Rantoul Police Pension Fund

109 E. Grove Avenue, Rantoul, Illinois 61866
Telephone (217) 893-0988 | Fax (217) 893-9556

NOTICE OF A REGULAR MEETING OF THE BOARD OF TRUSTEES

The Rantoul Police Pension Fund Board of Trustees will conduct a regular meeting on **Tuesday, October 21, 2025 at 9:00 a.m.** in the Village Hall located at 333 South Tanner Street, Rantoul, Illinois 61866, for the purposes set forth in the following agenda:

AGENDA

1. Call to Order
2. Roll Call
3. Public Comment
4. Approval of Meeting Minutes
    a.) July 22, 2025 Regular Meeting
5. Accountant's Report – Lauterbach & Amen
    a.) Monthly Financial Report
    b.) Presentation and Approval of Bills
    c.) Additional Bills, if any
    d.) Review/Update – Cash Management Policy
    e.) Repeat Monthly Withdrawal Instructions for 2026
6. Investment Report
    a.) IPOPIF – Verus Advisory, Inc.
        i. State Street Statements
7. Communications and Reports
8. Applications for Membership/Withdrawals from Fund
    a.) Applications for Membership – Andrew Pratt, Connor Williams and Benjamin Ruppert
9. Applications for Retirement/Disability Benefits
    a.) Approve Regular Retirement Benefits – Justin Bouse and Greg Willard
10. Old Business
    a.) IDOI Annual Statement
    b.) Discussion/Possible Action – Actuarial Funding Policy
11. New Business
    a.) Review/Approve – Actuarial Valuation and Tax Levy Request
    b.) Review/Adopt – Municipal Compliance Report
    c.) Establish 2026 Board Meeting Dates
12. Trustee Training Updates
    a.) Approval of Trustee Training Registration Fees and Reimbursable Expenses
13. Attorney's Report – Reimer Dobrovolny & LaBardi PC
    a.) Legal Updates
    b.) Annual Independent Medical Examination – Marcus Beach
14. Closed Session, if needed
15. Adjournment

Rantoul Police Pension Fund
109 E. Grove Avenue, Rantoul, Illinois 61866
Telephone (217) 893-0988 | Fax (217) 893-9556

MINUTES OF A REGULAR MEETING OF
THE BOARD OF TRUSTEES
JULY 22, 2025

A regular meeting of the Rantoul Police Pension Fund Board of Trustees was held on Tuesday, July 22, 2025 at 9:00 a.m. in the Village Hall located at 333 South Tanner Street, Rantoul, Illinois 61866, pursuant to notice.

CALL TO ORDER: Trustee Beach called the meeting to order at 9:03 a.m.

ROLL CALL:

PRESENT:	Trustees Marcus Beach, Kyle Gregg and Craig Rogers
ABSENT:	Trustees John Vasquez and Orval Stuckemeyer
ALSO PRESENT:	Attorney Brian LaBardi (*via teleconference*), Reimer Dobrovolny & LaBardi PC; Ashley Mesik and Anthony Gedvilas (*via teleconference*), Lauterbach & Amen (L&A); Human Resource Director Debbie Sage, Village of Rantoul

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *April 22, 2025 Regular Meeting:* The Board reviewed the April 22, 2025 regular meeting minutes. A motion was made by Trustee Rogers and seconded by Trustee Gregg to approve the April 22, 2025 regular meeting minutes as written. Motion carried unanimously by voice vote.

Semi-Annual Review of Closed Session Meeting Minutes: There were no closed session meeting minutes for review.

ACCOUNTANT'S REPORT – LAUTERBACH & AMEN: *Monthly Financial Report and Presentation and Approval of Bills:* The Board reviewed the Monthly Financial Report for the one-month period ending May 31, 2025 prepared by L&A. As of May 31, 2025, the net position held in trust for pension benefits was $39,067,400.29 for a change in position of $1,225,980.51. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Member Contribution Report, Payroll Journal, Quarterly Deduction Report, Quarterly Transfer Report and Quarterly Disbursement Report for the period March 1, 2025 through May 31, 2025 for total disbursements of $21,662.23. A motion was made by Trustee Gregg and seconded by Trustee Rogers to accept the Monthly Financial Report as presented and to approve the disbursements shown on the Quarterly Disbursement Report in the amount of $21,662.23. Motion carried roll call vote.

AYES:	Trustees Beach, Gregg and Rogers
NAYS:	None
ABSENT:	Trustees Vasquez and Stuckemeyer

Additional Bills, if any: There were no additional bills presented for approval.

Review/Update – Cash Management Policy: The Board discussed the Cash Management Policy and determined that no changes are required at this time.

INVESTMENT REPORT: *IPOPIF – Verus Advisory, Inc:* The Board reviewed the IPOPIF Performance Report for the month ended May 31, 2025. The total market value was $13,302,951,645.

State Street Statements: The Board reviewed the State Street statement for the month ended June 30, 2025. The beginning balance was $38,753,058.91 with an ending balance of $39,803,668.75.

COMMUNICATIONS AND REPORTS: *Affidavits of Continued Eligibility:* The Board noted that all 2025 Affidavits of Continued Eligibility have been received by L&A. The originals were provided to the Board for their records.

Active Member File Maintenance: The Board noted that L&A will prepare Active Member File Maintenance letters for distribution to all active members requesting any additional pension file documents.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: *Unpaid Breaks in Service – Ashley Heath:* The Board reviewed correspondence prepared by L&A regarding Ashley Heath's repayment of missed contributions for a miscellaneous break in service for the period April 19, 2025 through May 2, 2025 in the total amount of $370.71. To date, the payment has not been received. Updates will be provided as they become available.

Applications for Membership – Malik Evans and John Sexton: The Board reviewed the Applications for Membership submitted by Malik Evans and John Sexton. A motion was made by Trustee Rogers and seconded by Trustee Gregg to accept Malik Evans and John Sexton into the Rantoul Police Pension Fund effective April 21, 2025, as Tier II participants. Motion carried unanimously by voice vote.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: *Approval of Regular Retirement Benefits – Justin Bouse:* The Board noted that the regular retirement benefit calculation for Justin Bouse is currently in process. Further discussion will be held at the next regular meeting.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: *IDOI Annual Statement:* The Board noted that the IDOI Annual Statement is in process and the final report will be sent to the Board for review upon completion.

FOIA Officer and OMA Designee: The Board discussed designating Trustee Beach as the FOIA Officer and OMA Designee. A motion was made by Trustee Rogers and seconded by Trustee Gregg to designate Trustee Beach as the FOIA Officer and OMA Designee. Motion carried unanimously by voice vote.

Board Officer Elections – President, Vice President, Secretary and Assistant Secretary: The Board discussed Board Officer Elections and nominated the following slate of Officers: Marcus Beach as President; Orval Stuckemeyer as Vice President; Craig Rogers as Secretary; and John Vasquez as Assistant Secretary. A motion was made by Trustee Gregg and seconded by Trustee Rogers to elect the slate of Officers as stated. Motion carried unanimously by voice vote.

Review Preliminary Actuarial Valuation: The Board reviewed the preliminary Actuarial Valuation prepared by L&A.

Discussion/Possible Action – Actuarial Funding Policy: The Board discussed the Actuarial Funding Policy. Further discussion will be held at the next regular meeting.

TRUSTEE TRAINING UPDATES: The Board reviewed the Trustee Training Summary and discussed upcoming training opportunities. Trustees were reminded to submit any certificates of completion to L&A for recordkeeping.

Approval of Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registration fees or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND (CONTINUED): *Military Buyback – Thane Jackson:* The Board discussed Thane Jackson's military buyback calculation. A motion was made by Trustee Rogers and seconded by Trustee Gregg to authorize Thane Jackson to buy back his military time on a payment schedule without interest included. Motion carried by roll call vote.

AYES:	Trustees Beach, Gregg and Rogers
NAYS:	None
ABSENT:	Trustees Vasquez and Stuckemeyer

ATTORNEY'S REPORT – REIMER DOBROVOLNY & LABARDI PC: *Annual Independent Medical Examination – Marcus Beach:* The Board discussed Marcus Beach's Annual Independent Medical examination. Further discussion will be held at the next regular meeting.

Legal Updates: The Board reviewed the *Legal and Legislative Update* quarterly newsletter. Attorney LaBardi discussed recent court cases and decisions, as well as general pension matters with the Board.

CLOSED SESSION, IF NEEDED: There was no need for closed session.

ADJOURNMENT: A motion was made by Trustee Rogers and seconded by Trustee Gregg to adjourn the meeting at 10:00 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 21, 2025 at 9:00 a.m.

____
Board President or Secretary

Minutes approved by the Board of Trustees on __________________

Minutes prepared by Ashley Mesik, Professional Services Administrator, Lauterbach & Amen

Rantoul Police Pension Fund

Monthly Financial Report

For the Month Ended

August 31, 2025

Prepared By

Lauterbach & Amen

668 N. RIVER ROAD • NAPERVILLE, ILLINOIS 60563
PHONE 630.393.1483
www.lauterbachamen.com

Rantoul Police Pension Fund

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Accountants' Compilation Report

Lauterbach & Amen
668 N. River Road
Naperville, IL 60563
630.393.1483
lauterbachamen.com

September 19, 2025

Rantoul Police Pension Fund
333 S Tanner Street
Rantoul, IL 61866

To Members of the Pension Board:

Management is responsible for the accompanying interim financial statements of the Rantoul Police Pension Fund which comprise the statement of net position - modified cash basis as of August 31, 2025 and the related statement of changes in net position - modified cash basis for the four months then ended in accordance with the modified cash basis of accounting and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the interim financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these interim financial statements.

The interim financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in interim financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the interim financial statements and other supplementary information, they might influence the user's conclusions about the Pension Fund's assets, liabilities, net position, additions and deductions. Accordingly, the interim financial statements and other supplementary information are not designed for those who are not informed about such matters.

Other Matter

The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The other supplementary information was subject to our compilation engagement. We have not audited or reviewed the other supplementary information nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the other supplementary information.

Cordially,

Lauterbach & Amen

Lauterbach & Amen

Financial Statements

Rantoul Police Pension Fund
Statement of Net Position - Modified Cash Basis
As of August 31, 2025

	Current Year-to-Date	Prior Year-to-Date
Assets		
Cash and Cash Equivalents	$ 92,474.05	103,032.46
Investments at Fair Market Value		
Money Market Mutual Funds	202,248.35	807,310.04
Fixed Income	0.00	10,458,020.62
Insurance Contracts - Separate	0.00	1,387,080.90
Stock Equities	0.00	7,661,312.35
Mutual Funds	0.00	17,876,430.34
Pooled Investments	40,876,319.27	0.00
Total Cash and Investments	41,171,041.67	38,293,186.71
Accrued Interest	0.00	69,902.46
Prepaids	2,516.50	2,496.50
Total Assets	**41,173,558.17**	**38,365,585.67**
Liabilities		
Expenses Due/Unpaid	990.00	4,633.71
Total Liabilities	**990.00**	**4,633.71**
Net Position Held in Trust for Pension Benefits	**41,172,568.17**	**38,360,951.96**

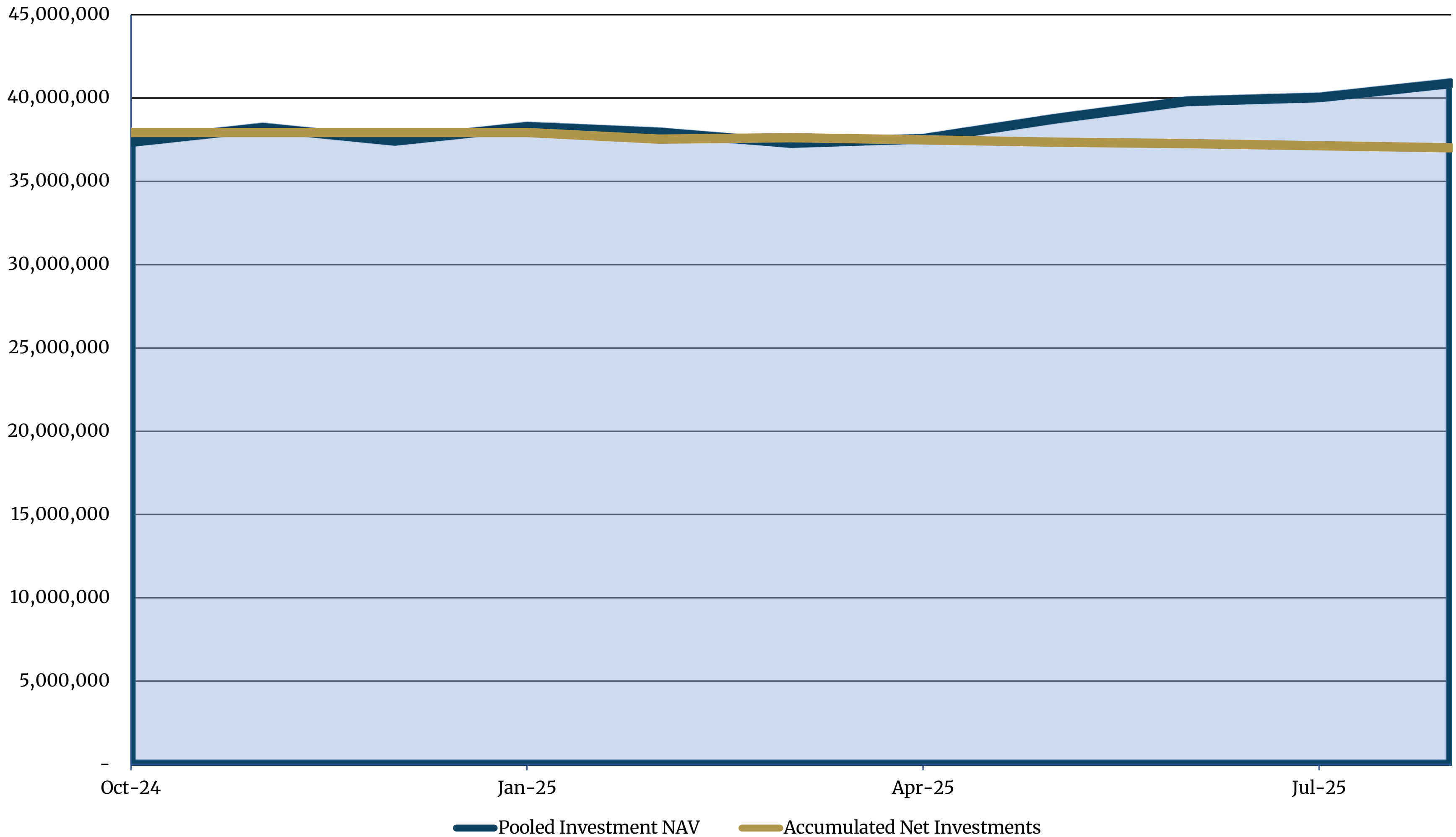
Rantoul Police Pension Fund
Statement of Changes in Net Position - Modified Cash Basis
For the Four Months Ended August 31, 2025

	Current Year-to-Date	Prior Year-to-Date
Additions		
Contributions - Municipal	$ 88,150.90	97,256.57
Contributions - Members	106,282.83	170,241.94
Total Contributions	194,433.73	267,498.51
Investment Income		
Interest and Dividends Earned	74,959.62	270,972.42
Net Change in Fair Value	3,801,431.40	3,055,801.87
Total Investment Income	3,876,391.02	3,326,774.29
Less Investment Expense	(64,427.86)	(25,747.16)
Net Investment Income	3,811,963.16	3,301,027.13
Total Additions	**4,006,396.89**	**3,568,525.64**
Deductions		
Administration	20,129.90	21,395.08
Pension Benefits and Refunds		
Pension Benefits	655,118.60	660,635.04
Refunds	0.00	0.00
Total Deductions	**675,248.50**	**682,030.12**
Change in Position	**3,331,148.39**	**2,886,495.52**
Net Position Held in Trust for Pension Benefits		
Beginning of Year	37,841,419.78	35,474,456.44
End of Period	**41,172,568.17**	**38,360,951.96**

Other Supplementary Information

Rantoul Police Pension Fund

Pooled Investment NAV vs Accumulated Net Investments

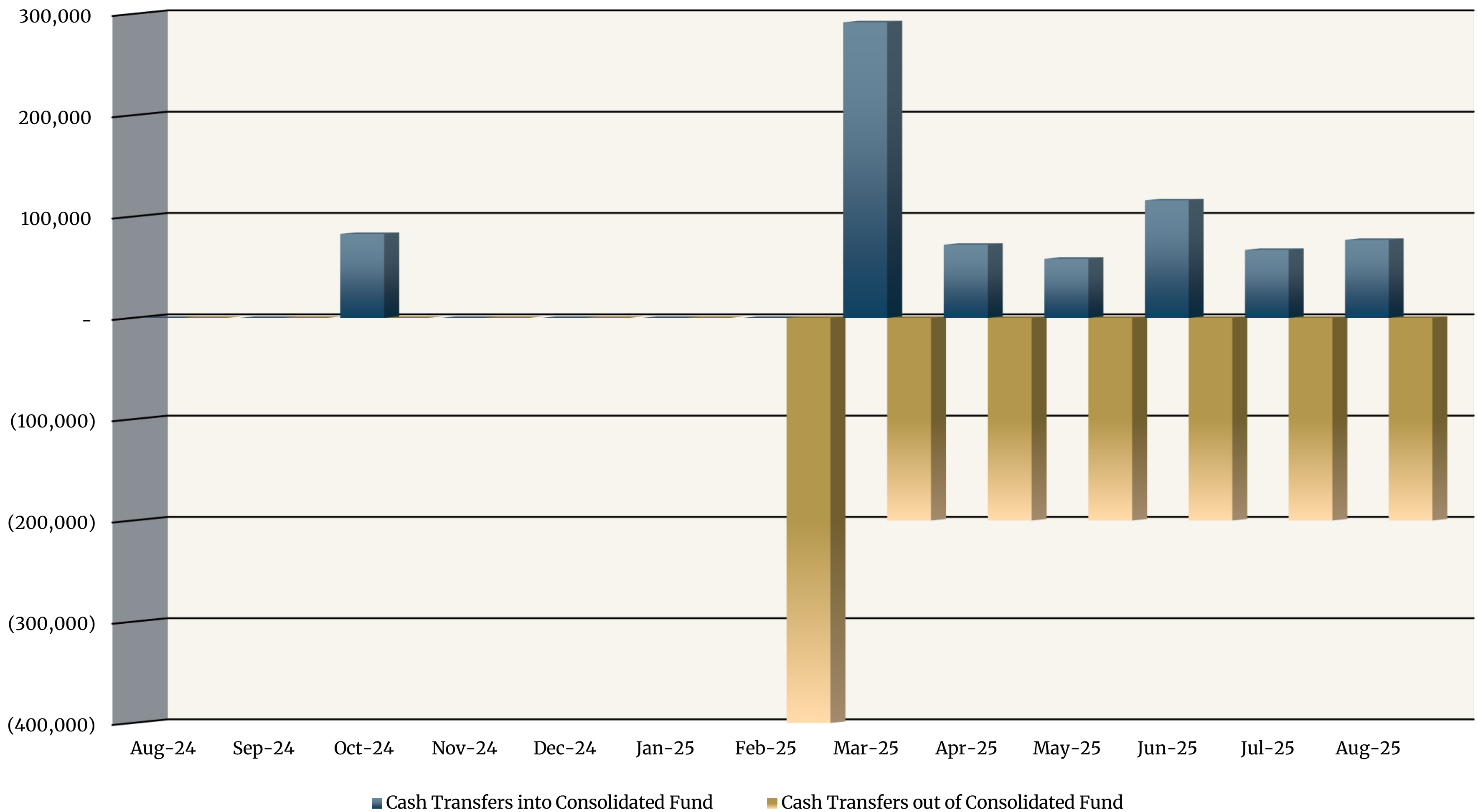


Rantoul Police Pension Fund
Cash Analysis Report
For the Twelve Periods Ending August 31, 2025

	09/30/24	10/31/24	11/30/24	12/31/24	01/31/25	02/28/25	03/31/25	04/30/25	05/31/25	06/30/25	07/31/25	08/31/25
Financial Institutions												
Busey Bank - CK	$ 55,155	55,156	55,156	55,157	55,157	55,157	55,158	55,158	55,159	55,159	55,160	55,160
BMO Bank - CK	50,678	58,957	85,990	81,582	135,701	414,583	35,847	36,654	57,200	25,735	25,398	37,314
	105,833	114,113	141,146	136,739	190,858	469,740	91,005	91,812	112,359	80,894	80,558	92,474
Schwab - MM #0192	37,541	19,689	-	-	-	-	-	-	-	-	-	-
Schwab - MM #1593	82,306	7	-	-	-	-	-	-	-	-	-	-
Schwab - MM #3337	653	-	-	-	-	-	-	-	-	-	-	-
Schwab - MM #3711	-	498,421	340,582	220,051	48,886	49,160	200,119	200,285	200,456	200,867	201,512	202,248
Schwab - MM #3889	136,825	-	-	-	-	-	-	-	-	-	-	-
Schwab - MM #8186	1	-	-	-	-	-	-	-	-	-	-	-
Schwab - MM #9303	446,949	-	-	-	-	-	-	-	-	-	-	-
	704,275	518,117	340,582	220,051	48,886	49,160	200,119	200,285	200,456	200,867	201,512	202,248
Total	**810,108**	**632,230**	**481,728**	**356,790**	**239,744**	**518,900**	**291,124**	**292,097**	**312,815**	**281,761**	**282,070**	**294,722**
Contributions												
Current Tax	-	40,334	20,165	20,073	20,098	20,221	20,108	20,116	-	-	19,985	-
Personal Property Replacement Tax	1,205	-	4,926	-	-	5,632	-	1,686	1,600	6,118	-	-
Other Municipal Revenue	-	-	-	-	-	-	-	-	20,025	20,252	-	20,172
Contributions - Current Year	21,618	21,375	21,737	22,386	33,882	22,229	21,902	21,581	23,443	23,876	23,326	35,106
Contributions - Prior Year	89	89	90	90	136	91	92	92	92	93	93	141
Interest Received from Members	29	29	28	28	41	27	26	26	26	25	25	36
	22,941	61,827	46,946	42,577	54,157	48,200	42,128	43,501	45,186	50,364	43,429	55,455
Expenses												
Pension Benefits	165,890	165,890	165,890	165,890	169,281	169,281	169,281	168,547	163,780	163,780	163,780	163,780
Administration	10,489	28,577	35,681	3,892	4,257	3,873	10,243	327	7,428	54,305	14,155	8,670
	176,379	194,467	201,571	169,782	173,538	173,154	179,524	168,874	171,208	218,085	177,935	172,450
Total Contributions less Expenses	**(153,438)**	**(132,640)**	**(154,625)**	**(127,205)**	**(119,381)**	**(124,954)**	**(137,396)**	**(125,373)**	**(126,022)**	**(167,721)**	**(134,506)**	**(116,995)**

Rantoul Police Pension Fund

Cash Transfers to/from Consolidated Fund



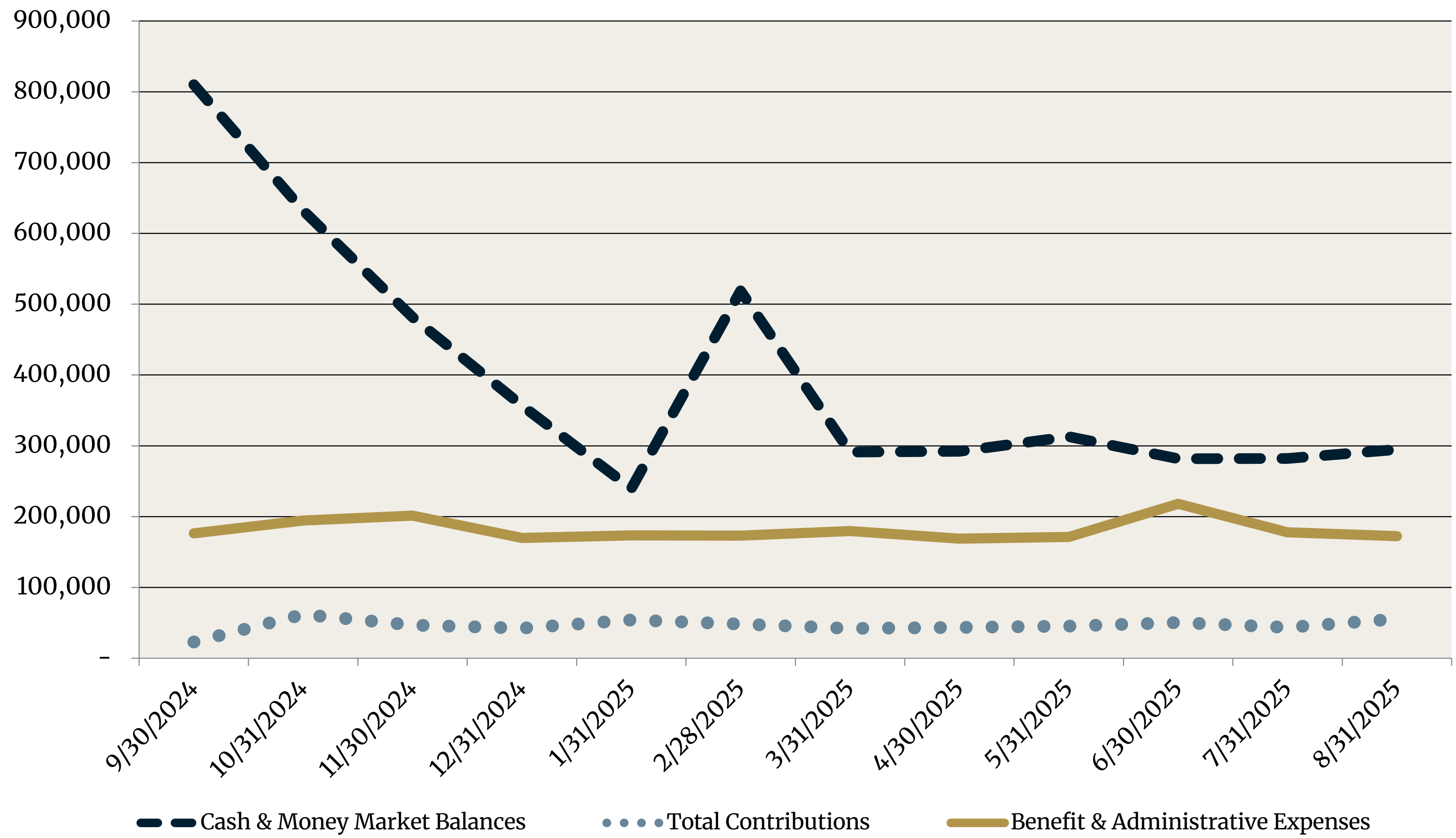
Rantoul Police Pension Fund
Revenue Report as of August 31, 2025

	Received this Month	Received Year-to-Date	Prior Year Received this Month	Prior Year Received Year-to-Date
Contributions				
Contributions - Municipal				
41-210-00 - Current Tax	$ 0.00	19,984.64	20,108.88	80,590.34
41-230-00 - Personal Property Replacement Tax	0.00	7,717.58	6,460.02	16,666.23
41-250-00 - Other Municipal Revenue	20,171.75	60,448.68	0.00	0.00
	20,171.75	88,150.90	26,568.90	97,256.57
Contributions - Members				
41-410-00 - Contributions - Current Year	35,106.23	105,751.74	32,255.14	96,202.54
41-420-00 - Contributions - Prior Year	140.67	419.12	132.51	30,567.94
41-440-00 - Interest Received from Members	36.36	111.97	44.52	81.24
41-450-00 - Other Member Revenue	0.00	0.00	0.00	43,390.22
	35,283.26	106,282.83	32,432.17	170,241.94
Total Contributions	**55,455.01**	**194,433.73**	**59,001.07**	**267,498.51**
Investment Income				
Interest and Dividends				
43-102-01 - Busey Bank - Checking	0.46	1.85	0.46	1.85
43-102-09 - BMO Bank - Checking	0.00	0.00	0.00	268.15
43-252-01 - Schwab - Fixed Income #0192	0.00	0.00	33,727.15	59,220.44
43-252-02 - Schwab - Fixed Income #1593	0.00	0.00	33,186.47	78,723.86
43-450-06 - Schwab - Stock Equities #3889	0.00	0.00	14,028.12	69,345.02
43-550-03 - Schwab - Mutual Funds #3337	0.00	0.00	0.25	11,691.38
43-550-04 - Schwab - Mutual Funds #3711	736.03	1,963.66	0.00	0.00
43-550-05 - Schwab - Mutual Funds #3848	0.00	0.00	0.00	48,205.34
43-550-07 - Schwab - Mutual Funds #8186	0.00	0.00	0.00	10,783.92
43-800-01 - IPOPIF Consolidated Pool Income	20,354.32	72,963.43	0.00	0.00
	21,090.81	74,928.94	80,942.45	278,239.96
Gains and Losses				
44-252-01 - Schwab - Fixed Income #0192	0.00	0.00	71,015.87	338,095.68
44-252-02 - Schwab - Fixed Income #1593	0.00	0.00	55,847.29	257,997.26
44-400-01 - Principal Life - Insurance	0.00	0.00	(862.02)	(12,768.56)
44-450-06 - Schwab - Stock Equities #3889	0.00	0.00	189,693.87	590,891.02
44-550-03 - Schwab - Mutual Funds #3337	0.00	0.00	(42,229.50)	262,470.48
44-550-04 - Schwab - Mutual Funds #3711	0.00	0.00	254,466.01	1,365,773.77
44-550-05 - Schwab - Mutual Funds #3848	0.00	0.00	63,805.91	89,759.61
44-550-07 - Schwab - Mutual Funds #8186	0.00	0.00	49,894.64	163,582.61
44-800-01 - IPOPIF Consolidated Pool - Unrealized	825,575.25	3,357,812.50	0.00	0.00
44-800-02 - IPOPIF Consolidated Pool - Realized	135,740.73	443,618.90	0.00	0.00
	961,315.98	3,801,431.40	641,632.07	3,055,801.87

Rantoul Police Pension Fund
Revenue Report as of August 31, 2025

Other Income				
45-200-00 - Accrued Interest	0.00	0.00	(27,169.00)	(7,267.54)
49-000-01 - Other Income	0.00	30.68	0.00	0.00
	0.00	30.68	(27,169.00)	(7,267.54)
Total Investment Income	**982,406.79**	**3,876,391.02**	**695,405.52**	**3,326,774.29**
Total Revenue	**1,037,861.80**	**4,070,824.75**	**754,406.59**	**3,594,272.80**

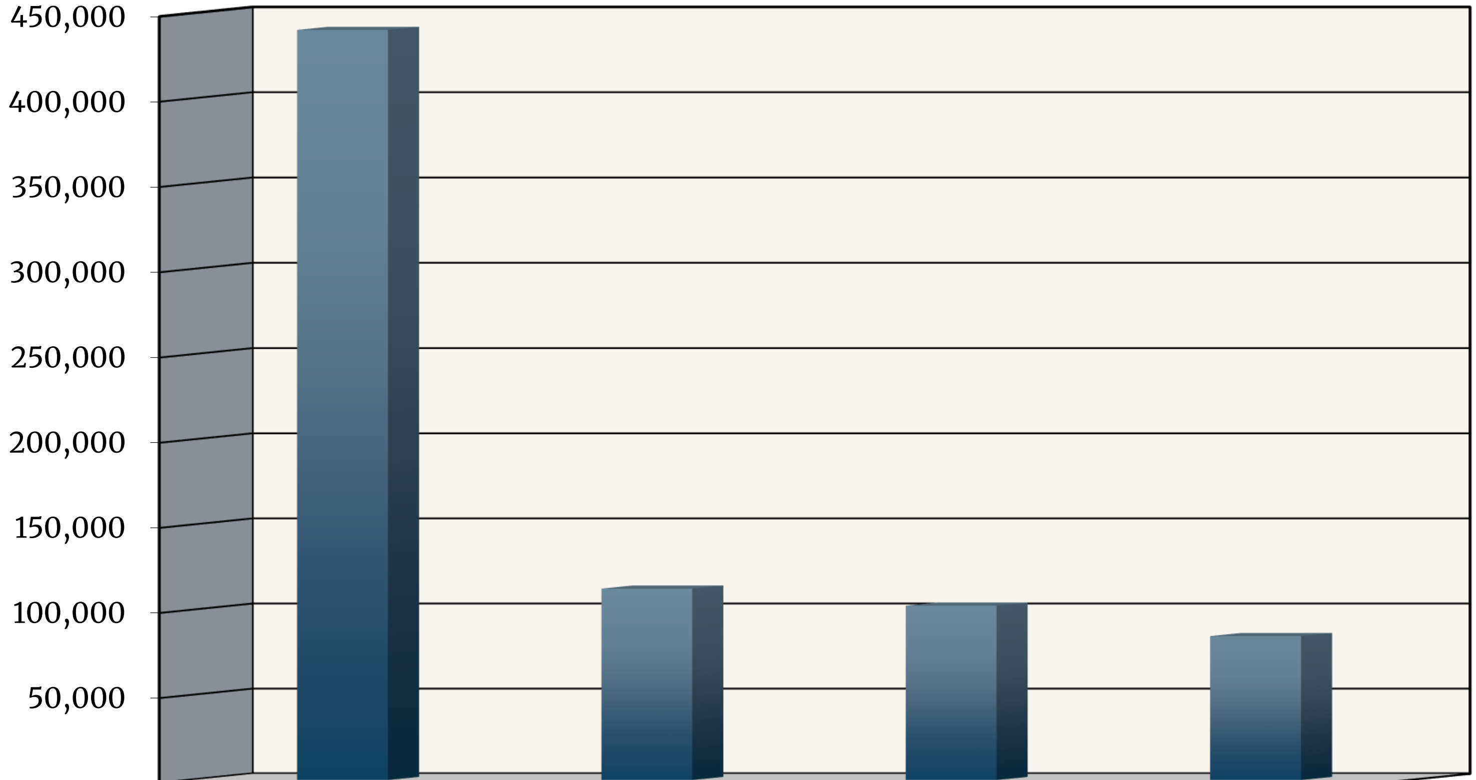
Cash Analysis Summary



Rantoul Police Pension Fund
Expense Report as of August 31, 2025

	Expended this Month	Expended this Year	Prior Year Expended this Month	Prior Year Expended Year-to-Date
Pensions and Benefits				
51-020-00 - Service Pensions	$ 110,056.69	440,226.76	111,741.25	446,965.00
51-040-00 - Duty Disability Pensions	28,111.64	112,446.56	27,806.19	111,224.76
51-060-00 - Surviving Spouse Pensions	25,611.32	102,445.28	25,611.32	102,445.28
Total Pensions and Benefits	**163,779.65**	**655,118.60**	**165,158.76**	**660,635.04**
Administrative				
Professional Services				
52-170-01 - Actuarial Services	0.00	6,310.00	0.00	0.00
52-170-02 - Auditing Services	0.00	4,869.90	0.00	5,023.46
52-170-03 - Accounting & Bookkeeping Services	1,710.00	4,635.00	1,660.00	5,420.00
52-170-04 - Medical Services	0.00	0.00	3,836.40	3,836.40
52-170-05 - Legal Services	0.00	0.00	225.00	1,940.22
52-170-06 - PSA/Court Reporter	1,020.00	4,050.00	990.00	4,890.00
	2,730.00	19,864.90	6,711.40	21,110.08
Investment				
52-190-01 - Investment Manager/Advisor Fees	0.00	0.00	22,614.42	25,679.52
52-190-04 - Bank Fees	29.13	156.21	18.00	67.64
52-195-02 - Administrative Expense (IPOPIF)	540.40	2,583.79	0.00	0.00
52-195-03 - Investment Expense (IPOPIF)	694.33	2,773.91	0.00	0.00
52-195-04 - Investment Manager Fees (IPOPIF)	4,675.75	9,285.67	0.00	0.00
52-195-06 - Transition Cost Allocation Expense (IPOPIF)	0.00	49,628.28	0.00	0.00
	5,939.61	64,427.86	22,632.42	25,747.16
Other Expense				
52-290-25 - Conference/Seminar Fees	0.00	265.00	285.00	285.00
	0.00	265.00	285.00	285.00
Total Administrative	**8,669.61**	**84,557.76**	**29,628.82**	**47,142.24**
Total Expenses	**172,449.26**	**739,676.36**	**194,787.58**	**707,777.28**

Pension Benefits and Expenses



	Service	Duty Disability	Surviving Spouse	Administrative
Expenses	440,227	112,447	102,445	84,558

Rantoul Police Pension Fund
Member Contribution Report
As of Month Ended August 31, 2025

Name		Thru Prior Fiscal Year	Current Fiscal Year	Service Purchase	Refunds	Total Contributions
Anaya, Yaleina V.	$	12,424.94	2,988.18	0.00	0.00	15,413.12
Barnett, James W.		92,019.75	3,423.42	0.00	0.00	95,443.17
Bross, Matthew R.		119,778.37	3,560.49	0.00	0.00	123,338.86
Donovan, Kyle E.		124,549.70	3,942.18	0.00	0.00	128,491.88
Evans, Malik		0.00	2,667.87	0.00	0.00	2,667.87
Garcia-Payano, Edgar A.		37,788.46	3,291.48	0.00	0.00	41,079.94
Gregg, Kyle T.		105,085.37	3,942.18	0.00	0.00	109,027.55
Gretz, Kyle M.		24,447.28	3,227.22	0.00	0.00	27,674.50
Grice, Johnathan A.		7,584.30	2,667.87	0.00	0.00	10,252.17
Heath, Ashley L.		51,312.05	2,925.76	0.00	0.00	54,237.81
Heath, Jeremy R.		115,716.56	3,560.49	0.00	0.00	119,277.05
Jackson, Thane A.		85,233.75	3,423.42	0.00	0.00	88,657.17
Johnston, Tyler W.		99,518.14	3,538.70	0.00	0.00	103,056.84
King, Jerry M.		89,880.30	3,942.18	0.00	0.00	93,822.48
Kraft, Kaleb D.		16,579.94	3,423.42	0.00	0.00	20,003.36
McComas, Rikki J.		39,603.62	3,291.48	0.00	0.00	42,895.10
Mennenga, Haley		56,727.21	3,291.48	0.00	0.00	60,018.69
Morgan, Dustin S.		181,121.20	4,315.76	0.00	0.00	185,436.96
Nierenhausen, Kyle		3,377.28	2,667.87	0.00	0.00	6,045.15
Reifsteck, Christina A.		153,740.37	4,139.82	0.00	0.00	157,880.19
Riffle, Katelyn N.		17,338.09	2,988.18	0.00	0.00	20,326.27
Romero Guerrero, Armando		7,584.30	2,667.87	0.00	0.00	10,252.17
Rubert, Benjamin		0.00	358.56	0.00	0.00	358.56
Schlorff, Kyle		46,936.41	3,291.48	531.09	0.00	50,758.98
Schmidt, James L.		135,765.09	3,942.18	0.00	0.00	139,707.27
Sexton, John		0.00	2,667.87	0.00	0.00	2,667.87
Smith, Casey E.		20,075.26	3,014.74	0.00	0.00	23,090.00
Stuckmeyer, Orval W. III		138,579.99	3,942.18	0.00	0.00	142,522.17
Sullivan, Rodney R.		200,633.52	4,644.27	0.00	0.00	205,277.79
Willard, Gregory D.		137,963.19	3,703.14	0.00	0.00	141,666.33
Williams, Connor		0.00	296.43	0.00	0.00	296.43
Wissel, Rene D.		103,002.32	3,423.42	0.00	0.00	106,425.74
		2,224,366.76	**103,171.59**	**531.09**	**0.00**	**2,328,069.44**

Rantoul Police Pension Fund
Member Contribution Report
As of Month Ended August 31, 2025

Name	Thru Prior Fiscal Year	Current Fiscal Year	Service Purchase	Refunds	Total Contributions
Inactive/Terminated Members					
Bouse, Justin E.	180,070.68	2,580.15	0.00	0.00	182,650.83
Guider, Shanice P.	5,332.78	0.00	0.00	0.00	5,332.78
Todd, Rathen K.	28,131.68	0.00	0.00	0.00	28,131.68
Webb, Darius	284.96	0.00	0.00	0.00	284.96
Totals	**2,438,186.86**	**105,751.74**	**531.09**	**0.00**	**2,544,469.69**

Service Purchases

Name - Type of Purchase	41-420-00 Prior Year Contributions	41-440-00 Interest from Members	41-450-00 Other Member Revenue	Total
Jackson, Thane A. - Service Purchase - Principal	0.00	0.00	0.00	0.00
Schlorff, Kyle - Portability - Principal	419.12	0.00	0.00	419.12
Schlorff, Kyle - Portability - Interest	0.00	111.97	0.00	111.97
Totals	**419.12**	**111.97**	**0.00**	**531.09**

Rantoul Police Pension Fund

Rantoul Police | Check Date: 08/29/2025

Family ID	EmployeeName	Retro	Pay Amt	Mbr Gross	Insurance	Fitness Center Dues	Utilities	Federal Tax	QILDRO Deduct	Check #	Payee Name
Duty Disability											
124699	Beach, Marcus R.		$5,441.80	$5,441.80	$0.00	$0.00	$0.00	$0.00	$0.00		
115060	Crane, Dwight D.		$4,320.01	$4,320.01	$0.00	$0.00	$0.00	$0.00	$0.00		
115061	Flick, Terry Lee		$4,096.39	$4,208.91	$112.52	$0.00	$0.00	$0.00	$0.00		
115062	Goodwin, Richard D.		$3,673.39	$3,745.15	$71.76	$0.00	$0.00	$0.00	$0.00		
115063	Hart, John D.		$1,728.76	$1,728.76	$0.00	$0.00	$0.00	$0.00	$0.00		
115064	Hedrick, Rick		$4,545.39	$4,577.21	$31.82	$0.00	$0.00	$0.00	$0.00		
115065	Kerney, Lance C.		$4,089.80	$4,089.80	$0.00	$0.00	$0.00	$0.00	$0.00		
Duty Disability			**$27,895.54**	**$28,111.64**	**$216.10**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		
QILDRO											
Q115057	McLemore, Marie J.		$1,083.00	$1,200.00	$0.00	$0.00	$0.00	$117.00	$0.00		
Q124244	Sumner, Susan E.		$466.01	$566.01	$0.00	$0.00	$0.00	$100.00	$0.00		
QILDRO			**$1,549.01**	**$1,766.01**	**$0.00**	**$0.00**	**$0.00**	**$217.00**	**$0.00**		
Service											
116356	Arie, Sean B.		$1,923.84	$6,037.84	$0.00	$0.00	$0.00	$764.00	$0.00		
116356	Arie, Sean B.		$2,400.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
116356	Arie, Sean B.		$950.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
118757	Barrett, Stephanie L.		$3,146.93	$4,362.63	$704.70	$0.00	$0.00	$511.00	$0.00		
121297	Buckley, Kurtis M.		$3,283.20	$3,749.20	$0.00	$0.00	$0.00	$366.00	$0.00		
121297	Buckley, Kurtis M.		$100.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115130	Casagrande, Charles A.		$4,626.96	$5,353.37	$84.01	$0.00	$0.00	$642.40	$0.00		
115046	Gamel, Henry H.		$6,171.60	$8,206.21	$304.50	$25.00	$200.00	$1,505.11	$0.00		
115047	Gass, David Lee		$3,891.28	$4,492.08	$0.80	$0.00	$0.00	$600.00	$0.00		
115048	Jones, Allen L.		$6,451.12	$7,347.08	$70.96	$0.00	$0.00	$825.00	$0.00		
115049	Kaiser, Kevin C.		$5,171.75	$6,222.22	$0.00	$0.00	$0.00	$1,050.47	$0.00		
115056	McLemore, Ronald L.		$2,405.93	$6,455.93	$0.00	$0.00	$0.00	$700.00	$1,200.00		
115056	McLemore, Ronald L.		$2,150.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
119431	Meyer, Alex F.		$5,082.30	$5,877.30	$0.00	$0.00	$0.00	$795.00	$0.00		
115131	Richter, Bert J.		$3,240.94	$4,051.18	$0.00	$0.00	$0.00	$810.24	$0.00		
123005	Saltsgaver, Bradley K.		$4,210.39	$5,765.85	$136.45	$0.00	$0.00	$853.00	$566.01		
115051	Sawlaw, David Eric		$3,923.19	$4,670.47	$0.00	$0.00	$0.00	$747.28	$0.00		
115059	Schlosser, Michael D.		$3,656.11	$4,022.11	$0.00	$0.00	$0.00	$366.00	$0.00		
115052	Smith, Charles J.		$3,204.79	$5,584.36	$1,548.57	$0.00	$0.00	$831.00	$0.00		
115053	Spear, Mark A.		$3,387.57	$5,774.44	$70.96	$0.00	$0.00	$315.91	$0.00		
115053	Spear, Mark A.		$2,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		

Family ID	EmployeeName	Retro	Pay Amt	Mbr Gross	Insurance	Fitness Center Dues	Utilities	Federal Tax	QILDRO Deduct	Check #	Payee Name
119520	Welch, Richard K.		$4,189.00	$6,894.42	$2,090.42	$0.00	$0.00	$615.00	$0.00		
115054	Williams Jr, Glenn W.		$2,971.19	$7,791.19	$0.00	$0.00	$0.00	$820.00	$0.00		
115054	Williams Jr, Glenn W.		$3,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115054	Williams Jr, Glenn W.		$1,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115132	Wooten, Jeffrey A.		$6,206.71	$7,398.81	$0.00	$0.00	$0.00	$1,192.10	$0.00		
Service			**$88,744.80**	**$110,056.69**	**$5,011.37**	**$25.00**	**$200.00**	**$14,309.51**	**$1,766.01**		
Surviving Spouse											
115074	Carter, Margurette		$3,830.42	$6,280.42	$0.00	$0.00	$0.00	$1,850.00	$0.00		
115074	Carter, Margurette		$600.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115076	Grabow, Jacqueline M.		$3,584.65	$4,496.30	$31.82	$0.00	$0.00	$879.83	$0.00		
115078	Tarr, Betty J.		$2,622.50	$2,822.50	$0.00	$0.00	$0.00	$200.00	$0.00		
115066	Tittle, Elaine A.		$4,228.94	$4,228.94	$0.00	$0.00	$0.00	$0.00	$0.00		
115080	Wiseman Casper, Lisle C.		$1,000.00	$1,000.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115055	Zonfrilli, Mary Ann		$4,301.34	$6,783.16	$31.82	$0.00	$0.00	$600.00	$0.00		
115055	Zonfrilli, Mary Ann		$600.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115055	Zonfrilli, Mary Ann		$600.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115055	Zonfrilli, Mary Ann		$300.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
115055	Zonfrilli, Mary Ann		$350.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
Surviving Spouse			**$22,017.85**	**$25,611.32**	**$63.64**	**$0.00**	**$0.00**	**$3,529.83**	**$0.00**		

Batch Totals

ACH Flag	Payments	Net Payment Total	Mbr Gross	Insurance	Fitness Center Dues	Utilities	Federal Tax	QILDRO Deduct
Batch #78627 - 08/14/2025								
ACH	46	$140,207.20	$165,545.66	$5,291.11	$25.00	$200.00	$18,056.34	$1,766.01
Batch #78627 - 08/14/2025		**$140,207.20**	**$165,545.66**	**$5,291.11**	**$25.00**	**$200.00**	**$18,056.34**	**$1,766.01**

Rantoul Police Pension Fund
Quarterly Deduction Report

All Bank Accounts
June 1, 2025 - August 31, 2025

Date	Check Number	Vendor Name	Invoice Amount	Check Amount
06/30/25	30537	**Village of Rantoul - Forum Fitness Center**		
		20-240-00 Union Dues - 06/25	25.00	
			Check Amount	25.00
06/30/25	30538	**Village of Rantoul - Insurance**		
		20-220-00 Insurance - 06/25	4,748.29	
			Check Amount	4,748.29
06/30/25	30539	**Village of Rantoul - Utility Department**		
		20-240-00 Utilities - 06/25	200.00	
			Check Amount	200.00
06/30/25	30540	**Internal Revenue Service**		
		20-230-00 Internal Revenue Service	18,056.34	
			ACH Amount (Direct Deposit)	18,056.34
07/31/25	30545	**Village of Rantoul - Forum Fitness Center**		
		20-240-00 Union Dues - 7/25	25.00	
			Check Amount	25.00
07/31/25	30546	**Village of Rantoul - Insurance**		
		20-220-00 Insurance - 7/25	5,291.11	
			Check Amount	5,291.11
07/31/25	30547	**Village of Rantoul - Utility Department**		
		20-240-00 Utilities - 7/25	200.00	
			Check Amount	200.00
07/31/25	30548	**Internal Revenue Service**		
		20-230-00 Internal Revenue Service	18,056.34	
			ACH Amount (Direct Deposit)	18,056.34
08/29/25	30552	**Village of Rantoul - Forum Fitness Center**		
		20-240-00 Union Dues - 8/25	25.00	
			Check Amount	25.00
08/29/25	30553	**Village of Rantoul - Insurance**		
		20-220-00 Insurance - 8/25	5,291.11	
			Check Amount	5,291.11
08/29/25	30554	**Village of Rantoul - Utility Department**		
		20-240-00 Utilities - 8/25	200.00	
			Check Amount	200.00
08/29/25	30555	**Internal Revenue Service**		
		20-230-00 Internal Revenue Service	18,056.34	
			ACH Amount (Direct Deposit)	18,056.34

Rantoul Police Pension Fund
Quarterly Deduction Report

All Bank Accounts

June 1, 2025 - August 31, 2025

Date	Check Number	Vendor Name		Invoice Amount	Check Amount
			Total Payments		70,174.53

Rantoul Police Pension Fund
Quarterly Transfer Report

All Bank Accounts
June 1, 2025 - August 31, 2025

Date	Check Number	Vendor Name		Invoice Amount	Check Amount
06/30/25	30541	**State Street Bank and Trust Company**			
		13-800-01	Rantoul Police Pension Fund	116,000.00	
			ACH Amount (Direct Deposit)		116,000.00
07/31/25	30549	**State Street Bank and Trust Company**			
		13-800-01	Rantoul Police Pension Fund	67,100.00	
			ACH Amount (Direct Deposit)		67,100.00
08/28/25	30556	**State Street Bank and Trust Company**			
		13-800-01	Rantoul Police Pension Fund	77,000.00	
			ACH Amount (Direct Deposit)		77,000.00
			Total Payments		260,100.00

Rantoul Police Pension Fund
Quarterly Disbursement Report

All Bank Accounts
June 1, 2025 - August 31, 2025

Date	Check Number	Vendor Name		Invoice Amount	Check Amount
06/09/25	30536	**Lauterbach & Amen, LLP**			
		52-170-03	#104948 05/25 Accounting & Benefits	985.00	
		52-170-06	#104948 05/25 PSA	1,020.00	
				ACH Amount (Direct Deposit)	2,005.00
06/23/25	50126	**BMO Bank**			
		52-190-04	Bank Fee	44.52	
				Check Amount	44.52
06/30/25	50127	**IPOPIF**			
		52-195-02	Administrative Expense	490.17	
		52-195-03	Investment Expense	961.87	
		52-195-04	Investment Manager Fees	1,174.66	
		52-195-06	Transition Cost Allocation Expense	49,628.28	
				Check Amount	52,254.98
07/07/25	30542	**Lauterbach & Amen, LLP**			
		52-170-01	#105368 FYE25 Tax Levy	3,360.00	
		52-170-01	#105368 FYE25 GASB 67/68	2,950.00	
				ACH Amount (Direct Deposit)	6,310.00
07/14/25	30543	**Lauterbach & Amen, LLP**			
		52-170-03	#105995 06/25 Accounting & Benefits	985.00	
		52-170-06	#105995 06/25 PSA	1,020.00	
				ACH Amount (Direct Deposit)	2,005.00
07/16/25	30544	**Village of Rantoul***			
		52-170-02	Reimburse FYE25 Progress Audit Billing	4,869.90	
				Check Amount	4,869.90
07/22/25	50128	**BMO Bank**			
		52-190-04	Bank Fee	17.93	
				Check Amount	17.93
07/25/25	50129	**IPPFA**			
		52-290-25	IPPFA Refund	-285.00	
				Check Amount	(285.00)
07/31/25	202507	**IPOPIF**			
		52-195-02	Administrative Expense	845.20	
		52-195-03	Investment Expense	392.37	
				Check Amount	1,237.57
08/11/25	30550	**Lauterbach & Amen, LLP**			
		52-170-03	#106673 FYE25 Workpapers	725.00	
				ACH Amount (Direct Deposit)	725.00

Rantoul Police Pension Fund
Quarterly Disbursement Report

All Bank Accounts
June 1, 2025 - August 31, 2025

Date	Check Number	Vendor Name		Invoice Amount	Check Amount
08/11/25	30551	**Lauterbach & Amen, LLP**			
		52-170-03	#107347 07/25 Accounting & Benefits	985.00	
		52-170-06	#107347 07/25 PSA	1,020.00	
			ACH Amount (Direct Deposit)		2,005.00
08/22/25	50130	**BMO Bank**			
		52-190-04	Bank Fee	29.13	
			Check Amount		29.13
08/31/25	202508	**IPOPIF**			
		52-195-02	Administrative Expense	540.40	
		52-195-03	Investment Expense	694.33	
		52-195-04	Investment Manager Fees	4,675.75	
			Check Amount		5,910.48
			Total Payments		77,129.51

	Market Value	% of Portfolio	Target (%)	1 Mo	QTD	Fiscal YTD	YTD	1 Yr	3 Yrs	Since Inception	Inception Date
Total Fund with Member and Transition Accounts	**14,157,575,825**	**100.0**	**100.0**	**2.6**	**3.0**	**3.0**	**12.1**	**11.7**	**11.7**	**7.4**	**03/01/22**
Policy Index				*2.5*	*3.0*	*3.0*	*11.4*	*10.8*	*11.5*	*7.1*	
Policy Index- Broad Based				*2.3*	*2.9*	*2.9*	*12.3*	*12.0*	*13.0*	*7.2*	
IPOPIF Investment Portfolio	**14,157,575,825**	**100.0**	**100.0**	**2.6**	**3.0**	**3.0**	**12.0**	**11.5**	**11.7**	**7.3**	**04/01/22**
Policy Index				*2.5*	*3.0*	*3.0*	*11.4*	*10.8*	*11.5*	*7.2*	
Policy Index- Broad Based				*2.3*	*2.9*	*2.9*	*12.3*	*12.0*	*13.0*	*7.2*	
Growth	**8,490,643,209**	**60.0**	**58.0**	**3.4**	**4.0**	**4.0**	**16.9**	**15.8**	**16.4**	**9.7**	**04/01/22**
Growth Benchmark				*3.3*	*4.0*	*4.0*	*16.2*	*14.9*	*15.9*	*9.4*	
RhumbLine Russell 1000 Index	3,252,329,984	23.0	23.0	2.1	4.4	4.4	10.8	16.2	19.3	12.2	04/01/22
Russell 1000 Index				*2.1*	*4.4*	*4.4*	*10.8*	*16.2*	*19.3*	*12.3*	
RhumbLine Russell 2000 Index	746,119,378	5.3	5.0	7.1	8.9	8.9	7.0	8.1	10.2	5.4	04/01/22
Russell 2000 Index				*7.1*	*9.0*	*9.0*	*7.1*	*8.2*	*10.3*	*5.5*	
SSgA Non-US Developed Index	2,746,216,332	19.4	19.0	4.4	3.2	3.2	23.1	15.3	17.3	9.9	04/01/22
MSCI World ex U.S. (Net)				*4.4*	*3.1*	*3.1*	*22.7*	*14.9*	*16.9*	*9.5*	
International Developed Small Cap Equity	**805,328,931**	**5.7**	**5.0**	**3.7**	**3.9**	**3.9**	**27.0**	**24.0**	**15.8**	**8.1**	**04/01/22**
MSCI World ex U.S. Small Cap Index (Net)				*5.0*	*4.9*	*4.9*	*26.7*	*19.9*	*14.4*	*6.9*	
Acadian ACWI ex US Small-Cap Fund	392,946,407	2.8	2.5	3.9	4.4	4.4	23.6	21.4	-	23.1	02/01/24
MSCI AC World ex USA Small Cap (Net)				*4.3*	*4.4*	*4.4*	*22.9*	*16.9*	-	*17.6*	
WCM International Small Cap Growth Fund	203,068,353	1.4	1.3	2.5	2.3	2.3	26.8	25.1	-	19.3	03/01/24
MSCI AC World ex USA Small Cap (Net)				*4.3*	*4.4*	*4.4*	*22.9*	*16.9*	-	*17.9*	
LSV International Small Cap Value Equity Fund	209,314,171	1.5	1.3	4.6	4.4	4.4	34.0	27.9	-	25.0	03/01/24
S&P Developed Ex-U.S. SmallCap (Net)				*3.9*	*4.5*	*4.5*	*26.6*	*18.3*	-	*18.5*	
Emerging Market Equities	**940,648,584**	**6.6**	**6.0**	**1.6**	**1.9**	**1.9**	**20.0**	**12.8**	**9.7**	**4.8**	**04/01/22**
Emerging Markets Equity Benchmark				*-0.2*	*0.6*	*0.6*	*15.2*	*8.5*	*8.5*	*3.7*	
William Blair Emerging Markets ex China Growth Fund	463,107,521	3.3	1.4	0.9	1.4	1.4	9.2	-	-	9.2	01/01/25
MSCI Emerging Markets ex China IMI (Net)				*0.3*	*1.0*	*1.0*	*15.0*	-	-	*15.0*	
ARGA Emerging Markets Ex China Equity	477,541,063	3.4	2.3	2.3	2.5	2.5	29.9	-	-	25.2	12/01/24
MSCI Emerging Markets ex China (Net)				*-0.2*	*0.6*	*0.6*	*15.2*	-	-	*13.8*	

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.

	Market Value	% of Portfolio	Target (%)	1 Mo	QTD	Fiscal YTD	YTD	1 Yr	3 Yrs	Since Inception	Inception Date
Income	**2,180,828,462**	**15.4**	**16.0**	**1.1**	**1.8**	**1.8**	**6.8**	**8.2**	**9.2**	**4.9**	**04/01/22**
Income Benchmark				*1.0*	*1.8*	*1.8*	*6.5*	*7.9*	*9.1*	*5.5*	
SSgA High Yield Corporate Credit	625,226,853	4.4	5.1	1.3	1.8	1.8	6.3	8.3	9.5	5.8	04/01/22
Spliced SSgA U.S. High Yield Index				*1.2*	*1.6*	*1.6*	*6.2*	*8.2*	*9.3*	*5.7*	
Emerging Market Debt	**814,979,380**	**5.8**	**6.0**	**1.8**	**2.7**	**2.7**	**9.6**	**9.4**	**9.5**	**4.4**	**04/01/22**
Emerging Markets Debt Benchmark				*1.6*	*2.9*	*2.9*	*8.7*	*8.6*	*9.6*	*5.4*	
SSgA EMD Hard Index Fund	602,141,045	4.3	4.5	1.6	2.9	2.9	8.8	9.0	9.4	4.3	04/01/22
Spliced SSgA EMD Hard Index				*1.6*	*2.9*	*2.9*	*8.7*	*8.6*	*9.2*	*4.6*	
Capital Group Emerging Markets Debt	212,838,335	1.5	1.5	2.2	2.2	2.2	12.0	-	-	9.9	11/01/24
Spliced Capital Group EMD Index				*1.8*	*2.0*	*2.0*	*10.7*	-	-	*9.2*	
Bank Loans	**412,292,724**	**2.9**	**3.0**	**0.6**	**1.4**	**1.4**	**4.3**	**7.4**	**-**	**7.7**	**03/01/24**
S&P UBS Leveraged Loan Index				*0.4*	*1.2*	*1.2*	*4.2*	*7.4*	-	*7.7*	
Ares Institutional Loan Fund	137,133,845	1.0	1.0	0.6	1.3	1.3	4.1	7.4	-	8.0	03/01/24
S&P UBS Leveraged Loan Index				*0.4*	*1.2*	*1.2*	*4.2*	*7.4*	-	*7.7*	
Aristotle Institutional Loan Fund	275,158,879	1.9	2.0	0.5	1.4	1.4	4.4	7.4	-	7.6	03/01/24
S&P UBS Leveraged Loan Index				*0.4*	*1.2*	*1.2*	*4.2*	*7.4*	-	*7.7*	
Oaktree Global Credit Fund	328,329,504	2.3	1.9	0.0	0.0	0.0	-	-	-	1.9	05/01/25
Real Assets	**790,999,561**	**5.6**	**6.0**	**3.4**	**3.0**	**3.0**	**3.1**	**1.0**	**3.1**	**0.9**	**04/01/22**
Real Assets Benchmark				*3.3*	*2.9*	*2.9*	*3.1*	*1.1*	*1.9*	*-1.5*	
SSgA REITs Index	571,393,795	4.0	4.0	4.7	3.9	3.9	3.3	-0.3	5.3	-0.6	04/01/22
Dow Jones U.S. Select REIT Total Return Index				*4.7*	*3.9*	*3.9*	*3.3*	*-0.3*	*5.4*	*-0.6*	
Principal USPA	219,605,766	1.6	2.0	0.6	0.8	0.8	2.7	3.4	-5.4	-4.3	05/01/22

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.

	Market Value	% of Portfolio	Target (%)	1 Mo	QTD	Fiscal YTD	YTD	1 Yr	3 Yrs	Since Inception	Inception Date
Risk Mitigation	**2,695,104,592**	**19.0**	**20.0**	**1.0**	**0.9**	**0.9**	**4.3**	**4.4**	**4.1**	**3.0**	**04/01/22**
Risk Mitigation Benchmark				*1.0*	*0.9*	*0.9*	*4.3*	*4.4*	*4.1*	*3.0*	
SSgA US Treasury Index	379,473,582	2.7	3.0	1.1	0.7	0.7	4.5	2.4	-	6.4	05/01/24
Blmbg. U.S. Treasury Index				*1.1*	*0.7*	*0.7*	*4.5*	*2.4*	*-*	*6.4*	
SSgA Core Fixed Income Index	382,466,120	2.7	3.0	1.2	0.9	0.9	5.0	3.2	3.1	1.1	04/01/22
Blmbg. U.S. Aggregate Index				*1.2*	*0.9*	*0.9*	*5.0*	*3.1*	*3.0*	*1.1*	
SSgA Short-Term Gov't/Credit Index	1,347,089,878	9.5	10.0	0.9	0.9	0.9	3.8	4.7	4.2	3.4	04/01/22
Bloomberg U.S. Gov/Credit 1-3 Year Index				*0.9*	*0.9*	*0.9*	*3.8*	*4.6*	*4.1*	*3.4*	
SSgA US TIPS Index	384,640,219	2.7	3.0	1.3	1.6	1.6	5.8	6.7	4.4	3.5	04/01/22
Blmbg. U.S. TIPS 0-5 Year				*1.3*	*1.6*	*1.6*	*5.7*	*6.7*	*4.4*	*3.6*	
Cash	200,468,818	1.4	1.0	0.4	0.7	0.7	2.6	4.2	4.5	4.0	04/01/22
90 Day U.S. Treasury Bill				*0.4*	*0.7*	*0.7*	*2.8*	*4.5*	*4.7*	*4.2*	
IPOPIF Pool Fixed Income Transition	965,976	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.

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
RhumbLine Russell 1000 Index Fund	3/15/2022	State Street
RhumbLine Russell 2000 Index Fund	3/15/2022	State Street
SSgA Non-US Developed Index Fund	3/10/2022	State Street
SSgA Non-US Developed SC Index Fund	3/10/2022	State Street
Acadian ACWI ex US Small-Cap Fund	1/30/2024	State Street
WCM International Small Cap Growth Fund	3/1/2024	WCM
LSV International Small Cap Value Equity Fund	3/1/2024	LSV
SSgA Emerging Markets Equity Index Fund	3/1/2022	State Street
SSgA Emerging Markets ex China Equity Index Fur	5/1/2024	State Street
William Blair EM ex China Growth Fund	12/9/2024	William Blair
ARGA Emerging Markets Ex China Equity	12/1/2024	ARGA
SSgA High Yield Corporate Credit	3/18/2022	State Street

Manager	Inception Date	Data Source
SSgA EMD Hard Index Fund	3/14/2022	State Street
Capital Group Emerging Markets Debt Fund	10/21/2024	State Street
Ares Institutional Loan Fund	3/1/2024	Ares
Aristotle Institutional Loan Fund	3/1/2024	Aristotle
Principal USPA	4/6/2022	State Street
Oaktree Global Credit Fund	5/1/2025	Oaktree
SSgA REITs Index Fund	3/10/2022	State Street
SSgA US Treasury Index Fund	5/1/2024	State Street
SSgA Core Fixed Income Index Fund	3/17/2022	State Street
SSgA Short-Term Gov't/Credit Index Fund	3/17/2022	State Street
SSgA US TIPS Index Fund	3/17/2022	State Street
Cash	3/22/2022	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

Policy Index Composition

As of 8/1/2025	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	4.5%		28.1%		
JPM EMBI Global Diversified Index	6.0%		37.5%		
S&P UBS Leveraged Loan Index	3.0%		18.8%		
Private Credit Actual Performance	2.5%		15.6%		
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 7/1/2025	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	5.1%		31.7%		
JPM EMBI Global Diversified Index	6.0%		37.5%		
S&P UBS Leveraged Loan Index	3.0%		18.8%		
Private Credit Actual Performance	1.9%		12.0%		
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 6/1/2025	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	5.7%		35.3%		
JPM EMBI Global Diversified Index	6.0%		37.5%		
S&P UBS Leveraged Loan Index	3.0%		18.8%		
Private Credit Actual Performance	1.4%		8.4%		
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 5/1/2025	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	6.2%		38.9%		
JPM EMBI Global Diversified Index	6.0%		37.5%		
S&P UBS Leveraged Loan Index	3.0%		18.8%		
Private Credit Actual Performance	0.8%		4.8%		
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 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%		
S&P UBS 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%
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%		
S&P UBS 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%

Policy Index Composition

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%		
S&P UBS 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%		
S&P UBS 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%		
S&P UBS 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%		
S&P UBS 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 6/1/2024	Policy Index	Growth	Income	Real Assets	Risk Mitigation
Russell 1000	23%	36.1%			
Russell 2000	5%	7.9%			
MSCI World ex U.S.	19%	29.9%			
MSCI World ex U.S. Small Cap	5%	7.9%			
MSCI Emerging Markets	4%	6.3%			
MSCI Emerging Markets ex China	2%	3.1%			
Bloomberg US Corporate High Yield Index	7%		67.6%		
JPM EMBI Global Diversified Index	6%		58.0%		
S&P UBS Leveraged Loan Index	3%		29.0%		
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%		
S&P UBS 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%

Policy Index Composition

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%		
S&P UBS 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%		
S&P UBS 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%

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%

Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: Portfolio Return [Risk free Rate + Portfolio Beta x (Market Return Risk free Rate)].

Benchmark R squared: Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R squared, the more appropriate the benchmark is for the manager.

Beta: A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

Book to Market: The ratio of book value per share to market price per share. Growth managers typically have low book to market ratios while value managers typically have high book to market ratios.

Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of 1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

Interaction Effect: An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

Portfolio Turnover: The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

Price to Earnings Ratio (P/E): Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price to earnings ratios whereas value managers hold stocks with low price to earnings ratios.

R Squared: Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

Sharpe Ratio: A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: Portfolio Excess Return / Portfolio Standard Deviation.

Sortino Ratio: Measures the risk adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

Standard Deviation: A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

Style Map: A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from 1 to 1 on each axis and are dependent on the Style Indices comprising the Map.

Disclosure

This report contains confidential and proprietary information and is subject to the terms and conditions of the Consulting Agreement. It is being provided for use solely by the customer. The report may not be sold or otherwise provided, in whole or in part, to any other person or entity without written permission from Verus Advisory, Inc., (hereinafter Verus) or as required by law or any regulatory authority. The information presented does not constitute a recommendation by Verus and cannot be used for advertising or sales promotion purposes. This does not constitute an offer or a solicitation of an offer to buy or sell securities, commodities or any other financial instruments or products.

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The information presented may be deemed to contain forward-looking information. Examples of forward looking information include, but are not limited to, (a) projections of or statements regarding return on investment, future earnings, interest income, other income, growth prospects, capital structure and other financial terms, (b) statements of plans or objectives of management,(c) statements of future economic performance, and (d) statements of assumptions, such as economic conditions underlying other statements. Such forward-looking information can be identified by the use of forward looking terminology such as believes, expects, may, will, should, anticipates, or the negative of any of the foregoing or other variations thereon comparable terminology, or by discussion of strategy. No assurance can be given that the future results described by the forward-looking information will be achieved. Such statements are subject to risks, uncertainties, and other factors which could cause the actual results to differ materially from future results expressed or implied by such forward looking information. The findings, rankings, and opinions expressed herein are the intellectual property of Verus and are subject to change without notice. The information presented does not claim to be all-inclusive, nor does it contain all information that clients may desire for their purposes. The information presented should be read in conjunction with any other material provided by Verus, investment managers, and custodians.

Verus will make every reasonable effort to obtain and include accurate market values. However, if managers or custodians are unable to provide the reporting period's market values prior to the report issuance, Verus may use the last reported market value or make estimates based on the manager's stated or estimated returns and other information available at the time. These estimates may differ materially from the actual value. Hedge fund market values presented in this report are provided by the fund manager or custodian. Market values presented for private equity investments reflect the last reported NAV by the custodian or manager net of capital calls and distributions as of the end of the reporting period. These values are estimates and may differ materially from the investments actual value. Private equity managers report performance using an internal rate of return (IRR), which differs from the time-weighted rate of return (TWRR) calculation done by Verus. It is inappropriate to compare IRR and TWRR to each other. IRR figures reported in the illiquid alternative pages are provided by the respective managers, and Verus has not made any attempts to verify these returns. Until a partnership is liquidated (typically over 10-12 years), the IRR is only an interim estimated return. The actual IRR performance of any LP is not known until the final liquidation.

Net-of-Fees Returns mean gross-of-fees returns reduced by fees and expenses charged by third-party investment managers on the products of such managers held by client. Net-of-Fees Returns does not include a reduction of returns for Verus' investment management and consulting fees, or other expenses incurred by the asset owner, fund or plan.

Verus receives universe data from InvMetrics, eVestment Alliance, and Morningstar. We believe this data to be robust and appropriate for peer comparison. Nevertheless, these universes may not be comprehensive of all peer investors/managers but rather of the investors/managers that comprise that database. The resulting universe composition is not static and will change over time. Returns are annualized when they cover more than one year. Investment managers may revise their data after report distribution. Verus will make the appropriate correction to the client account but may or may not disclose the change to the client based on the materiality of the change.

RANTOUL POLICE PENSION FUND

Month Ended: September 30, 2025

Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	$40,876,319.27	$37,420,626.08
Contributions	$52,800.00	$735,100.00
Withdrawals	($200,000.00)	($1,800,000.00)
Transfers In/Out	$0.00	$0.00
Income	$18,530.30	$154,899.45
Administrative Expense	($696.00)	($5,703.57)
Investment Expense	($651.73)	($5,487.58)
Investment Manager Fees	($489.25)	($14,360.46)
IFA Loan Repayment	$0.00	$0.00
Adjustment	$0.00	($49,625.88)
Realized Gain/Loss	$22,833.57	$507,008.42
Unrealized Gain/Loss	$791,933.04	$4,618,122.74
Ending Balance	$41,560,579.20	$41,560,579.20

Performance Summary:

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	2.04%	5.45%	14.28%	12.64%	N/A	N/A	N/A	12.64%	10/01/2024

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

RANTOUL POLICE PENSION FUND

Fund Name: IPOPIF Pool

Month Ended: September 30, 2025

Illinois Police Officers' Pension Investment Fund

Market Value Summary:

	Current Period	Year to Date
Beginning Balance	$40,876,319.27	$37,420,619.16
Contributions	$52,800.00	$735,100.00
Withdrawals	($200,000.00)	($1,800,000.00)
Transfers In/Out	$0.00	$39.58
Income	$18,530.30	$154,866.79
Administrative Expense	($696.00)	($5,703.57)
Investment Expense	($651.73)	($5,487.58)
Investment Manager Fees	($489.25)	($14,360.46)
IFA Loan Repayment	$0.00	$0.00
Adjustment	$0.00	($49,625.88)
Realized Gain/Loss	$22,833.57	$507,008.42
Unrealized Gain/Loss	$791,933.04	$4,618,122.74
Ending Balance	$41,560,579.20	$41,560,579.20

Unit Value Summary:

	Current Period	Year to Date
Beginning Units	3,092,801.714	3,171,172.936
Unit Purchases from Additions	3,926.155	55,440.954
Unit Sales from Withdrawals	(14,886.946)	(144,772.966)
Ending Units	3,081,840.923	3,081,840.923
Period Beginning Net Asset Value per Unit	$13.216599	$11.800246
Period Ending Net Asset Value per Unit	$13.485634	$13.485634

Performance Summary:

RANTOUL POLICE PENSION FUND

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	2.04%	5.45%	14.28%	N/A	N/A	N/A	N/A	12.60%	10/15/2024

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

RANTOUL POLICE PENSION FUND

Trade Date	Settle Date	Description	Amount	Unit Value	Units
IPOPIF Pool					
09/17/2025	09/18/2025	Redemptions	(200,000.00)	13.434589	(14,886.9459)
09/29/2025	09/30/2025	Contribution	52,800.00	13.448272	3,926.1550

September 2025 Statement Supplement

Cash Flows

Period	Contributions	Withdrawals
September 2025	$94 million	$62 million
CY 2025	$560 million	$565 million

Expenses Paid

Period	Administrative Expenses	Investment Expenses	Direct Investment Manager Fees
9/1/25	$240,754.69	$225,441.16	$169,234.76
CY 2025	$1,950,285.94	$1,876,213.12	$4,911,859.43

- 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
8/31/25	1,069,833,902.7071	14,139,565,427.94	13.216599
9/30/25	1,072,185,808.4005	14,459,105,554.65	13.485634

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.

Transition Cost Allocation Adjustments

June: Consistent with the IPOPIF AR 2022-01 Valuation and Cost Rule.pdf, to ensure equitable treatment of all participating Article 3 funds, a final true-up allocation of all costs paid using funds from the consolidated IPOPIF investment portfolio from inception through December 31, 2024, was completed in June 2025. Additional details were provided in the June statement supplement.

August: An additional adjustment totaling $816 was processed in August relating to a small residual transfer. All funds received a proportional credit based their IPOPIF balance. The amounts ranged from $0.01 to $22.35.

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/

RANTOUL POLICE PENSION FUND

FUNDING ACTUARIAL VALUATION AS OF MAY 1, 2025

FOR THE CONTRIBUTION YEAR MAY 1, 2025 TO APRIL 30, 2026

668 N. River Road
Naperville, IL 60563
Phone: 630.393.1483
Fax: 630.393.2516
lauterbachamen.com

Actuarial Funding Report

Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

RANTOUL POLICE PENSION FUND

Contribution Year Ending: April 30, 2026
Actuarial Valuation Date: May 1, 2025
Data Date: April 30, 2025

Contact:

Todd A. Schroeder
Partner
June 12, 2025

LAUTERBACH & AMEN, LLP

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ACTUARIAL CERTIFICATION

This report documents the results of the Actuarial Valuation for the Rantoul Police Pension Fund. The information was prepared for use by the Rantoul Police Pension Fund and the Village of Rantoul, Illinois for determining the Recommended Contribution, under the selected Funding Policy, and the Alternative Contribution for the Contribution Year May 1, 2025 to April 30, 2026. It is not intended or suitable for other purposes. Determinations for purposes other than the Employer's Actuarial Recommended Contribution may be significantly different from the results herein.

The results in this report are based on the demographic data and financial information submitted by the Rantoul Police Pension Fund, and may include results from the prior Actuary. We did not prepare the Actuarial Valuations for the years prior to May 1, 2014. Those valuations were prepared by the prior Actuary whose reports have been furnished to us, and our disclosures are based on those reports. An audit of the prior Actuary's results was not performed, but high-level reviews were completed for general reasonableness, as appropriate, based on the purpose of this valuation. The accuracy of the results is dependent on the precision and completeness of the underlying information.

In addition, the results of the Actuarial Valuation involve certain risks and uncertainty as they are based on future assumptions, market conditions, and events that may never materialize as assumed. For this reason, certain assumptions and future results may be materially different than those presented in this report. See the *Management Summary* section of this report for a more detailed discussion of the Defined Benefit Plan Risks, as well as the limitations of this Actuarial Valuation on assessing those risks. We are not aware of any known events subsequent to the Actuarial Valuation Date, which are not reflected in this report but should be valued, that may materially impact the results.

The valuation results summarized in this report involve actuarial calculations that require assumptions about future events. The Rantoul Police Pension Fund selected certain assumptions, while others were the result of guidance and/or judgment from the Plan's Actuary or Advisors. We believe that the assumptions used in this valuation are reasonable and appropriate for the purposes for which they have been used. The selected assumptions represent our best estimate of the anticipated long-term experience of the Plan, and meet the guidelines set forth in the Actuarial Standards of Practice.

In preparing the results, our Actuaries used commercially available software (ProVal) developed by Winklevoss Technologies, LLC. This software is widely used for the purpose of performing Actuarial Valuations. Our Actuaries coded the plan provisions, assumptions, methods, and demographic data summarized in this report, and reviewed the liability and cost outputs for reasonableness. We are not aware of any material weaknesses or limitations in the software, and have determined it is appropriate for performing this valuation.

To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices as prescribed by the Actuarial Standards Board. The undersigned consultants of Lauterbach & Amen, LLP, with actuarial credentials, meet the Qualification Standards of the American Academy of Actuaries to render this Actuarial Certification. There is no relationship between the Rantoul Police Pension Fund and Lauterbach & Amen, LLP that impairs our objectivity.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, ASA, FCA, EA, MAAA | David Murciano, ASA, FCA, EA, MAAA

MANAGEMENT SUMMARY

Recommended Contribution
Funded Status
Management Summary – Comments and Analysis
Actuarial Recommended Contribution – Reconciliation

RECOMMENDED CONTRIBUTION

	Prior Valuation	Current Valuation
Recommended Contribution	$474,057	$565,335
Expected Payroll	$2,757,124	$3,028,569
Recommended Contribution as a Percent of Expected Payroll	17.19%	18.67%

The Recommended Contribution has Increased by $91,278 from the Prior Valuation.

FUNDED STATUS

	Prior Valuation	Current Valuation
Normal Cost	$571,700	$662,531
Fair Value of Assets	$35,474,454	$37,841,420
Actuarial Value of Assets	$36,512,647	$38,073,169
Actuarial Accrued Liability	$38,137,210	$39,855,188
Unfunded Actuarial Accrued Liability/(Surplus)	$1,624,563	$1,782,019
Percent Funded		
Actuarial Value of Assets	95.74%	95.53%
Fair Value of Assets	93.02%	94.95%

The Percent Funded has Decreased by 0.21% on an Actuarial Value of Assets Basis.

MANAGEMENT SUMMARY – COMMENTS AND ANALYSIS

Contribution Results

The Recommended Contribution is based on the selected Funding Policy and methods that are outlined in the *Actuarial Funding Policies* section of this report.

"Contribution Risk" is defined by the Actuarial Standards of Practice as the potential for actual future contributions to deviate from expected future contributions. For example, when actual contributions are not made in accordance to the Plan's Funding Policy, or when future experience deviates materially from assumed. While it is essential for the Actuary and Plan Sponsor to collaborate on implementing a sound and financially feasible Funding Policy, it is important to note that the Actuary is not required, and is not in the position to, evaluate the ability or willingness of the Plan Sponsor to make the Recommended Contribution under the selected Funding Policy.

As a result, while Contribution Risk may be a significant source of risk for the Plan, this Actuarial Valuation makes no attempt to assess the impact of future contributions falling short of those recommended under the selected Funding Policy. Notwithstanding the above, see the *Actuarial Recommended Contribution – Reconciliation* section of this report for the impact on the current Recommended Contribution of any contribution shortfalls or excesses from the prior year.

Defined Benefit Plan Risks

Asset Growth:

Pension funding involves preparing Fund assets to pay for benefits when Members retire. During their working careers, assets grow with contributions and investment earnings; and then, the Pension Fund distributes assets in retirement. Based on the Plan's current mix of Members and Funded Status, the Plan should experience positive asset growth, on average, if the Recommended Contributions are made and expected investment earnings come in. In the current year, the Fund asset growth was positive by approximately $2,367,000.

Asset growth is important in the long-term. Long-term cash flow out of the Pension Fund is primarily benefit payments, and expenses are a smaller portion. The Plan should monitor the impact of expected benefit payments on future asset growth. We assess and project all future benefit payments as part of the determination of liability. The assessment is made on all current Members of the Fund, both active and inactive. For active Members, the assessment includes the probability that Members terminate or retire and begin receiving benefits. In the next 5 years, benefit payments are anticipated to increase 25-30%, or approximately $562,200. In the next 10 years, the expected increase in benefit payments is 50-55%, or approximately $1,090,100. The estimated increase in benefit payments is being compared against the benefits paid to inactive Members during the fiscal year, excluding any refunds of Member Contributions.

Furthermore, plans with a large number of inactive Members have an increased "Longevity Risk". Longevity Risk is the possibility that inactive Members may live longer than projected by the Plan's mortality assumption. As shown in the previous paragraph, benefit payments are expected to increase over the next 5-year and 10-year horizons. The projected increases assume that current inactive Members pass away according to the Plan's mortality assumption. To the extent that current inactive Members live longer than expected, the future 5-year and 10-year benefit projections may be larger than the amounts disclosed in the previous paragraph. Higher levels of benefit payments, payable for a longer period of time, may cause a significant strain on the Plan's cash flow, future Recommended Contributions, and may lead to Plan insolvency.

Unfunded Liability:
Unfunded Liability represents the financial shortfall of the Actuarial Value of Assets compared to the Actuarial Accrued Liability. To the extent that Unfunded Liability exists, the Plan is losing potential investment earnings due to the financial shortfall. Contributions towards Unfunded Liability pay for the lost investment earnings, as well as the outstanding unfunded amount. If payments towards Unfunded Liability are not made, the Unfunded Liability will grow.

In the early 1990s, many Pension Funds in Illinois adopted an increasing payment towards Unfunded Liability due to a change in legislation. The initial payment decreased, and future payments are anticipated to increase annually after that. In many situations, payments early on were less than the interest on Unfunded Liability, which means that Unfunded Liability increased even though contributions were made at the recommended level.

The current Recommended Contribution includes a payment towards Unfunded Liability that is approximately $47,700 greater than the interest on Unfunded Liability. All else being equal, and contributions being made, Unfunded Liability is expected to decrease. The Employer and Fund should anticipate improvement in the current Percent Funded in the short-term. The Employer and Fund should understand this impact as we progress forward to manage expectations.

Actuarial Value of Assets:
The Pension Fund smooths investment returns that vary from expectations over a 5-year period. The intention over time is that investment returns for purposes of funding recommendations are a combination of several years. The impact is intended to smooth out the volatility of Recommended Contributions over time, but not necessarily increase or decrease the level of contributions over the long-term.

When investment returns are smoothed, there are always gains or losses on the Fair Value of Assets that are going to be deferred for current funding purposes, and recognized in future years. Currently, the Pension Fund is deferring approximately $231,700 in losses on the Fair Value of Assets. These are asset losses that will be recognized in upcoming periods, independent of the future performance of the Fair Value of Assets.

Cash Flow Risk:
Assets, liabilities, and Funded Status are good metrics to monitor over time to assess the progress of the Funding Policy. However, these metrics may provide limited forward-looking insights. Specifically, the

maturity of a Pension Fund can pose certain risks that often cannot be assessed with a point-in-time metric such as Percent Funded.

For example, two different Pension Funds could have the same Percent Funded, but have completely different risk profiles. One Fund might mostly cover active Members with little to no Members in pay status, whereas a second Fund might mostly cover inactive Members with a significant level of annual benefit payments. The latter Fund has a greater “Cash Flow Risk”, i.e. a more significant chance that negative cash flows could lead to a deteriorating, rather than improving, Percent Funded over time.

It is important to note that, in general, positive net cash flows are good, but also need to be sufficient to cover the growth in the liabilities (i.e. the Normal Cost as well as interest on the Actuarial Accrued Liability). Typically, when cash flows are assumed to be insufficient to cover the growth in liabilities, the Percent Funded will decline, while future Recommended Contributions will increase.

Benefit Payment Risk:
Ideally, plans in a sound financial position will have the ratio of annual benefits payments to the Fair Value of Assets to be less than the Expected Rate of Return on Investments assumption (i.e. 7.00%). Theoretically, in this case it can be considered that investment returns will fully cover the annual benefit payments, and therefore, all Employer and Member Contributions made to the Fund will be used to pay for future benefit accruals and pay down the existing Unfunded Liability. To the extent that the ratio of the annual benefit payments to the Fair Value of Assets increases to above the Expected Rate of Return on Investments assumption, the Plan may experience some additional risks, such as the need to keep assets in more liquid investments, inability to pay down Unfunded Liability, and may lead to Plan insolvency.

As of the Valuation Date, the Rantoul Police Pension Fund has a ratio of benefit payments to the Fair Value of Assets of 5.29%. In this case, the Plan is currently in a sound financial position and has a reduced amount of Benefit Payment Risk and Cash Flow Risk. It would be expected that adherence to the current Funding Policy would lead to an increasing Percent Funded.

Fund Assets

The results in this report are based on the assets held in the Pension Fund. Assets consist of funds held for investment and for benefit payments as of the Actuarial Valuation Date. In addition, assets may be adjusted for other events representing dollars that are reasonably expected to be paid out from the Pension Fund or deposited into the Pension Fund after the Actuarial Valuation Date as well.

The current Fund assets are unaudited. As of the date of this report, the audit of the Fund assets is not complete, not available, or has not been provided.

The Fund Assets Used in this Report are Unaudited.

The current Fund assets are based on the year-end financials as prepared by the Pension Fund Accountant. The year-end financials represent a full accrual version of the fiduciary fund as of the end of the Fiscal Year, prepared in preparation for the audit. The changes to the fund cash balance as of the Fiscal Year End are non-cash items that can include accrued interest, due/unpaid expenses, prepaids, and other adjustments.

The Actuarial Value of Assets under the Funding Policy is equal to the Fair Value of Assets, with unexpected gains and losses smoothed over 5 years. More detail on the Actuarial Value of Assets can be found in the *Actuarial Funding Policies* section of this report.

Demographic Data

Demographic factors can change from year to year within the Pension Fund. Changes in this category include hiring new Members, Members retiring or becoming disabled, inactive Members passing away, and other changes. Demographic changes can cause an actuarial gain (contribution that is less than expected compared to the prior year) or an actuarial loss (contribution that is greater than expected compared to the prior year).

Demographic gains and losses occur when the assumptions over the one-year period for Member changes do not meet our long-term expectation. For example, if no Members become disabled during the year, we would expect a liability gain. If more Members become disabled than anticipated during the year, we would expect a liability loss. Generally, we expect short-term fluctuations in demographic experience to create gains or losses of 1%-3% of the Actuarial Accrued Liability in any given year, but to balance out in the long-term.

"Demographic Risk" occurs when Plan demographic experience differs significantly from expected. Similar to Longevity Risk discussed previously, additional risk is created when demographic experience differs from the assumed rates of disability, retirement, or termination. Under the chosen assumptions, actuarial gains and/or losses will always occur, as the assumptions will never be exactly realized. However, the magnitude of the gain and/or loss and its influence on the Recommended Contribution largely depends on the size of the Plan.

A key Demographic Risk is mortality improvement differing from expected. While the actuarial assumptions reflect small, continuous improvements in mortality experience and these assumptions are refined upon the completion of each actuarial experience study, the risk arises because there is a possibility of a sudden shift in mortality experience. This report reflects the impact of COVID-19 experience that has been accounted for in the underlying demographic data. This report does not reflect the ongoing impact of COVID-19, which is likely to influence demographic and economic experience, at least in the short-term. We will continue to monitor these developments and their impact on the Plan. Actual future experience will be reflected in each subsequent Actuarial Valuation, as experience emerges.

Based on the number of active Members in the Plan, the Recommended Contribution has a moderate risk of having a significant increase due to demographic experience. For example, 1 new disabled Member would typically generate a substantial increase to the Actuarial Accrued Liability, which in turn, may increase the Recommended Contribution.

In the current report, the key demographic changes were as follows:

New Hires: There were 3 Members of the Fund who were hired during the year. When a Member is admitted to the Pension Fund, the Employer Contribution will increase to reflect the new Member. The increase in the Recommended Contribution in the current year due to the new Member experience is approximately $22,800.

Termination: There were 2 Members of the Fund who terminated employment during the year. The Fund may be obligated to pay a benefit or a refund of Member Contributions to the Members in the future. The decrease in the Recommended Contribution in the current year due to the termination experience is approximately $18,000.

Mortality: There was 1 retiree who passed away during the year. When a retiree passes away, the Fund liability will decrease as the Pension Fund will no longer make future payments to the retiree. If there is an eligible surviving spouse, the Fund liability will increase to represent the value of the expected payments that will be made to the spouse. When a surviving spouse passes away, the Fund liability will decrease as the Pension Fund will no longer make future payments to the surviving spouse.

As inactive Members age and continue to collect benefits, the Fund liability will also increase. In the current year, there were 32 inactive Members who maintained their benefit collection status throughout the year. The net decrease in the Recommended Contribution in the current year due to the mortality experience is approximately $4,500.

Salary Increases: Salary increases were greater than anticipated in the current year. This caused an increase in the Recommended Contribution in the current year of approximately $52,300.

<u>Assumption Changes</u>
We performed a comprehensive study of Police Officers and Police Pension Funds in Illinois. We reviewed the results of the study as well as the demographic experience of the Fund. The actuarial assumptions were changed in the current valuation to the rates shown in the *Actuarial Assumptions* section of this report. The assumptions impacted include:

- Inflation Rate (CPI-U)
- Individual Pay Increases
- Retirement Rates
- Termination Rates
- Disability Rates
- Mortality Rates
- Mortality Improvement Rates
- Duty Death Probability

The assumption changes stated above were made to better reflect the future anticipated experience of the Fund. See the *Actuarial Recommended Contribution – Reconciliation* section of this report for the impact of these changes on the current valuation.

<u>Funding Policy Changes</u>
The Funding Policy was not changed from the prior valuation.

<u>Output Smoothing</u>
Contributions are determined annually by allocating dollars over a specified period of time. Procedures that are used to allocate contributions over a period of time may include asset smoothing, amortization period, and output smoothing. Each procedure becomes part of the Actuarial Methodology. Output smoothing involves measuring the impact of a specific result on a contribution and recognizing the result. The final contribution should maintain a reasonable relationship to the full Actuarially Determined Contribution.

The current results shown throughout the report reflect the full Actuarially Determined Contribution.

ACTUARIAL RECOMMENDED CONTRIBUTION – RECONCILIATION

Actuarial Accrued Liability is expected to increase each year for both interest for the year and as active Members earn additional service years towards retirement. Similarly, Actuarial Accrued Liability is expected to decrease when the Fund pays benefits to inactive Members.

Contributions are expected to increase as expected pay increases under the Funding Policy for the Fund.

	Actuarial Liability	Recommended Contribution
Prior Valuation	$ 38,137,210	$ 474,057
Expected Changes	1,105,783	15,409
Initial Expected Current Valuation	$ 39,242,993	$ 489,466

Other increases or decreases in Actuarial Accrued Liability (key changes noted below) will increase or decrease the amount of Unfunded Liability in the Plan. To the extent that Unfunded Liability increases or decreases unexpectedly, the contribution towards Unfunded Liability will also change unexpectedly.

	Actuarial Liability	Recommended Contribution
Salary Increases Greater than Expected	$ 429,771	$ 52,303
Actuarial Experience	(72,671)	(6,328)
Assumption Changes	255,095	58,584
Investment Return Greater than Expected*	-	(38,928)
Contributions Less than Expected	-	10,238
Total Increase/(Decrease)	$ 612,195	$ 75,869
Current Valuation	$ 39,855,188	$ 565,335

*Impact on the Recommended Contribution due to investment return is on an Actuarial Value of Assets basis.

The Actuarial Experience can be attributable to several factors including, but not limited to, demographic changes and benefit payment experience compared to expectation. Key demographic changes were discussed in the *Demographic Data* section of this report.

VALUATION OF FUND ASSETS

Fair Value of Assets
Fair Value of Assets (Gain)/Loss
Development of the Actuarial Value of Assets
Actuarial Value of Assets (Gain)/Loss
Historical Asset Performance

VALUATION OF FUND ASSETS

FAIR VALUE OF ASSETS

Statement of Assets

	Prior Valuation	Current Valuation
Cash and Cash Equivalents	$ 116,524	$ 91,813
Money Market	671,243	200,285
Fixed Income	9,815,878	-
Insurance Co Contracts - Separate	1,399,849	-
Pooled Investment Accounts	-	37,547,795
Stock Equities	10,205,916	-
Mutual Funds	13,190,013	-
Receivables (Net of Payables)	75,031	1,527
Total Fair Value of Assets	$ 35,474,454	$ 37,841,420

The Total Fair Value of Assets has Increased by Approximately $2,367,000 from the Prior Valuation.

Statement of Changes in Assets

Total Fair Value of Assets - Prior Valuation	$ 35,474,454
Plus - Employer Contributions	271,819
Plus - Member Contributions	357,956
Plus - Return on Investments	3,813,873
Less - Benefit Payments	(2,000,584)
Less - Refunds & Transfers	-
Less - Other Expenses	(76,098)
Total Fair Value of Assets - Current Valuation	$ 37,841,420

The Rate of Return on Investments on a Fair Value of Assets Basis for the Fund was Approximately 10.74% Net of Administrative Expense.

The Rate of Return on Investments shown above has been determined as a percent of the average of the prior and current Fair Value of Assets on the Statement of Changes in Assets. The Return on Investments is net of Other Expenses, and has been excluded from the Total Fair Value of Assets at the end of the Fiscal Year for this calculation.

FAIR VALUE OF ASSETS (GAIN)/LOSS

Current Year (Gain)/Loss on Fair Value of Assets

Total Fair Value of Assets - Prior Valuation	$ 35,474,454
Employer and Member Contributions	629,775
Benefit Payments and Refunds	(2,000,584)
Expected Return on Investments	2,435,234
Expected Total Fair Value of Assets - Current Valuation	36,538,879
Actual Total Fair Value of Assets - Current Valuation	37,841,420
Current Fair Value of Assets (Gain)/Loss	$ (1,302,541)
Expected Return on Investments	$ 2,435,234
Actual Return on Investments (Net of Expenses)	3,737,775
Current Fair Value of Assets (Gain)/Loss	$ (1,302,541)

The Actual Return on Investments on a Fair Value of Assets Basis was Greater than Expected for the Current Year.

The (Gain)/Loss on the current Fair Value of Assets has been determined based on the Expected Rate of Return on Investments as shown in the *Actuarial Assumptions* section of this report.

Development of the Actuarial Value of Assets

Total Fair Value of Assets - Current Valuation		$ 37,841,420
Adjustment for Prior (Gains)/Losses		
	Full Amount	Deferral
FYE 4/30/2025	$ (1,302,541)	(1,042,033)
FYE 4/30/2024	(673,421)	(404,053)
FYE 4/30/2023	2,436,664	974,665
FYE 4/30/2022	3,515,850	703,170
Total Deferred (Gain)/Loss		231,749
Initial Actuarial Value of Assets - Current Valuation		$ 38,073,169
Less Contributions for the Current Year and Interest		-
Adjustment for the Corridor		-
Total Actuarial Value of Assets - Current Valuation		$ 38,073,169

The Actuarial Value of Assets is Equal to the Fair Value of Assets with Unanticipated (Gains)/Losses Recognized Over 5 Years. The Actuarial Value of Assets is 100.61% of the Fair Value of Assets.

DRAFT

Actuarial Value of Assets (Gain)/Loss

Total Actuarial Value of Assets - Prior Valuation	$ 36,512,647
Plus - Employer Contributions	271,819
Plus - Member Contributions	357,956
Plus - Return on Investments	3,007,429
Less - Benefit Payments	(2,000,584)
Less - Refunds & Transfers	-
Less - Other Expenses	(76,098)
Total Actuarial Value of Assets - Current Valuation	$ 38,073,169

The Rate of Return on Investments on an Actuarial Value of Assets Basis for the Fund was Approximately 8.18% Net of Administrative Expense.

The Actuarial Value of Assets incorporates portions of gains and losses over multiple years.

HISTORICAL ASSET PERFORMANCE

The chart below shows the historical Rates of Return on Investments for both Fair Value of Assets and Actuarial Value of Assets.

	Fair Value of Assets	Actuarial Value of Assets
FYE 4/30/2025	10.74%	8.18%
FYE 4/30/2024	9.03%	5.89%
FYE 4/30/2023	(0.06%)	5.61%
FYE 4/30/2022	(2.62%)	8.30%
FYE 4/30/2021	29.16%	9.76%
FYE 4/30/2020	(0.96%)	5.26%
FYE 4/30/2019	5.47%	6.91%
FYE 4/30/2018	10.45%	7.32%
FYE 4/30/2017	10.17%	6.12%
FYE 4/30/2016	0.28%	5.30%
FYE 4/30/2015	6.70%	6.60%
11-Year Arithmetic Average	7.12%	6.84%
11-Year Geometric Average	6.81%	6.83%

The historical Rates of Return on Investments shown above were calculated based on the annual Return on Investments, as a percentage of the average value of the assets for the year. The historical Rates of Return on Investments shown above may not reflect the current investment allocation of the Pension Fund.

For purposes of determining the average value of assets for the year, the ending Fair Value of Assets has been adjusted to net out to the portion related to the Return on Investments themselves. All other cash flows are included.

For purposes of determining the annual Return on Investments we have adjusted the figures shown on the preceding pages. The figures shown on the preceding pages are net of Investment Expenses. We have made an additional adjustment to net out Administrative Expenses. Netting out Administrative Expenses allows us to capture returns for the year that can be used to make benefit payments as part of the ongoing actuarial process.

The adjustments we made are for actuarial reporting purposes only. By netting out Administrative Expenses and capturing Return on Investments that are available to pay benefits, it provides us a comparison to the Expected Rate of Return on Investments, but does not provide a figure that would be consistent with the rates of return that are determined by other parties. Therefore, this calculated Return on Investments should not be used to analyze investment performance of the Fund or the performance of the investment professionals.

Expected Rate of Return on Investments Assumption

The Expected Rate of Return on Investments for this valuation is 7.00%. Lauterbach & Amen, LLP does not provide investment advice. We look at a variety of factors when reviewing the Expected Rate of Return on Investments assumption selected by the client. These factors include: historical Rates of Return on Investments, capital market projections performed by the Consolidated Board's investment advisors, the Consolidated Board's investment policy, capital market forward-looking benchmark expected returns by independent investment companies, rates used by comparable pension systems, and other factors identified in the Actuarial Standards of Practice.

Generally speaking, the ideal assumption for Expected Rate of Return on Investments is one that has a 50% chance of being met over the long-term. Recently, we have observed the following factors that impact Expected Rate of Return on Investments:

- Volatility in the market has been high which drags down long-term geometric returns.

- Similar pension systems are looking to reduce future expectations. We generally see about 95% of similar pension systems using an Expected Rate of Return on Investments that is between 6.25% and 7.50%.

- We have reviewed studies conducted by Firms who gather information from multiple investment advisors who provide models and opinions on capital market returns. Those studies help guide us to see if the assumption is expected to have a 50% chance of being met over the long-term. Plans are generally aiming towards 40^{th} to 60^{th} percentile returns, which can help define a range of reasonableness.

- We have reviewed an index of high-quality fixed income rates that takes into consideration the pattern of your benefit payments. The purpose of the review is to provide additional disclosure in Funding Actuarial Valuations for the Low-Default-Risk Obligation Measure. The rates in this measure are low-risk and are being used as an approximate for risk-free rates. Investment funds that incorporate diversified investments which build in more risk would be expected to earn a positive risk premium, over and above the risk-free rates.

If actual returns going forward come in less than expected, the pension system risks deferring contributions to the future that should be made today and creating additional contribution volatility. Below is a chart detailing the impact on the Recommended Contribution by decreasing or increasing the Expected Rate of Return on Investments by 25 basis points:

	0.25% Decrease (6.75%)	**Current Expected Rate of Return on Investments (7.00%)**	**0.25% Increase (7.25%)**
Recommended Contribution	$719,884	$565,335	$415,648

Currently, the client has selected an Expected Rate of Return assumption that falls within a reasonable range. We recommend the client review the Expected Rate of Return on Investments annually to ensure the selected rate remains within a reasonable range as market conditions change year-to-year.

"Investment Risk" is the potential that the actual Return on Investments will be different from what is expected. The selected Expected Rate of Return on Investments assumption is chosen to be a long-term assumption, producing a return that, on average, would produce a stable rate of return over a long-term horizon. Actual investment returns in the short-term may deviate from this long-term assumption due to current market conditions. Furthermore, establishing the Expected Rate of Return on Investments assumption may be dependent on the Illinois State Statutes pertaining to the limitations on types of investments Plan Sponsors may use. If the actual annual rates of return are less than the Expected Rate of Return on Investments, actuarial losses will be produced, thus increasing the Plan's Unfunded Liability and, subsequently, future Recommended Contributions.

"Asset/Liability Mismatch" risk is a similar concept as Investment Risk, as it relates to setting the Expected Rate of Return on Investments assumption compared to the actual Return on Investments achieved. The Interest Rate used to discount future Plan liabilities is set equal to the Expected Rate of Return on Investments. It is expected that the selected Interest Rate be a rate that is reasonably expected to be achieved over the long-term. To the extent that the selected Interest Rate to value Plan liabilities is unreasonable, or significantly different than the actual Return on Investments earned over an extended period of time, additional Interest Rate risk is created. For example, determining Plan liabilities at an Interest Rate higher than what is expected to be achieved through investment returns results in Unfunded Liability that is not a true representation of the Plan's condition and Percent Funded. As a result, the Actuarial Accrued Liability determined is an amount smaller than the liability that would be produced with an Interest Rate more indicative of future Expected Rate of Return on Investments. Therefore, the Recommended Contributions under the established Funding Policy may not be sufficient to appropriately meet the true pension obligations.

RECOMMENDED CONTRIBUTION DETAIL

Actuarial Accrued Liability
Funded Status
Development of the Employer Normal Cost
Normal Cost as a Percentage of Expected Payroll
Recommended Contribution Breakdown
Schedule of Amortization – New Unfunded Actuarial Accrued Liability
Schedule of Amortization – Total Unfunded Actuarial Accrued Liability
Actuarial Methods – Recommended Contribution

ACTUARIAL ACCRUED LIABILITY

	Prior Valuation	Current Valuation
Active Members	$ 9,264,850	$ 11,639,219
Inactive Members		
Terminated Members	97,800	131,549
Retired Members	21,055,253	20,624,077
Disabled Members	4,999,801	4,957,316
Other Beneficiaries	2,719,506	2,503,027
Total Inactive Members	28,872,360	28,215,969
Total Actuarial Accrued Liability	$ 38,137,210	$ 39,855,188

The Total Actuarial Accrued Liability has Increased by Approximately $1,718,000 from the Prior Valuation.

FUNDED STATUS

	Prior Valuation	Current Valuation
Total Actuarial Accrued Liability	$ 38,137,210	$ 39,855,188
Total Actuarial Value of Assets	36,512,647	38,073,169
Unfunded Actuarial Accrued Liability	$ 1,624,563	$ 1,782,019
Total Fair Value of Assets	$ 35,474,454	$ 37,841,420
Percent Funded		
Actuarial Value of Assets	95.74%	95.53%
Fair Value of Assets	93.02%	94.95%

The Percent Funded as of the Actuarial Valuation Date is Subject to Volatility on Assets and Liability in the Short-Term.

Development of the Employer Normal Cost

	Prior Valuation	Current Valuation
Total Normal Cost	$ 571,700	$ 662,531
Estimated Member Contributions	(268,862)	(295,332)
Employer Normal Cost	$ 302,838	$ 367,199

At a 100% Funding Level, the Normal Cost Contribution is Still Required.

Normal Cost as a Percentage of Expected Payroll

	Prior Valuation	Current Valuation
Expected Payroll	$ 2,757,124	$ 3,028,569
Member Normal Cost Rate	9.910%	9.910%
Employer Normal Cost Rate	10.83%	11.97%
Total Normal Cost Rate	20.74%	21.88%

Ideally, the Employer Normal Cost Rate will Remain Stable.

Recommended Contribution Breakdown

	Prior Valuation	Current Valuation
Employer Normal Cost*	$ 324,037	$ 392,903
Amortization of Unfunded Accrued Liability/(Surplus)	150,020	172,432
Recommended Contribution	$ 474,057	$ 565,335

The Recommended Contribution has Increased by 19.25% from the Prior Valuation.

*Employer Normal Cost Contribution includes interest through the end of the Fiscal Year.

Schedule of Amortization – New Unfunded Actuarial Accrued Liability

Below is the schedule of remaining amortization balances for the new Unfunded Liability incurred in the current year.

Unfunded Liability Base	Initial Balance	Date Established	Current Balance	Years Remaining	Payment
Investment (Gain)/Loss	$ (430,195)	4/30/2025	$ (430,195)	15	$ (38,928)
Actuarial (Gain)/Loss	270,261	4/30/2025	270,261	15	24,456
Contribution Experience	98,595	4/30/2025	98,595	15	8,922
Assumption Changes	$ 255,095	4/30/2025	$ 255,095	15	$ 23,084
Total	**$ 193,756**		**$ 193,756**		**$ 17,534**

The Actuarial (Gain)/Loss can be attributable to several factors including, but not limited to, demographic changes, Employer Contribution timing, Member Contribution experience, benefit payment experience, and salary increase experience compared to expectation.

SCHEDULE OF AMORTIZATION – TOTAL UNFUNDED ACTUARIAL ACCRUED LIABILITY

Below is the schedule of remaining amortization balances for the Unfunded Liability incurred in the current and prior years.

Unfunded Liability Base	Initial Balance	Date Established	Current Balance	Years Remaining	Payment
FYE 4/30/2025	$ 193,756	4/30/2025	$ 193,756	15	$ 17,534
FYE 4/30/2024	589,184	4/30/2024	579,628	15	52,451
FYE 4/30/2023	1,165,308	4/30/2023	1,132,117	15	102,447
FYE 4/30/2022	$ (100,798)	4/30/2022	$ (123,482)	15	$ -
Total	**$ 1,847,450**		**$ 1,782,019**		**$ 172,432**

For additional details regarding the Unfunded Liability Base established each year, please refer to the Actuarial Funding Report for the corresponding year.

ACTUARIAL METHODS – RECOMMENDED CONTRIBUTION

Actuarial Valuation Date	May 1, 2025
Data Collection Date	April 30, 2025
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded Over 15 Years
Asset Valuation Method	5-Year Smoothed Fair Value

The above methods constitute a sound Actuarially Determined Contribution under the parameters of Actuarial Standards of Practice.

The contributions and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and demographic data furnished, using the Actuarial Cost Method described. The Actuarial Cost and Amortization Methods allocate the projected obligations of the Plan over the working lifetimes of the Plan Members.

The Recommended Contribution amount shown in this report is based on the methods summarized above. The *Actuarial Funding Policies* section of this report includes a more detailed description of the Actuarial Funding Methods being used.

The Actuarial Funding Methods are meant to provide a systematic process for determining contributions on an annual basis. The methods do not impact the expectation of future benefit payments. The methods only impact the way contributions are made towards future benefit payments.

Different Actuarial Funding Methods may achieve funding goals with differing levels of success. Certain methods are more efficient and more stable on an annual basis.

In the current valuation, the Plan Sponsor has elected to use a 10% corridor in the determination of the Actuarial Value of Assets for both the Recommended and Alternative Contributions. In the event that the Actuarial Value of Assets exceeds 110% of the Fair Value of Assets or falls below 90% of the Fair Value of Assets, the excess gains or losses will be recognized immediately.

ACTUARIAL VALUATION DATA

Active Members
Inactive Members
Summary of Monthly Benefit Payments
Age and Service Distribution

ACTIVE MEMBERS

	Prior Valuation	Current Valuation
Tier I	12	12
Tier II	18	19
Total Active Members	30	31
Total Payroll	$ 2,713,037	$ 2,980,142

INACTIVE MEMBERS

	Prior Valuation	Current Valuation
Terminated Members	12	15
Retired Members	20	19
Disabled Members	7	7
Other Beneficiaries	6	6
Total Inactive Members	45	47

SUMMARY OF MONTHLY BENEFIT PAYMENTS

	Prior Valuation	Current Valuation
Retired Members	$ 111,741	$ 110,057
Disabled Members	27,806	28,112
Other Beneficiaries	25,611	25,611
Total Inactive Members	$ 165,159	$ 163,780

AGE AND SERVICE DISTRIBUTION

5/1/2025 Age and Service Distribution - Tier 1|Tier 2 Active Members												
	Service	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Age												
Under 25		0|1										0|1
25 to 29			0|4									0|4
30 to 34		0|1	0|3	0|3								0|7
35 to 39		0|1		0|1	0|3	1|0						1|5
40 to 44			0|1		0|1	1|0						1|2
45 to 49					2|0	2|0	3|0					7|0
50 to 54						1|0		1|0	1|0			3|0
55 to 59												
60 to 64												
65 to 69												
70 & up												
Total		0|3	0|8	0|4	2|4	5|0	3|0	1|0	1|0			12|19

ACTUARIAL FUNDING POLICIES

Actuarial Cost Method
Financing Unfunded Actuarial Accrued Liability
Actuarial Value of Assets

Actuarial Cost Method

The Actuarial Cost Method allocates the projected obligations of the Plan over the working lifetimes of the Plan Members.

In accordance with the Pension Fund's Funding Policy, the Actuarial Cost Method for the Recommended Contribution basis is Entry Age Normal (Level Percent of Pay). The Entry Age Normal Cost Method is a method under which the Actuarial Present Value of the projected benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age. The portion of this Actuarial Present Value allocated to a valuation year is called Normal Cost. The portion of the Actuarial Present Value not provided at an Actuarial Valuation Date by the Actuarial Present Value of future Normal Costs is called the Actuarial Accrued Liability.

The Entry Age Normal method attempts to create a level cost pattern. In contrast to other Actuarial Cost Methods which inherently lead to uneven or less predictable cost patterns, the Entry Age Normal method is generally understood to be less risky in terms of contribution stability from year to year.

The Conference of Consulting Actuaries Public Plans Community produced a "white paper" detailing Funding Policy model practices for public sector pension plans. Under the Level Cost Actuarial Methodology ("LCAM"), one of the principal elements to a Funding Policy is the Actuarial Cost Method. When deciding which Actuarial Cost Method to use, several objectives may be considered, such as the following:

- Each Member's benefit should be funded under a reasonable allocation method by the expected retirement date
- Pay-related benefit costs should reflect anticipated pay at retirement
- The expected cost of each year of service (i.e. Normal Cost) for each active Member should be reasonably related to the expected cost of that Member's benefit
- The Member's Normal Cost should emerge as a level percent of Member compensation
- No gains or losses should occur if all assumptions are met.

Following these criteria, the use of the Entry Age Normal Cost Method (Level Percent of Pay) is a model practice.

Financing Unfunded Actuarial Accrued Liability

The Unfunded Actuarial Accrued Liability may be amortized over a period either in level dollar amounts or as a level percentage of payroll.

When amortizing the Unfunded Actuarial Accrued Liability as a level percentage of payroll, additional risk is incurred since the amortization payments in the early years of the payment period may not be large enough to cover the interest accrued on the existing Unfunded Liability. As a result, the Unfunded Liability may increase initially, before the amortization payments grow large enough to cover all interest accruals. Generally speaking, the Plan Sponsor will be required to contribute a larger total contribution amount over the course of the funding period under a level percentage of payroll basis as compared to a level dollar payroll schedule.

The Government Finance Officers Association notes that best practices in public pension finance include utilizing amortization periods that do not exceed 20 years. Longer amortization periods elevate the risk of failing to reduce any Unfunded Liability. For example, when the amortization payment in full only covers interest on the Unfunded Liability, but does not reduce the existing Unfunded Liability, the required contribution will increase in future years.

A second principal element under the Level Cost Actuarial Methodology described above is to establish an Amortization Policy that determines the length of time and the structure of the increase or decrease in contributions required to systematically fund the Unfunded Actuarial Accrued Liability. When deciding on the Amortization Policy, several objectives may be considered, such as the following:

- Variations in the source of liability changes (i.e. gains or losses, Plan changes, assumption changes) should be funded over periods consistent with an appropriate balance between the policy objectives of demographic matching and volatility management
- The cost changes in Unfunded Actuarial Accrued Liability should emerge as a level percentage of Member compensation

The LCAM model practices for the Amortization Policy include the following:

- Layered fixed period amortization by source
- Level percent of pay amortization
- An amortization period ranging from 15-20 years for experience gains or losses
- An amortization period of 15-25 years for assumption changes

In accordance with the Pension Fund's Funding Policy for the Recommended Contribution, the Unfunded Actuarial Accrued Liability is amortized by level percent of payroll contributions to a 100% funding target over the remaining 15 years. See the *Actuarial Methods – Recommended Contribution* section of this report for more detail.

We believe that the amortization period is appropriate for the purpose of this valuation.

ACTUARIAL VALUE OF ASSETS

The Pension Fund is an ongoing plan. The Employer wishes to smooth the effect of volatility in the Fair Value of Assets on the annual contribution. Therefore, the Actuarial Value of Assets is equal to the Fair Value of Assets with unanticipated gains/losses recognized over a five-year period.

The Asset Valuation Method is intended to create an Actuarial Value of Assets that remains reasonable in relation to the Fair Value of Assets over time. The method produces results that can fall either above or below the Fair Value of Assets. The period of recognition is short.

It is intended that the period of recognition is short enough to keep the Actuarial Value of Assets within a decent range of the Fair Value of Assets. In the event that the Actuarial Value of Assets exceeds or falls below a 10% corridor of the Fair Value of Assets, the additional gain or loss will be recognized immediately.

ACTUARIAL ASSUMPTIONS

Nature of Actuarial Calculations
Selection of Actuarial Assumptions
Actuarial Assumptions in the Valuation Process
Assessment of Risk Exposures
Limitations of Risk Analysis
Assessment and Use of Actuarial Models
Actuarial Assumptions Utilized

NATURE OF ACTUARIAL CALCULATIONS

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain Plan Provisions may be approximated or deemed immaterial, and, therefore, are not valued. Assumptions may be made about demographic data or other factors. Reasonable efforts were made in this valuation to ensure that significant items in the context of the Actuarial Accrued Liability or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in the calculations. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

A range of results different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.

SELECTION OF ACTUARIAL ASSUMPTIONS

Actuaries and other service providers provide guidance to their clients in the selection of assumptions used in the Actuarial Valuation based on their industry-specific training and experience. The Actuaries' expertise is used in the determination of demographic assumptions as it relates to future expectations of Plan demographic activity, such as mortality, termination, and retirement rates. The selection of economic assumptions, such as Expected Rate of Return on Investments or the assumed inflation rate, is more subjective. Investment advisors and other services providers utilize their expertise and knowledge of capital markets to model future expectations. Some assumptions may have an influence on other assumptions. The role of the Actuary in the selection of the economic assumptions is to review available market information including historical economic information and forward-looking capital market projections from investment professionals and to assess whether or not sufficient backup exists to deem the assumption reasonable. The selection of economic assumptions is the responsibility of the client. For example, the inflation rate (an economic assumption) may directly correlate to the active member salary increase assumption (a demographic assumption). Once all demographic and economic assumptions have been determined, the Actuary will create various sets of assumptions which take into account the proposed assumptions individually and in the aggregate. The client will then make the final decision of which assumption set to use.

ACTUARIAL ASSUMPTIONS IN THE VALUATION PROCESS

The contributions and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and demographic data furnished, using the Actuarial Cost Method described in the *Actuarial Funding Policies* section of this report.

The principal areas of financial risk which require assumptions about future experience are:

- Expected Rate of Return on Investments
- Patterns of Pay Increases for Members
- Rates of Mortality Among Active and Inactive Members
- Rates of Termination Among Active Members
- Rates of Disability Among Active Members
- Age Patterns of Actual Retirements

Actual experience of the Pension Fund will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments to the computed Recommended Contribution.

Details behind the selection of the actuarial assumptions can be found in the Actuarial Assumption Summary document provided to the client upon request. The client has reviewed and approved the assumptions as a reasonable expectation of the future anticipated experience under the Plan.

ASSESSMENT OF RISK EXPOSURES

From time to time it becomes appropriate to modify one or more of the assumptions, to reflect experience trends (but not random year-to-year fluctuations). In addition, Actuarial Standards of Practice require that the Actuary minimally perform a qualitative assessment of key financial and demographic risks as part of the risk assessment process with each annual Actuarial Valuation. The risk assessments we perform include, but are not limited to, the following:

- Periodic demographic experience studies every 3 to 5 years to confirm the ongoing appropriateness of actuarial assumptions
- Highlight the impact of demographic experience over the past year, as well as other sources of change and volatility in the *Actuarial Recommended Contribution – Reconciliation* section of this report
- Detail year-over-year changes in contribution levels, assets, liabilities, and Funded Status in the *Recommended Contribution* and *Funded Status* sections in the *Management Summary* section of this report
- Review any material changes in the demographic data as summarized in the *Actuarial Valuation Data* section of this report
- Provide and discuss the Actuarial Assumption Summary document highlighting the rationale for each key assumption chosen by the client
- Identify potential Cash Flow Risk by highlighting expected benefit payments over the next 5-year and 10-year periods in the *Asset Growth* section in the *Management Summary* section of this report
- Describe the impact of any assumption, method, or policy change in the *Management Summary* section of this report
- Utilize supplemental information, such as the GASB Discount Rate sensitivity disclosures to understand, for example, what impact an alternative Expected Rate of Return on Investments assumption might have on the estimation of Actuarial Accrued Liability and Funded Status
- Utilize supplemental information, such as the GASB solvency test, to better understand the Cash Flow Risk and long-term sustainability of the Plan

LIMITATIONS OF RISK ANALYSIS

Since future experience may never be precisely as assumed, the process of selecting funding methods and actuarial assumptions may inherently create risk and volatility of results. A more detailed evaluation of the above risk exposures is beyond the scope and nature of the annual Actuarial Valuation process. For example, scenario tests, sensitivity tests, stress tests, and/or stochastic modeling for multi-year projections to assess the impact of alternative assumptions and methods, or modeling future experience different from the assumptions in these results, are not included in this Actuarial Valuation.

The Rantoul Police Pension Fund and/or the Village of Rantoul, Illinois should contact the Actuary if they desire a more detailed assessment of any of these forward-looking risk exposures.

ASSESSMENT AND USE OF ACTUARIAL MODELS

Actuarial Valuations rely upon the use of actuarial modeling software to predict the occurrence of future events, which include specific demographic and financial potential outcomes. Actuarial assumptions are established to provide a guideline to use for such modeling.

- The model used in this Actuarial Valuation is intended to determine the Recommended Contribution, under the selected Funding Policy. The actuarial assumptions used were developed with this goal in mind.
- There are no known material limitations or inconsistencies among the actuarial assumptions or methods.
- The output from the model is reasonable based on the individual actuarial assumptions and based on the actuarial assumptions in the aggregate.
- The actuarial software used to calculate plan liabilities has been purchased from an outside vendor. We have performed thorough testing of the software, including review of sample participants, to ensure the intended purpose of the model, the operation of the model, sensitivities and dependencies, and strengths and limitations of the model are sufficient for this purpose.
- Demographic data and financial information have been provided by client professionals, financial advisors, and/or auditors, who are known to be experts in their respective fields. We rely on the fact that the information provided by these experts has been given for the intended purpose of this Actuarial Valuation.
- Where applicable, certain actuarial assumptions and Funding Policy may be required as prescribed by law. In such instances, we have followed legal guidance to ensure conformity.
- The Expected Rate of Return on Investments assumption has been chosen using input from several sources; including, but not limited to: client professionals, financial advisors, auditors, and other capital market outlooks. We have relied on the information provided, in the aggregate, to settle on the selected Expected Rate of Return on Investments assumption.

As stated in the *Limitations of Risk Analysis* section, future experience may never be precisely as assumed. As a result, the funding methods and actuarial assumptions used in the model may create volatility in the results when compared year after year. A more detailed evaluation of this volatility is beyond the scope and nature of the annual Actuarial Valuation process. In such cases, additional scenario tests, sensitivity tests, stress tests, and/or stochastic modeling for multi-year projections to assess the impact of alternative assumptions and methods, or modeling future experience different from the assumptions in these results, may be performed to determine a range of reasonable results.

ACTUARIAL ASSUMPTIONS UTILIZED

Expected Rate of Return on Investments 7.00% Net of Administrative Expense

CPI-U 2.50%

Total Payroll Increases 3.25%

Individual Pay Increases* 3.75% - 14.50%

Individual pay increases include a long-term average increase for inflation, average annual increases for promotions, and any additional increases for a step program. Sample rates are as follows:

Service	Rate	Service	Rate
0	3.75%	8	3.75%
1	14.50%	9	6.50%
2	10.50%	10	3.75%
3	3.75%	15	3.75%
4	4.50%	20	3.75%
5	3.75%	25	3.75%
6	3.75%	30	3.75%
7	3.75%	35	3.75%

*Individual pay increases for active Members hired at age 40 or older are assumed annual increases at the ultimate rate reduced by 50 basis points, without adjustments in early service years.

Retirement Rates – Tier I

100% of the L&A Assumption Study for Tier I Police 2024 Cap Age 65. Sample rates are as follows:

Age	Rate	Age	Rate
50	22.00%	58	25.00%
51	20.00%	59	25.00%
52	20.00%	60	25.00%
53	20.00%	61	25.00%
54	20.00%	62	25.00%
55	20.00%	63	25.00%
56	25.00%	64	25.00%
57	25.00%	65	100.00%

Retirement Rates – Tier II

100% of the L&A Assumption Study for Tier II Police 2024 Cap Age 65. Sample rates are as follows:

Age	Rate	Age	Rate
50	5.50%	58	25.00%
51	5.00%	59	25.00%
52	5.00%	60	25.00%
53	5.00%	61	25.00%
54	5.00%	62	25.00%
55	50.00%	63	25.00%
56	50.00%	64	25.00%
57	25.00%	65	100.00%

Termination Rates

100% of the L&A Assumption Study for Police 2024. Sample rates are as follows:

Age/ Service	0	1	2	3	4	5+
25	13.00%	9.00%	7.00%	6.00%	3.50%	6.00%
30	12.60%	7.80%	6.00%	5.20%	3.50%	4.80%
35	12.10%	6.30%	4.75%	4.20%	3.50%	3.30%
40	5.71%	3.14%	2.50%	2.29%	2.07%	2.43%
45	13.50%	8.00%	5.00%	2.50%	6.00%	2.00%
50	13.50%	8.00%	5.00%	2.50%	6.00%	2.00%

Disability Rates

100% of the L&A Assumption Study for Police 2024. Sample rates are as follows:

Age	Rate	Age	Rate
25	0.00%	40	0.40%
30	0.05%	45	0.64%
35	0.18%	50	0.64%

65% of active Members who become disabled are assumed to be in the Line of Duty.

Mortality Rates

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

25% of active Member deaths are assumed to be in the Line of Duty.

Retiree Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Spouse Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors improved to 2021 using MP-2021 Improvement Rates. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. These rates are then improved generationally using MP-2021 Improvement Rates.

Marital Assumptions

Active Members: 80% of active Members are assumed to be married. Female spouses are assumed to be 3 years younger than male spouses.

Retiree and Disabled Members: Actual spousal data was utilized for retiree and disabled Members.

LOW-DEFAULT-RISK OBLIGATION MEASURE

LOW-DEFAULT-RISK OBLIGATION MEASURE - PURPOSE

The Pension Committee of the Actuarial Standards Board adopted changes to Actuarial Standards of Practice No. 4 ("ASOP 4"). ASOP 4 is titled "Measuring Pension Obligations and Determining Pension Plan Costs or Contributions". The changes were adopted by the Actuarial Standards Board in December 2021 and are effective for reporting and Measurement Dates on or after February 15, 2023.

One change is the requirement for all Funding Actuarial Valuations to include a Low-Default-Risk Obligation Measure ("LDROM"). In its simplest form, the LDROM is a measure of Actuarial Liability determined using a low-risk Expected Rate of Return on Investments. The LDROM is not intended to replace the Actuarial Liability used to determine the Recommended Contribution amount calculated in this report. The intention is to provide additional information on the Funded Status of the Plan and benefit security.

The Low-Default-Risk Obligation Measure is shown below as of the Measurement Date. The discussion that follows provides more information on the assumptions and methods used to determine the LDROM and some interpretation of the results.

LOW-DEFAULT-RISK OBLIGATION MEASURE

	Current Valuation
Low-Default-Risk Obligation Measure	$ 47,680,560
Fair Value of Assets	37,841,420
Obligation not Covered by Current Assets	$ 9,839,140

The Low-Default-Risk Obligation Measure is Not Intended to Replace the Actuarial Liability Used to Determine the Recommended Contribution.

The Obligation not Covered by Current Assets shown above is for illustration of the Low-Default-Risk Obligation Measure only and is not intended for any other purposes. The amount of Obligation not Covered by Current Assets should not be used for pension funding or financial statement reporting purposes. In addition, the Obligation not Covered by Current Assets amount should not be used for any other assessments related to pension funding, such as assessing Unfunded Liability for the purpose of issuing Pension Obligation Bonds. Discussion of any of these items should be handled separately.

LOW-DEFAULT-RISK OBLIGATION MEASURE

<u>Selection of the Discount Rate</u>

Under Actuarial Standards, a Discount Rate should be selected from a source that develops the rate using low-default-risk fixed income securities. In addition, the fixed income securities should be reasonably consistent with the pattern of expected benefit payments from the Fund.

The Low-Default-Risk Obligation Measure has been valued using the FTSE Pension Discount Curve. The FTSE Pension Discount Curve is determined using rates from corporate bonds that are rated AA (from the FTSE U.S. Broad Investment Grade Bond Index) and yields from the FTSE Russell's Treasury model curve. The result is a set of investment grade zero coupon bond rates with maturities from 6 months to 30 years.

The equivalent single discount rate that would produce the same liability as the FTSE Pension Discount Curve is 5.63%.

There are other indices constructed that are appropriate for this disclosure as well. They could produce Discount Rates that are higher or lower than the LDROM shown here. An increase/decrease in the discount rate of 50 basis points (0.50%) would decrease/increase the LDROM by (6.54%)/7.28%, respectively. In our opinion, the FTSE Pension Discount Curve meets the requirements of the disclosure of the LDROM. The curve is constructed using investment grade corporate bonds. In addition, the rates are updated monthly and the current rates used (as of the Measurement Date of this report) are reflective of current market conditions. Finally, the use of a yield curve as opposed to a single rate allows the flexibility for the LDROM to be determined in a manner consistent with the pattern of expected benefit payments.

The Discount Rate is intended for the current Measurement Date only. In order to stay consistent with the prevailing market conditions, the Discount Rate will be assessed and updated each year at each new Measurement Date.

<u>Selection of the Actuarial Cost Method</u>

The Standard requires the use of an immediate-gain Actuarial Cost Method. We have elected to use the Entry Age Normal cost method for measurement of the LDROM. Entry Age Normal is being applied on a percent of pay basis. The Cost Method is the same method used for the determination of the Recommended Contribution in this report.

Other immediate-gain Actuarial Cost Methods are available and acceptable for use in the determination of the LDROM. Other acceptable methods include benefits-based methods and accrued benefit methods. We selected the Entry Age Normal method due to the fact that benefit liability in this Fund is not typically settled with one-time payments. For example, the Plan does not pay lump sums (except refunds of Member Contributions) and is not anticipated to settle liability through the purchase of annuity contracts. Therefore, the usefulness of a benefits-based method is much more limited in interpretation of this measure as it relates to benefit security.

LOW-DEFAULT-RISK OBLIGATION MEASURE

Interpretation of the LDROM

The Low-Default-Risk Obligation Measure is higher than the liability used for the Recommended Contribution determination by $7,825,372.

Actuarial Liability is determined in different ways based on the purpose of the measurement. The Actuarial Liability for Recommended Contribution purposes is used to develop a contribution amount that, when combined with other sources of funding (including Member Contributions and expected investment returns), would pay all future expected benefits. The expected investment returns under this scenario are based on the current asset allocation and capital market expectations of the Fund. Assets are invested in a way that involves risk. Actual returns can vary significantly year-to-year above and below expectations. The trade-off is a risk-premium over the long-term and above low-risk market rates.

The LDROM, by contrast, is developed using low-risk returns available in the market. These returns could be obtained theoretically with low-risk of deviation from expectation, and lower expectation (i.e. there is no risk-premium). The LDROM, then, can be thought of as the amount of money that should be set aside today to appropriately fund and prepare for all future benefit payments, if the assets were invested in relatively low volatility assets available in the market today.

The expected decrease in the liability for funding purposes as compared to the LDROM can be thought of as cost savings from investing in riskier assets, with higher long-term return expectations. At the same time, this difference also represents a risk factor for the Pension Fund as the Fund is reliant on receiving the expected return on investments, including a risk premium. Contributions, combined with these investment returns, are required in order to fund future benefit payments.

LOW DEFAULT RISK OBLIGATION MEASURE VS ACTUARIAL LIABILITY

	Current Valuation
Low-Default-Risk Obligation Measure	$ 47,680,560
Actuarial Accrued Liability (Entry Age Normal)	39,855,188
Difference	$ 7,825,372

The Low-Default-Risk Obligation Measure is Not Intended to Replace the Actuarial Liability Used to Determine the Recommended Contribution.

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Establishment of the Fund
Administration
Member Contributions
Regular Retirement Pension Benefit
Early Retirement Pension Benefit
Surviving Spouse Benefit
Termination Benefit – Vested
Disability Benefit

DRAFT

Establishment of the Fund

The Police Pension Fund is established and administered as prescribed by "Article 3 – Police Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code.

Administration

The Police Pension Fund is administered by a Board of Trustees whose duties are to manage the Pension Fund, determine applications for pensions, authorize payment of pensions, establish rules, pay expenses, and keep records.

Member Contributions

Members contribute 9.910% of their pensionable salary.

Regular Retirement Pension Benefit

Tier I

Eligibility: Age 50 with at least 20 years of creditable service.

Benefit: 50% of final salary for the first 20 years of service, plus an additional 2.5% of final salary for each year of service beyond 20 years of service, and not to exceed 75% of final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service, unless the pensionable salary was greater at some point within the year prior to the last day of service. If so, the pensionable salary is averaged over the last 12 months.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began. The initial increase date will be the later of the first day of the month after the pensioner turns age 55 or the first day of the month after the benefit date anniversary. Subsequent increases of 3% of the current monthly benefit will be granted every January 1st thereafter.

REGULAR RETIREMENT PENSION BENEFIT - CONTINUED

Tier II

Eligibility: Age 55 with at least 10 years of creditable service.

Benefit: 2.5% of final average salary for each year of service, and not to exceed 75% of final average salary. "Final average salary" is determined by dividing the total pensionable salary during 48 consecutive months of service within the last 60 months of service in which total pensionable salary was the highest, by the number of months of service in that period (or by dividing the total pensionable salary during 96 consecutive months of service within the last 120 months of service in which total pensionable salary was the highest, by the number of months of service in that period, if greater). Annual salary for this purpose will not exceed the salary cap, indexed by the lesser of 3% or the CPI-U for the 12 months ending with the September preceding each November 1st. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the later of the January 1st after the pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases will be granted every January 1st thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1st.

EARLY RETIREMENT PENSION BENEFIT

Tier I

None.

Tier II

Eligibility: Age 50 with at least 10 years of creditable service.

Benefit: The regular retirement pension benefit reduced by ½ of 1% for each month that the police officer's age is between 50 and 55.

Annual Increase in Benefit: The initial increase date will be the later of the January 1st after the pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases will be granted every January 1st thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1st.

Surviving Spouse Benefit

Tier I

Eligibility: Married to an active police officer with at least 8 years of creditable service, a disabled pensioner at the time of death, or a retired pensioner on the last day of service.

Active Line of Duty Death Benefit: An eligible surviving spouse is entitled to receive 100% of the police officer's final pensionable salary attached to rank held on the last day of service.

Non-Duty Death Benefit:

Disabled or Retired Pensioner: An eligible surviving spouse is entitled to receive the pensioner's benefit at the time of death.

Active Member with 20+ Years of Service: An eligible surviving spouse is entitled to the police officer's eligible benefit at the time of death.

Active Member with 10-20 Years of Service: An eligible surviving spouse is entitled to receive 50% of the police officer's pensionable salary attached to rank held on the last day of service, unless the pensionable salary was greater at some point within the year prior to the last day of service. If so, the pensionable salary is averaged over the last 12 months.

Annual Increase in Benefit: None.

Tier II

Eligibility: Married to an active police officer with at least 8 years of creditable service, a disabled pensioner at the time of death, or a retired pensioner on the last day of service.

Active Line of Duty Death Benefit: An eligible surviving spouse is entitled to receive 100% of the police officer's final pensionable salary attached to rank held on the last day of service.

Non-Duty Death Benefit:

Disabled or Retired Pensioner, Active Member with 20+ Years of Service, and Active Member with 10-20 Years of service: An eligible surviving spouse is entitled to receive the greater of 66⅔% of the police officer's earned pension benefit at the time of death or 54% of the police officer's monthly salary at the time of death.

Annual Increase in Benefit: The initial increase date will be the January 1st after the surviving spouse turns age 60. Subsequent increases will be granted every January 1st thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1st.

SURVIVING SPOUSE BENEFIT - CONTINUED

Public Act 102-0811 passed on May 13, 2022 and is effective as of January 1, 2023 for Article 3 Pension Funds. The Act establishes that a surviving spouse of a deceased police retiree may be eligible for a survivor's pension of up to 15 years of benefit payments if (a) the surviving spouse has attained age 62 and (b) if the police officer was married to the surviving spouse after retirement, and for at least 5 years prior to the officer's death. Previously, there was no survivor's pension for spouses married after retirement. In our opinion, under a prudent interpretation of the provisions, we believe the impact to be de minimis. The legal community has suggested some uncertainty about multiple provisions contained in the Act, and the IDOI Public Pension Division has not provided an interpretation. The client has not made an administrative interpretation as to how the provisions of the Act will impact future surviving spouses. Due to the uncertainty around the interpretation and the expected *de minimis* impact, we have not valued this contingency separately for active Members. However, for any current retirees who were married after retirement and have been married for at least 5 years, as well as any surviving spouses currently in receipt of benefits under this provision, we have valued the liability of the benefit granted.

TERMINATION BENEFIT – VESTED

Tier I

Eligibility: Age 60 with at least 8 but less than 20 years of creditable service.

Benefit: 2.5% of final salary for each year of service. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service, unless the pensionable salary was greater at some point within the year prior to the last day of service. If so, the pensionable salary is averaged over the last 12 months.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began. The initial increase date will be the first day of the month after the benefit date anniversary. Subsequent increases of 3% of the current monthly benefit will be granted every January 1st thereafter.

Tier II

None.

DISABILITY BENEFIT

Tier I

Eligibility: Duty or Non-Duty Disability or Occupational Disease Disability with at least 1 day of creditable service.

Benefit: For a duty disability or an occupational disease disability with at least 5 years of creditable service, a police officer is entitled to receive the greater of 65% of final salary or the regular retirement pension benefit at the time of disability. For a non-duty disability, a police officer is entitled to receive 50% of their final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 3% of the original monthly benefit for each full year that has passed since the pension began. The initial increase date will be the later of the January 1st after following pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases of 3% of the original monthly benefit will be granted every January 1st thereafter.

Tier II

Eligibility: Duty or Non-Duty Disability or Occupational Disease Disability with at least 1 day of creditable service.

Benefit: For a duty disability or an occupational disease disability with at least 5 years of creditable service, a police officer is entitled to receive the greater of 65% of final salary or the regular retirement pension benefit at the time of disability. For a non-duty disability, a police officer is entitled to receive 50% of their final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service.

Annual Increase in Benefit: The initial increase date will be the later of the January 1st after the pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases will be granted every January 1st thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or ½ of the CPI-U for the 12 months ending with the September preceding each November 1st.

GLOSSARY OF TERMS

Glossary of Terms

GLOSSARY OF TERMS

Actuarial Accrued Liability – The Actuarial Present Value of future benefits based on Members' service rendered to the Measurement Date using the selected Actuarial Cost Method. It is that portion of the Actuarial Present Value of Plan benefits and expenses allocated to prior years of employment. It is not provided for by future Normal Costs.

Actuarial Cost Method – The method used to allocate the projected obligations of the Plan over the working lifetimes of the Plan Members.

Actuarial Value of Assets – The value of the assets used in the determination of the Unfunded Actuarial Accrued Liability. The Actuarial Value of Assets is related to the Fair Value of Assets, with adjustments made to spread unanticipated gains and losses for a given year over a period of several years. Actuarial Value of Assets is generally equally likely to fall above or below the Fair Value of Assets, and generally does not experience as much volatility over time as the Fair Value of Assets.

Asset Valuation Method **–** A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an Asset Valuation Method is to provide for the long-term stability of Employer Contributions.

Funding Policy – A set of procedures for a Pension Fund that outlines the "best practices" for funding the pension benefits based on the goals of the Plan Sponsor. A Funding Policy discusses items such as assumptions, Actuarial Cost Method, assets, and other parameters that will best help the Plan Sponsor meet their goal of working in the best interest of the Plan Members.

Fair Value of Assets – The value of the cash, bonds, securities, and other assets held in the pension trust as of the Measurement Date.

Normal Cost – The present value of future benefits earned by Members during the current Fiscal Year. It is that portion of the Actuarial Present Value of benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Unfunded Actuarial Accrued Liability **–** The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. The Unfunded Actuarial Accrued Liability is amortized over a period either in level dollar amounts or as a level percentage of projected payroll.

2026

JANUARY

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	**19**	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	**16**	17	18	19	20	21
22	23	24	25	26	27	28

MARCH

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	**25**	26	27	28	29	30
31						

JUNE

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
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01/Jan	New Year's Day	04/Jul	Independence Day	11/Nov	Veterans Day
19/Jan	Martin Luther King Jr. Day	07/Sep	Labor Day	26/Nov	Thanksgiving Day
16/Feb	Presidents' Day	12/Oct	Columbus Day	25/Dec	Christmas Day
25/May	Memorial Day				

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 IPFA FALL PENSION SEMINAR

Friday November 7, 2025 Red Shift

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

IN-PERSON SEMINAR REGISTRATION FORM

(please print or type)

Municipality, District, or Firm: ______________________________ 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, November 3, 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
________	________	________	$_______.___	$_______.____
________	________	________	$_______.___	$_______.____
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________	________	________	$_______.___	$_______.____
________	________	________	$_______.___	$_______.____

TOTAL CHECK ENCLOSED $_______.____

Payment must accompany this Registration Form and be received in our office **on or before** November 3, 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, November 3, 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:* ______________________


SAVE THE DATE
Pension Conference
Nov. 18th • Virtual

FACT SHEET

March 10, 2025

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.

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

Scan for PDF Version

ILLINOIS MUNICIPAL LEAGUE

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**

A Public Safety Law Firm
RDL
REIMER DOBROVOLNY & LABARDI PC

Volume 26, Issue 4, October 2025

Legal and Legislative Update

In This Issue…

Incredible Firefighter Denied Duty Disability Pension

Witteman v. Brookfield Firefighters' Pension Fund, 2025 IL App (1st) 241278

Firefighter Nicholas Witteman applied for a duty disability pension after he allegedly injured his back while lifting an obese patient on April 14, 2020. The Board held hearings, and numerous firefighters – who responded to the call with Witteman – testified. The Board also retained three independent medical examiners (“IMEs”), who all opined Witteman is disabled because of the April 2020 incident. Ultimately, the Board awarded Witteman a non-duty disability pension, finding he failed to prove an “act of duty” caused his disability.

Witteman and the firefighters either gave conflicting testimony regarding the April incident or could not recall the details. They disagreed regarding the patient’s weight, Witteman’s role in the response (whether he lifted the patient and where he was positioned), whether they used a “Hoyer lift,” who pushed the patient to the ambulance, and whether Witteman drove the ambulance or tended to the patient. Witteman did not inform the firefighters he injured himself nor did he appear to be in pain, testifying he has a high pain tolerance. Witteman did not report the injury, continued his shift, and responded to two more calls afterwards. Lieutenant Matthew Dubik attended all three calls with Witteman and did not recall him having any issues.

Witteman had injured his back five years earlier while lifting a patient. Contrary to the present case, Witteman informed a coworker of his injury and reported it the same day. When questioned about this discrepancy, he testified he did not complete the injury report earlier because he did not want to "make a mountain out of a molehill." Witteman previously served as the union president and assisted injured firefighters complete the report.

The day after the April incident, a lieutenant found Witteman stretching and asked what happened. Witteman informed the lieutenant of his injury and called the fire chief after his shift. He called in sick for his next shift and scheduled an appointment with his doctor. The Department's occupational health clinic was closed because of COVID-19. After seeing his doctor, Witteman completed an injury report. He ultimately underwent two surgeries at the advice of his doctor and applied for a disability pension.

After the initial hearing, the Board adjourned to subpoena additional witnesses and reconvened a few months later. At that point, Witteman amended his application to add that he injured himself while transporting the patient down a wheelchair ramp and transporting him over a curb and parkway into the ambulance.

The Board's three IMEs all opined Witteman was disabled because of the April incident. Likewise, the Village of Brookfield's workers' compensation doctor opined Witteman was disabled because of the incident. After the initial hearing, the Board asked the doctors to opine regarding the cause of disability if the Board found Witteman did not lift the patient. Two IMEs opined the injury would not be duty related if Witteman did not lift the patient. The third IME refused to opine on a "hypothetical observation."

The Board denied his application for a duty disability pension and awarded an ordinary disability pension. While the Board found Witteman was disabled, they held he was not credible and misrepresented how the injury occurred. The Board cited Witteman's failure to report the injury immediately, despite previously doing so after a back injury, and the fact he testified he did not know what to do regarding his injury (i.e., file an injury report) after speaking to the Fire Chief despite serving as union president and assisting other firefighters in completing injury reports.

Further, the Board found Witteman contradicted himself. He initially testified he was injured while lifting the patient onto the stretcher. Later, Witteman amended his application to state he injured himself while transporting the patient down the ramp, over the curb and parkway, and into the ambulance. The Board noted Witteman only amended his application after hearing the firefighters' testimony regarding the April incident.

Conversely, the Board found the firefighters' testimony credible despite being conflicting. They noted none of the firefighters testified Witteman moved the patient from the chair to the stretcher or recalled Witteman saying or indicating he was injured. They also found Witteman evasive and agitated. Finally, the Board relied on the two IMEs who opined the April incident would not have caused his disability if he did not lift the patient.

Witteman sought administrative review, and the Board's decision was affirmed. On appeal, the First District Appellate Court ("Court") affirmed the Board. It held the Board has the authority to consider the credibility of witnesses. The Court held the Board's credibility determinations were not against the manifest weight of the evidence as the record contained competent evidence to support the Board's determinations. Specifically, the witnesses were all consistent Witteman took no part in lifting the patient.

Further, the Court accepted the Board's credibility finding regarding Witteman's delay in reporting his injury. In this regard, Witteman testified the pain was some of the worst of his life, yet he did not immediately report it unlike when he previously injured himself. The Court allowed the Board to draw an adverse inference from the fact Witteman amended his application after hearing the testimony of the other firefighters, who all contradicted his testimony regarding whether he lifted the patient.

The Court also held the Board could ask the IMEs hypothetical questions and did not manipulate the expert testimony by asking about causation if the Board found Witteman did not lift the patient. Finally, the Court held the Board properly considered Witteman's evasiveness and agitated demeanor when weighing the credibility of his testimony.

Witteman illustrates the impact a credibility determination can have on the outcome of a disability application. While as first glance all the medical evidence appeared to support Witteman sustained a duty related injury, his inconsistent testimony allowed the Board to deny his application. Importantly, the inconsistent testimony went directly to the question of causation. Specifically, it revealed Witteman likely did not perform the activities he claimed caused his disability. Further, *Witteman* illustrates the Board sometimes has to look beyond the medical evidence and subpoena witnesses to testify regarding an incident, especially when there are concerns regarding credibility.❖

Article 3 to Article 4, Article 4 to Article 3, and Article 3 to IMRF. Service Transfer Mania!

P.A. 104-0284

Public Act 104-0284 was signed into law August 15, 2025 and opened multiple windows for transfers applicable to both Article 3 and 4 pension members. First, it is important to note that while the Act was signed into law August 15, 2025, some portions are effective immediately and others are not effective until January 1, 2026. This is important in determining when certain transfer windows and open and close. This is a complicated piece of legislation. While a synopsis appears below, should questions arise on a specific transfer, please do not hesitate to reach out to your RDL attorney.

Transfer from Article 4 to Article 3

A police officer may transfer up to 8 years of service accumulated in an Article 4 firefighters' pension fund. The window opens January 1, 2026. Both the transfer and application must be completed within 6 months of the effective date of the Act, in this case, by July 1, 2026. The firefighter cannot have been the subject of disciplinary action at the time they terminated employment with the fire department. The police fund is to receive the amount of employee contributions in the fire fund, a match of that amount representing employer contributions, and any interest paid by the firefighter to reinstate service. A refund may be reinstated with payment to the police fund of the refund together with interest at 6% compounded annually.

The officer may further owe to the police fund the difference between the amount of employer and employee contributions transferred and what would have been received had contributions been made at the police rate plus interest compound annually at the actuarially assumed rate.

Transfer from Article 3 to Article 4

A firefighter may transfer up to 8 years of service accumulated in an Article 3 police pension fund. This window opened immediately. Application must be made to the Article 3 fund within 6 months of the effective date, in this case, by February 15, 2026. The police officer cannot have been the subject of disciplinary action at the time they terminated employment with the police department. The Article 4 fund is to receive the amount of employee contributions, a match of that amount representing employer contributions, and any interest paid to reinstate service. However, the amendment does not provide a mechanism for reinstatement of service lost due to receipt of a refund.

The firefighter may further owe to the firefighters' pension fund payment made in an amount determined by the board equal to the difference between the amount of employee and employer contributions transferred and the amount that would have been contributed had they been made at the firefighter contribution rate plus interest at the actuarial assumed rate compounded annually.

Article 3 to IMRF

An active sheriff's law enforcement employee may transfer their service established under an Article 3 pension fund to IMRF. The window opens January 1, 2026. Application must be made to the Article 3 fund within 6 months of the effective date, in this case, by July 15, 2026.

Upon receipt of an application, service is to be transferred by the Article 3 Fund to IMRF as soon as practicable and shall consist of the contributions of the officer to the Article 3 fund and a match of that amount representing employer contributions. Significantly, the amendment does not provide the officer with the ability to reinstate service lost due to a refund.

The officer may owe an additional amount to IMRF equal to the difference between the contributions transferred and the amount that would have been contributed had they been made at the sheriff's law enforcement rate plus interest at the actuarially assumed rate. However, the IMRF employee may elect to receive reduced service in lieu of making the additional contributions. ❖

Phantom Causation – Denying Duty Disability Based On An Opinion Never Rendered

Boyles v. Bolingbrook Firefighters' Pension Fd. et al., 2025 IL App (3d) 240548-U

Firefighter Steven Boyles worked for the Bolingbrook Fire Department for over 20 years and injured his lower back several times throughout his career. He again injured his lower back on September 24, 2021 while lifting an injured person on a stretcher. Boyles applied for a duty, and in the alternative, a non-duty disability pension.

Boyles injured his lower back on approximately eight different occasions. The incidents involved lifting patients or otherwise attending to emergency calls and tending to equipment or performing duties at the fire station. Boyles was prescribed physical therapy after the incidents and returned to full, unrestricted duty. He was frequently diagnosed with a lumbar sprain or strain. After his sixth injury, Boyles' doctor suspected a disk herniation.

In May 2021, Boyles injured his lower back a seventh time while performing CPR on a patient. He was diagnosed with a lumbar strain, given over-the-counter medication, and referred for physical therapy. Finally, the eighth incident occurred on September 24, 2021 and is the subject of this appeal. That day, Boyles responded to numerous calls and experienced no symptoms during any of those calls until the sixth call. He lifted a patient with a scoop stretcher and felt pain in his lower back. The pain increased when Boyles stood up and radiated down his left leg. He had never experienced such pain.

Boyles shuffled to the fire engine and leaned on it while Trnka spoke to the patient's husband, and the other paramedics placed the patient into the ambulance. When Trnka finished speaking with the patient's husband, Boyles informed Trnka he injured his back "really bad" and his pain was "through the roof." Ultimately, Boyles was transported to the hospital via ambulance.

At the hospital, Boyles was diagnosed with multiple conditions, including radiculopathy, stenosis, and multiple disk bulges. A week later, Boyles followed up with the doctors at the occupation health center – as required by the Bolingbrook Fire Department – and was diagnosed with multilevel disk bulges caused by work activities.

The following week, Boyles saw Dr. Matthew Ross, who opined he may have sciatica most likely caused by disk herniations or foraminal stenosis at L4-L5. Ross recommended Boyles undergo surgery, but the worker's compensation insurer refused to pay for it as their medical examiner, Dr. Kern Singh, diagnosed Boyles with a strain and opined surgery is unnecessary, recommending work-conditioning instead. Boyles did so, and it aggravated his condition. Boyles informed Dr. Ross of these problems, who reiterated the need for surgery. Eventually, Singh released Boyles to full, unrestricted duty.

Boyles applied for a disability pension and underwent the surgery recommended by Dr. Ross, paying for it out-of-pocket. He attended physical therapy and a subsequent functional capacity evaluation revealed Boyles can perform less than 50% of his job requirements. Dr. Ross opined Boyles reached maximum medical improvement.

Boyles was examined by three independent medical examiners ("IME") per the Pension Code. They disagreed on whether Boyles was disabled and the cause of disability. The Board awarded a non-duty disability pension and denied a duty disability pension. It relied on the opinions of two IMEs, who it claimed opined Boyles is disabled as a result of degenerative back issues unrelated to an "act of duty" or the cumulative effects of such. (The Appellate Court subsequently found neither doctor had rendered such an opinion). Boyles sought administrative review, and the trial court affirmed. On appeal, the Third District Appellate Court reversed and awarded Boyles a line of duty disability pension benefit.

The Court held the Pension Board reached a decision based on opinions not expressed by a single doctor. Specifically, it held not a single doctor opined Boyles was disabled because of his degenerative spine condition. The Pension Board relied on Dr. Singh and Dr. Sepehr Sani, one of the Board's IMEs, who both opined Boyles is not disabled and can return to full, unrestricted duty. The Court noted neither doctor even opined as to causation, understandably as they opined Boyles was not disabled.

The Court also noted the Board rejected Singh and Sani's opinions (finding Boyles is not disabled), as they awarded Boyles a non-duty disability pension. The Court recognized "Sani and Singh could not logically give an opinion as to the causation of Boyles's permanent disability when they each opined that he was not disabled and could return to work."

Lastly, the Court held the Board's decision cannot be "rationally drawn from the sequence of events" as Boyles worked full, unrestricted duty despite his previous injuries and apparent degenerative condition. He only experienced debilitating pain after lifting the patient in September 2021.

Boyles presents a situation where the Board reached a decision not supported by any medical evidence. In fact, as the Court identified, it made no logical sense to rely on two IMEs who found no disability regarding causation. As such, Boards must be careful to ensure their decision is supported by the medical evidence, or they risk being reversed despite the deferential standard applied by courts on questions of fact.❖

County Board Members Attendance at Informational Meeting Violated OMA

Public Access Opinion 25-011

The Washington County Board was recently found, in a binding opinion by the Illinois Attorney General, to have violated the Open Meetings Act. Specifically, a citizen had complained the Board did not post an agenda or prepare minutes of an informational meeting, attended by some Board members and hosted by Pattern Energy, a private company.

First, the Opinion addressed the purpose behind the Open Meetings Act. "It is the public policy of this State that public bodies exist to aid in the conduct of the people's business and that the people have a right to be informed as to the conduct of their business." 5 ILCS 120/1. "The Open Meetings Act provides that public agencies exist to aid in the conduct of the people's business and that the intent of the Act is to assure that agency actions be taken openly and that their deliberations be conducted openly." Gosnell v. Hogan, 179 Ill. App. 3d 161, 171 (1989). The Act is designed to prohibit secret deliberation and action on business which properly should be discussed in a public forum due to its potential impact on the public.

Next, it analyzed whether a "meeting" had occurred. According to the statute, a "meeting" means, "any gathering, whether in person or by video or audio conference, telephone call, electronic means (such as, without limitation, electronic mail, electronic chat, and instant messaging), or other means of contemporaneous interactive communication, of a majority of a quorum of the members of a public body held for the purpose of discussing public business or, for a 5-member public body, a quorum of the members of a public body held for the purpose of discussing public business."

The Opinion found that the Washington County Board consists of 15 members, and that a majority of Board members constitutes a quorum. Accordingly, eight Board members constitute a quorum and five members constitute a majority of a quorum. If five members of the Board met on April 30, 2025, for the purpose of discussing public business, that gathering would be subject to the requirements of OMA. The Opinion found that seven members attended the "informational meeting." Note that for Article 3 and 4 Boards, which consist of 5 members, the presence of 3 members triggers the meeting definitions application.

The Opinion then addressed the definition of "public business." The Attorney General has concluded that "informal sessions or conferences designed for the discussion of public business" are meetings subject to the requirements of OMA. Previous Opinions have found that informal "meet and greet" gatherings met the definition, as the members were gathering information. As the OMA doesn't specifically define "public business," the Attorney General looked to the FOIA statute for its definition. Accordingly, just like in FOIA, the term "public business" under OMA means "business or community interests as opposed to private affairs." After finding the impact of Pattern Energy's Kaskaskia Renewables project on Washington County is undoubtedly a matter of public business as the project would affect the county's tax revenues, energy resources, economy, and environment, among other things, the Attorney General determined that the seven Board members did attend a meeting involving public business and were subject the requirements of the OMA.

The Board was directed to generate and approve written minutes for the meeting. Alternatively, if the Board determines that generating minutes that thoroughly summarize the information presented and discussed is unfeasible due to a lack of notes or other documentation of the meeting, the Board may invite Pattern Energy to recreate the presentation during an open meeting that fully complies with the requirements of OMA. The Board was also directed to ensure that future gatherings in which five or more of its members engage in deliberative discussions of public business are held in full compliance with the requirements of OMA.
If a gathering of public body members meets the definition of a "meeting," then the procedural safeguards and requirements of OMA apply. Those measures include proper posting of notice and an agenda, holding the meeting at a specified time and place that is convenient and open to the public, keeping minutes, and allowing public comment.❖

Amendment Permits Deduction from Pension Payments for Firefighter Union Dues

P.A. 104-0196

A recent amendment to Article 4 permits an annuitant or disability beneficiary to direct, in writing, that a monthly payment be made to an association or organization with which the annuitant or disability beneficiary or their surviving spouse may be affiliated by virtue of his or her fire service or for hospitalization insurance purposes

This would exempt payments from pension fund assets for other non-firefighter related organizations or activities however, it does codify a widespread past practice where union dues were paid out of pension benefits for retired or disabled firefighters.

The amendment is effective January 1, 2026.❖

Suggested Agenda Items for January (or 1st Quarter)

- Approval of annual COLA increases.
- Semi-annual review of closed executive session minutes to determine if needs to remain confidential.
- Determine need for election of beneficiary and active Trustees and/or re-appointment of appointed Trustees – request for re-appointment of appointed Trustees.
- Schedule annual examinations for disabled firefighters/police officers under age 50.
- Annual verifications of eligibility for beneficiaries.
- Review/update contracts with vendors (accountants, actuaries, attorneys, money managers).
- Obtain predatory lending certification forms from Illinois regulated banks.

REIMER DOBROVOLNY & LABARDI PC NEWS

- October 1-2, 2025, RDL attorneys will attend and present at the IPPFA Mid-American Pension Conference in Oak Brook.
- November 7, 2025, RDL partner Brian LaBardi will attend and present at the IPFA Fall Pension Conference in Addison.

Legal and Legislative Update
Volume 26, Issue 4, October 2025
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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(630) 654-9547 Fax (630) 654-9676
www.rdlaborlawpc.com

Lauterbach & Amen

*** Transfer Window UPDATES ***

<u>Public Act 104-0284 opens 3 transfer windows!</u>

Article 3 → Article 4

Active Article 4 members can transfer in
prior Article 3 service.
This 6-month window opens August 15, 2025.

Click here for more info: **L&A Pension Benefits Bulletin Art 3→Art 4**

Article 4 → Article 3

Active Article 3 members can transfer in
prior Article 4 service.
This 6-month window opens January 1, 2026.

Click here for more info: **L&A Pension Benefits Bulletin Art 4→Art 3**

Article 3 → IMRF-SLEP

Active IMRF Sheriff employees can transfer in
prior Article 3 service.
This 6-month window opens January 1, 2026.

Click here for more info: **L&A Pension Benefits Bulletin Art 3→IMRF-SLEP**

For additional assistance please contact our Benefit Team
(866) 952-6329 / benefits@lauterbachamen.com

630.393.1483   lauterbachamen.com