a superseding cause of his disability.

After Plaintiff sought administrative review in the Circuit Court, he tried to introduce additional medical evidence of his current condition by asking the court to remand the matter back to the Pension Board for further hearing. However, the Circuit Court refused to remand the matter back to the Board, instead reversing the Pension Board's decision and awarding Plaintiff duty disability benefits.

On appeal, the Appellate Court concluded the motion to remand should have been granted by the Circuit Court, finding the new medical evidence was discovered after the Pension Board rendered its decision, the Pension Board could not have obtained this evidence during the hearing, and the evidence was material to the issue. Accordingly, the Appellate Court vacated the Circuit Court's and the Pension Board's decisions and remanded the matter back to the Pension Board for further evidentiary proceedings.

Pension Board's should carefully consider whether to move forward with disability claims if the officer/firefighter is continuing to treat. It is understandable to want to proceed quickly to a hearing so as to provide benefits to an injured officer/firefighter, but this case shows potential pitfalls of doing so. Since future medical treatment may impact the Pension Board's decision,

applicants should complete all treatment before proceeding to hearing. ❖

Firefighter Awarded PSEBA Benefits After Patient Transfer Injury

Ford v. Village of Northbrook et al., 2025 IL App (1st) 231952-U

Regular readers may recall that, while PSEBA benefits are not administered by the pension fund, there is an intersection between line of duty disability benefits and PSEBA awards. PSEBA benefits are the award of health insurance benefits to an injured first responder. While other criteria may apply, in general to be eligible for PSEBA, a first responder must be 1) catastrophically injured 2) in response to what was reasonably believed to be an emergency. The Illinois Supreme Court has held the award of line of duty disability pension benefits meets the definition of "catastrophically injured" under the PSEBA statute. For a first responder who is found to be line of duty disabled, this means they need only show their disability resulted from what was reasonably believed to be an emergency.

This inquiry can be surprisingly complicated as illustrated in this recent appellate case. The plaintiff was employed as a firefighter/paramedic for the Village of Northbrook. He was dispatched to the home of a person "feeling weak". According to the testimony of the plaintiff, the call was considered "non-fire emergent". Upon arrival at the call, the firefighter found an obese patient unable to stand. Together with the other firefighter/paramedics on the call, plaintiff moved the patient from the bathroom to an ambulance cot in the living room. The patient was transported to the hospital via ambulance. During transport, plaintiff provided the patient with "basic life support". The purpose was to monitor the patient and keep her comfortable while she was being transported to the hospital. Plaintiff testified the patient had no urgent medical issues and, while she stated she was in pain, refused medication.

Upon arrival at the hospital, plaintiff transferred the patient from the ambulance cot to an emergency room bed. While lifting the patient for this transfer, plaintiff felt a pop in his right shoulder. Subsequent x-rays and MRI revealed plaintiff suffered from a narrowing of his cervical spine in some areas. Plaintiff sought and was awarded line of duty disability benefits from the pension board due to his inability to use his right shoulder.

After he was awarded line of duty disability benefits, plaintiff applied to the village for PSEBA benefits. In addition to the evidence submitted to the pension board, plaintiff provided the village with the reports from the incident generated by the dispatch center. It showed the dispatch center coded the call as "1 Emergency" and dispatched both an ambulance and a fire truck.

Because plaintiff had been awarded a line of duty disability benefit, the village conceded the only issue was whether he had been injured during the course of what he reasonably believed to be an emergency. The village denied the application for PSEBA benefits finding the firefighter was not injured during the course of what he believed to be an emergency because, at the time the lifting injury occurred at the hospital, no emergency existed.

On review, the appellate court reversed the village's decision and awarded the firefighter PSEBA benefits. The appellate court's analysis revolved around the meaning of the word "emergency". Citing the seminal Illinois Supreme Court decision in *Gaffney*, the court applied the definition as, "an unforeseen circumstance involving imminent danger to a person or property requiring an urgent response." This definition was subsequently expanded by the appellate court to removal of road debris by police officers in the *Springborn* case to find an emergency can include, "a distressing event or condition that can often be anticipated or prepared for but seldom exactly foreseen."

Applying these standards to the lifting of the patient from the ambulance cot to the emergency room bed, the appellate court found plaintiff was injured in response to what he could reasonably believe to

be an emergency. The court found the coding of the call as an emergency by dispatch, combined with the multiple health problems being experienced by the patient which precluded a definitive diagnosis, to support the conclusion plaintiff reasonably believed he was faced with an emergency.

In finding for plaintiff, the appellate court distinguished a similar prior case which found a citizen lift assist call was not an emergency under PSEBA. (*Wilczak v. Vill. of Lombard*, 2016 IL App (2d) 160205). This court distinguished that case by noting that call was coded as a non-life-threatening emergency and the firefighter determined on the scene there was no emergency, only a fall requiring assist and not transportation to the hospital. According to the reasoning of the appellate court, the firefighter's belief there was an emergency in *Wilczak* was not reasonable while the plaintiff in this case, could reasonably believe there was an emergency due to the need to transport to the hospital and lack of definitive diagnosis for the problems being experienced by the patient.

Certainly, one of the conclusions from this PSEBA case is that they are highly factually dependent. Similar circumstances may result in different conclusions. ❖

Trial Court Upholds Tier 2 Classification for Judges with Prior Service

Kievlan et al. v. Judges Retirement System of Ill. et al., Cook Co. Case No. 2024 CH 1708

In an action for administrative review, two Illinois state court judges - one active, one retired - challenged their designation as "Tier 2" participants in the Judges Retirement System of Illinois ("JRS") for purposes of calculating their pension benefits. Their four-issue complaint was rejected by the Cook County Circuit Court, after a thorough analysis using a *de novo* standard of review.

JRS is one of five state-funded pension systems for state employees. The other four are the General Assembly Retirement System

("GARS"), the State Employees' Retirement System ("SERS"), the State Universities Retirement System ("SURS"), and the Teachers' Retirement System ("TRS").

The litigation was prompted after the JRS informed both judges their judicial pension benefits would be calculated as Tier 2 pensions, notwithstanding the fact that both had previously been employed in the public sector and gained status as Tier 1 beneficiaries in other retirement systems.

In 2010, the Illinois General Assembly enacted certain reforms to the state-funded pension systems by passing Public Act ("P.A.") 96-0889. Pertinent here, the legislation created a two-tier pension structure for all public pensions. Focusing on the JRS system, the Court explained that Tier eligibility in JRS depends on when the participant "first serves as a judge." A participant who "first serves as a judge" before January 1, 2011, is considered a Tier 1 member. By contrast, a participant who "first serves as a judge" on or after January 1, 2011, is considered a Tier 2 member. The benefits for Tier 1 are substantially greater than Tier 2 in many respects.

As opposed to JRS and GARS, the other three state-funded systems set eligibility and benefits depending on when one first becomes a participant in "any retirement system or pension fund" under the Pension Code. Under the statutory language, JRS determinations are based on when a participant "first serves as a judge".

The Court also examined relevant statutory language from the Reciprocal Act, where participants in certain pension systems can combine their service credits across systems. Relevant here, individuals who have participated in multiple participating systems may choose to have their service credits combined and then receive a separate pension from each system. Each participating system then calculates its own proportional annuity "in accordance with the formula or method prescribed by each participating system which is in effect at the date of the employee's latest withdrawal from service covered by any of the systems in which

he has pension credits which he elects to have considered under this Article."

First, Plaintiffs argued that Defendants' decision violates the Illinois Constitution's Pension Protection Clause and the Reciprocal Act. Plaintiffs contend that when they joined other public pensions in 1997 and in 2005, respectively, they acquired constitutionally protected benefits of membership in those systems *and* in JRS as a reciprocal system. They maintained they should be classified by JRS as Tier 1 judges, even though both Plaintiffs first served as judges on or after January 1, 2011.

The Pension Protection Clause of the Illinois Constitution provides strong contractual protection of pension benefits. The Clause does not, however, specify the particular benefits of membership in any one retirement system. Rather, "the scope of the pension protection clause's application is 'governed by the actual terms of the contract or pension.'" According to the actual terms of the JRS pension, a participant who "first serves as judge" on or after January 1, 2011 is eligible for benefits under the Tier 2 judge formula. Plaintiffs claim that notwithstanding this provision, they had a "future right to move to other covered pension systems—including JRS—while maintaining consistent benefits" under the Reciprocal Act.

The court found this argument wholly unsupported by either case law or statutory language. According to the Court, the Plaintiffs improperly conflated the concept of credit with the concept of benefits. The Reciprocal Act, according to the ruling, addresses the timing of benefits over multiple pension systems, not the actual benefits. For the computation of the benefit itself (here, the proportional retirement annuity), the Reciprocal Act leaves that to each participating system. The court also recognized that this provision acknowledges the potential for different computation methods in each participating system, and it does not dictate the formula for any system.

Plaintiffs attempted to rely on the often-cited concept that the courts have an obligation to liberally construe the language of pension statutes in favor of the rights of the pensioner. While acknowledging

the obligation, the Court pointed to fundamental principles of statutory construction that prevent the judiciary from adding concepts or interpretations that are contrary to the plain language of a statute when the legislative intent is clear.

Plaintiffs second argument claimed violations of the Equal Protection Clauses of the United States and Illinois Constitutions and the Special Legislation Clause of the Illinois Constitution.

The Court first pointed out the analysis of both equal protection and special legislation clauses use the same standards. Under equal protection analysis, legislation will be found unconstitutional if a statutory classification is based either on a 'suspect' class, such as race, or impinges on a fundamental constitutional right. Because neither of these standards was implicated, the Court will uphold legislation's constitutionality if it finds that a "rational basis" for the legislation exists, *i.e.* if it "bears a rational basis to a legitimate state interest." The Court found that the addition of Tier 2 classification did have a "rational basis," notwithstanding the Plaintiffs' claim that it only provided minimal benefit to the overall pension system. Further, the General Assembly did not act arbitrarily in treating members of JRS and GARS differently from members of the other three state pension systems.

In its analysis, the Court found that setting a cutoff date is entirely rational, based on prior cases. Additionally, the Court reasoned that "[a]dvancement of the State's economic goals clearly is a legitimate rationale for legislation." Further, the distinction was not arbitrary. Judges and legislators receive "more favorable Tier 1 benefits rules than members of other systems" including higher multipliers and higher caps on retirement annuities; higher average salaries and retirement annuities than participants in other state-funded systems; and at the time of the challenged reforms, JRS and GARS were "by far the smallest state-funded systems, [and] had the worst funded ratios." These formed, according to the Court, a rational basis for enacting the reforms to protect the health of JRS and GARS while still attracting quality candidates for public office.

In their third argument, Plaintiffs argued their designation as Tier 2 judges violated the legislative intent of Public Act 96-0889 notwithstanding the statutory language. To meet their burden, Plaintiffs must show ambiguity in the statute as well as clearly expressed legislative intent that participants who joined JRS on or after January 1, 2011, from a reciprocal system should be deemed Tier 1 judges.

The court found the Plaintiffs did not meet their burden. First, the Court did not find the pertinent statutory provisions ambiguous. Secondly, a review of the complete relevant record showed that the legislature's intent was in fact to create and implement the plain and unambiguous language used.

As their final argument, Plaintiffs maintained the statute's enactment violated the Three Readings Clause of the Illinois Constitution. Based on clear Supreme Court precedent, this claim was denied as well based on the "enrolled-bill doctrine." Under that legal rule, once the Speaker of the House of Representatives and the President of the Senate certify that the procedural requirements for passing a bill have been met, a bill is *conclusively presumed* to have met all procedural requirements for passage." The certification was made in this situation. Based on binding precedent, Plaintiffs' argument failed as a matter of law.

Plaintiffs have appealed the Circuit Court's ruling and this case is presently pending in the First District Appellate Court. ❖

Chicago Annuitants Again Denied Increased Insurance Benefits

Underwood v. City of Chicago, 2025 IL App (1st) 231132

This opinion (*Underwood V*) is one of many in a series concerning insurance benefits for annuitants of various retirement funds of the City of Chicago. The previous decision concerned Chicago while this decision concerns the various funds, including the Chicago police and fire funds.

At issue is the Plaintiffs’ belief the funds’ healthcare options are insufficient. In *Underwood III*, Justice Mikva held “the plaintiffs have no right to receive—and that neither the City nor the Funds have any obligation to provide—any additional monetary contributions or to guarantee affordable healthcare” in excess of what is already provided.

As background, the City of Chicago previously provided annuitants with fixed-care healthcare subsidies. The Illinois Pension Code was amended in 1983 to include these subsidies for police officers and firefighters and again amended in 1985 to include municipal employees, laborers, and retirement board employees. Chicago announced in 1987 that it would stop paying the subsidies effective 1988.

Litigation ensued, but the parties reached an interim 10-year settlement. The parties reached a second interim settlement prior to the expiration of the first. The Pension Code was amended to reflect both interim settlements. The parties reached a final settlement on April 4, 2003. Nonetheless, Plaintiffs filed a lawsuit against Chicago in 2013, which is the present litigation.

While numerous issues were raised, this appeal primarily concerned whether the trial court properly granted summary judgment in favor of Defendants. The Appellate Court affirmed the grant of summary judgment, holding, “Plaintiffs cannot dispute that the Funds have provided healthcare options for eligible annuitants. Nor can Plaintiffs dispute that the Funds have made, and are making, the subsidy payments required by the 1983 and 1985 amendments.”

In short, the Court found that while Plaintiffs continue to argue they are entitled to money and healthcare guarantees, the Court’s prior rulings have found they have no such right. Specifically, the Court pointed out it found in *Underwood III*, “It is absolutely law of the case that the plaintiffs have no right to receive—and that neither the City nor

the Funds have any obligation to provide—any additional monetary contributions or to guarantee affordable healthcare.”

The trial court denied Plaintiffs’ motion to amend their complaint to include a breach of fiduciary duty count. The Appellate Court affirmed, holding the trial court did not abuse its discretion. It held the most important consideration is whether the amendment would further the interests of justice. Here, the Appellate Court held it cannot find the trial court abused its discretion given the litigation has been ongoing for 10 years, and Plaintiffs were given six prior opportunities to amend their complaint.

Finally, the Appellate Court affirmed the trial court’s denial of attorney’s fees, holding Plaintiffs’ attorney reused an argument previously rejected by the Appellate Court.

Underwood V illustrates relitigating identical issues with identical facts is unlikely to result in a favorable ruling from the Appellate Court. Further, annuitants are not entitled to benefits not provided for in the Illinois Pension Code. ❖

Suggested Agenda Items for July (or 3rd Quarter)

- Semi-annual review of closed executive session minutes to determine what needs to remain confidential.
- Election of Board Officers. (e.g. President, Secretary, etc.)
- Potential selection of independent enrolled actuary for recommended tax levy.
- Review status of Trustees’ annual training requirements.

REIMER DOBROVOLNY & LABARDI PC NEWS

- March 18-19, 2025, RDL partners Rick Reimer and Vince Mancini presented at the IPPFA Certified New Trustee Training at the NIU campus in Naperville.
- May 2, 2025, RDL partner Brian LaBardi will attend and present at the IPFA Spring Pension Conference in Addison.
- May 7-9, 2025, RDL attorneys will attend and present at the IPPFA Spring Conference in Galena.

Legal and Legislative Update

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This publication constitutes advertising material. Information contained herein should not be considered legal advice.

Legal and Legislative Update is published periodically. Questions may be directed to:

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