

NOTICE OF A RESCHEDULED REGULAR MEETING OF THE WINNETKA FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES

The Winnetka Firefighters' Pension Fund Board of Trustees will conduct a rescheduled regular meeting on **Wednesday, February 26, 2020 at 3:00 p.m.** in the Winnetka Fire Department located at 428 Green Bay Road, Winnetka, Illinois 60093, 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.) Regular Meeting – November 13, 2019
 - b.) Semi-Annual Review of Closed Session Meeting Minutes
5. Treasurer's Report
 - a.) Presentation and Approval of Bills
6. Investment Report – AndCo Consulting
 - a.) Investment Performance Review
 - b.) Review/Update Investment Policy, if needed
7. Communications or Reports
 - a.) Affidavits of Continued Eligibility
 - b.) Statements of Economic Interest
 - c.) Active Member File Maintenance
8. Trustee Training Updates
 - a.) Approval of Trustee Training Registration Fees and Reimbursable Expenses
9. Applications for Membership/Withdrawals from Fund
10. Applications for Retirement/Disability Benefits
 - a.) Deceased Surviving Spouse – Nancy Carney
11. Old Business
 - a.) Review of Draft Board Rules
12. New Business
 - a.) Approve Annual Cost of Living Adjustments (COLAs) for Pensioners
 - b.) Reciprocity Update – Bryce McElroy
 - c.) Review Trustee Term Expirations and Election Procedures
 - d.) Review/Approve – Ottosen DiNolfo Engagement Letter
13. Attorney's Report – Ottosen DiNolfo
 - a.) Legal Updates
14. Closed Session, if needed
15. Adjournment

**MINUTES OF A REGULAR MEETING OF
THE WINNETKA FIREFIGHTERS' PENSION FUND BOARD OF TRUSTEES
NOVEMBER 13, 2019**

A regular meeting of the Winnetka Firefighters' Pension Fund Board of Trustees was held on Wednesday, November 13, 2019 at 3:00 p.m. at the Winnetka Fire Department located at 428 Green Bay Road, Winnetka, Illinois 60093, pursuant notice.

CALL TO ORDER: Trustee Fuller called the meeting to order at 3:05 p.m.

ROLL CALL:

PRESENT: Trustees Mark Fuller, Andrew MacArthur, John Ripka and Steve Pearson

ABSENT: Trustee John Sobel

ALSO PRESENT: Mary Nye, AndCo Consulting; Finance Director Tim Sloth, Village of Winnetka; Isabel Copeland, Lauterbach & Amen, LLP (L&A)

PUBLIC COMMENT: There was no public comment.

APPROVAL OF MEETING MINUTES: *August 7, 2019 Regular Meeting:* The Board reviewed the August 7, 2019 regular meeting minutes. A motion was made by Trustee Ripka and seconded by Trustee Pearson to approve the August 7, 2019 regular meeting minutes. Motion carried unanimously by voice vote.

TREASURER'S REPORT: *Presentation and Approval of Bills:* The Board reviewed the Accounts Payable Invoice Report for the period ending September 30, 2019. Mr. Sloth reviewed the payments and answered all questions. A motion was made by Trustee Pearson and seconded by Trustee MacArthur to accept the Accounts Payable Invoice Report as presented in the amount of \$159,139.96. Motion carried by roll call vote.

AYES: Trustees MacArthur, Ripka, Pearson and Fuller

NAYS: None

ABSENT: Trustee Sobel

Review/Approve – Municipal Compliance Report: The Board reviewed the Municipal Compliance Report prepared by L&A. A motion was made by Trustee MacArthur and seconded by Trustee Ripka to adopt the MCR as prepared and to authorize signatures by the Board President and Secretary. Motion carried unanimously by voice vote.

INVESTMENT REPORT – ANDCO CONSULTING: *Investment Performance Review:* Ms. Nye presented the Investment Performance Review and discussed the long-term market value of the Fund, along with the risk-reward analysis and current and projected market conditions. Ms. Nye presented the Quarterly Investment Report for the period ended September 30, 2019. As of September 30, 2019, the market value of the portfolio is \$30,143,455 and the return on investments is \$96,148 for the quarter. The portfolio composition is: 46.6% in Domestic Equities, 11.4% in International Equities, 34.6% in Domestic Fixed Income, 5.0% Real Estate and 2.4% in Cash and Equivalent. Current asset allocations within the equity and fixed income funds were reviewed, as well as individual fund performance and investment fees.

The Board discussed the Fund's portfolio target allocations. A motion was made by Trustee Ripka and seconded by Trustee Pearson to liquidate \$300,000 from Seizart and \$300,000 from Clearbridge and reallocate the proceeds to American Funds Europacific. Motion carried by roll call vote.

AYES: Trustees MacArthur, Ripka, Pearson and Fuller

NAYS: None

ABSENT: Trustee Sobel

Review/Update Investment Policy, if needed: The Board discussed the Investment Policy and determined that no changes are required at this time.

COMMUNICATION AND REPORTS: *Affidavits of Continued Eligibility:* L&A informed the Board that second request Affidavits of Continued Eligibility were mailed to the outstanding pensioners after the September due date. To date, one affidavit remains outstanding. The Board authorized L&A to send third request affidavits via certified mail to the outstanding pensioners. Updates will be provided to the Board as they become available.

TRUSTEE TRAINING UPDATES: The Board 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 registrations or reimbursable expenses presented for approval.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM THE FUND: There were no applications for membership or withdrawals from the Fund.

APPLICATIONS FOR RETIREMENT/DISABILITY BENEFITS: There were no applications for retirement or disability benefits.

OLD BUSINESS: *Review the Draft Rules:* The Board discussed the draft Rules and Regulations provided by Ottosen Britz. Further discussion will be held at the next regular meeting.

NEW BUSINESS: *Establish 2020 Board Meeting Dates:* The Board established the 2020 Board meeting dates as February 12, 2020; May 13, 2020; August 19, 2020 and November 11, 2020 at 3:00 p.m. at the Winnetka Fire Department located at 428 Green Bay Road Winnetka, Illinois 60093

Review/Adopt – Resolution Regarding Consolidation of Pension Funds: The Board discussed the resolution regarding consolidation of Pension Funds.

ATTORNEY'S REPORT – OTTOSEN BRITZ: *Legal Updates:* The Board reviewed the *Pension Practice Quarterly Insights* newsletter provided by Ottosen Britz and highlighted items pertaining to Article 4.

Annual Independent Medical Examination – Adam Kolka: The Board noted that Adam Kolka attended his annual independent medical examination and it was determined that he remains disabled at this time.

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

ADJOURNMENT: The meeting adjourned at 4:20 p.m.

The next regular meeting is scheduled for Wednesday, February 12, 2020 at 3:00 p.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Isabel Copeland, Pension Services Administrator, Lauterbach & Amen, LLP

Investment Performance Review
Period Ending December 31, 2019

Village of Winnetka Firefighters' Pension Fund



First and foremost, “Thank you” for giving AndCo the opportunity to serve you. On behalf of our entire organization, we are extremely grateful and appreciative of our client partnerships and will continue working hard to maintain your trust and confidence. Our mission statement reads “To represent the sole interest of our clients by redefining independence.” We’re happy to report that we remain steadfast in this core belief and continue to build an organization with a service model that is independent, singularly focused, customized and passionately delivered.

2020 is a big year for AndCo. We are celebrating our 20-year anniversary of serving our valuable clients. As we start 2020, we are 89 people strong advising approximately \$92 billion in client assets – a record high. In 2019 we hired 9 new team members. All departments within AndCo have grown over the years as we thoughtfully invest in our firm to provide the services you expect. We have included our organizational chart in this report which your consultant will review to provide you a visualization of our continued commitment to service and quality.

2020 will also represent another year of significant investment in the organization. As a result, your feedback is invaluable as we continue to focus our reinvestment in areas that will enhance our services to clients. We would like to thank everyone for their participation in our client survey last year. Your honesty and candor allowed us to accurately assess where we are strong and where there are opportunities for improvement. The areas where our clients indicate potential room for improvement drive much of our investment and focus. This is a primary reason why we hired 7 new team members in our research group last year to help promote investment ideas and support our consultants. Today, we have 19 dedicated research analysts. As 2020 progresses, we are targeting additional investments within our finance, compliance, human resources, information technology, marketing and research departments.

Moreover, each January we have our annual firmwide retreat. This retreat is a great time for all of our employees to spend time together and for us to reinforce everyone’s understanding of AndCo’s primary purpose, share results highlighted by our strategic goals, and review areas of focus for the upcoming year. Since the inception of AndCo, the idea has been to make the firm a multigenerational organization owned and operated by its employees. As a result, since 2015, along with the strategic elements of our annual retreat, we also announce new partners of the firm to support our succession plan and the long-term sustainability of the organization. Today we have a total of 10 partners controlling 100% of the company. This year we added two new partners Kim Spurlin and Evan Scussel. Kim has been on our Executive Leadership team for the past 7 years and currently serves as our CFO. Evan has been on our research team for 7 years and was recently promoted to a Research Director. We couldn’t be happier for both Kim and Evan.

The evolution of our firm would not be possible without great client partners like you. Our name reminds us who we work for every day “Our Client” &Co. You will always be our first priority. As we continue to discuss strategic decisions regarding our firm, please know every decision is filtered through the following question “How does this benefit our clients?” and if it doesn’t benefit you, we don’t do it, it’s that simple. We said this last year and we’ll say it again next year. If this commitment ever falters, you need to find a new consultant.

We know each of our clients is facing many challenges and we want to be there to help support you through all environments. We are honored and humbled that you have chosen AndCo as your partner. We do not take that relationship and responsibility for granted and will continue to work tirelessly to exceed your expectations.

On behalf of AndCo, thank you for your valued partnership and the opportunity to serve you.



Mike Welker, CFA®
CEO

Organizational Chart

PARTNERSHIP

Mike Welker, CFA
Bryan Bakardjiev, CFA
Dan Johnson
David Ray
Donna Sullivan

Evan Scussel, CFA, CAIA
Jason Purdy
Kim Spurlin, CPA
Steve Gordon
Troy Brown, CFA

LEADERSHIP & MANAGEMENT

Mike Welker, CFA
CEO

Bryan Bakardjiev, CFA
COO

Kim Spurlin, CPA
CFO

Sara Searle
CCO

Rachel Brignoni, MHR
CHRO

Steve Gordon
Partner

Troy Brown, CFA
Executive Director

David Ray
Executive Director

Dan Johnson
Consulting Director

Derek Tangeman, CFP, CIMA
Marketing Director

Evan Scussel, CFA, CAIA
Research Director

Jack Evatt
Consulting Director

Jacob Peacock
Consulting Director

Jason Purdy
I.T. Director

Philip Schmitt, CIMA
Research Director

OPERATIONS

FINANCE
Brandie Rivera

I.T.
Jamie Utt

OPERATIONS
Dan Osika, CFA
Jerry Camel

MARKETING
Bonnie Burgess
Kim Goodearl
Tala Chin

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Bryan Bakardjiev, CFA

David Ray
Sara Searle

Troy Brown, CFA

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Annette Bidart
Brad Hess, CFA
Brendon Vavrica, CFP
Brian Green
Brian King
Chris Kuhn, CFA, CAIA
Christiaan Brokaw, CFA
Dave West, CFA
Doug Anderson
Gwelda Swilley
Ian Jones

James Ross
Jeff Kuchta, CFA
Jennifer Brozstek
Jennifer Gainfort, CFA
Joe Carter, CPFA
John McCann, CIMA
John Mellinger
John Thinnies, CFA, CAIA
Jon Breth, CFP
Justin Lauver, Esq.
Kerry Richardville, CFA

Mary Nye
Michael Fleiner
Michael Holycross, CIMA
Mike Bostler
Paul Murray, CPFA
Peter Brown
Tim Nash
Tim Walters
Tony Kay
Trevor Jackson
Tyler Grumbles, CFA, CIPM

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Brooke Wilson, CIPM
David Gough, CPFA

Donnell Lehrer
Grace Niebrzydowski
Jeff Pruniski
John Rodak, CIPM
Junyan Peng
Kim Hummel

Mary Ann Johnson
Meghan Haines
Misha Bell
Rosemarie Kieskowski
Yoon Lee-Choi

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Elizabeth Wolfe
Capital Markets & Asset Allocation

Evan Scussel, CFA, CAIA
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Jeffrey Karansky
Public Equity

Jeremy Fisch
Public Multi Assets & Fixed Income

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Hedged & Public Multi Assets

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Kevin Laake, CFA
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Matthew Ogren
Public Fixed Income

Philip Schmitt, CIMA
Fixed Income & Capital Markets

Rob Mills, CAIA
Real Estate & Real Assets

Tim Kominiarek, CAIA
Private Equity & Infrastructure

Zac Chichinski, CFA, CIPM
Public Equity

Updated as of 01/13/20



89
EMPLOYEES

33 ADVANCED
DEGREES

21 CFA

8 CAIA

5 CIPM

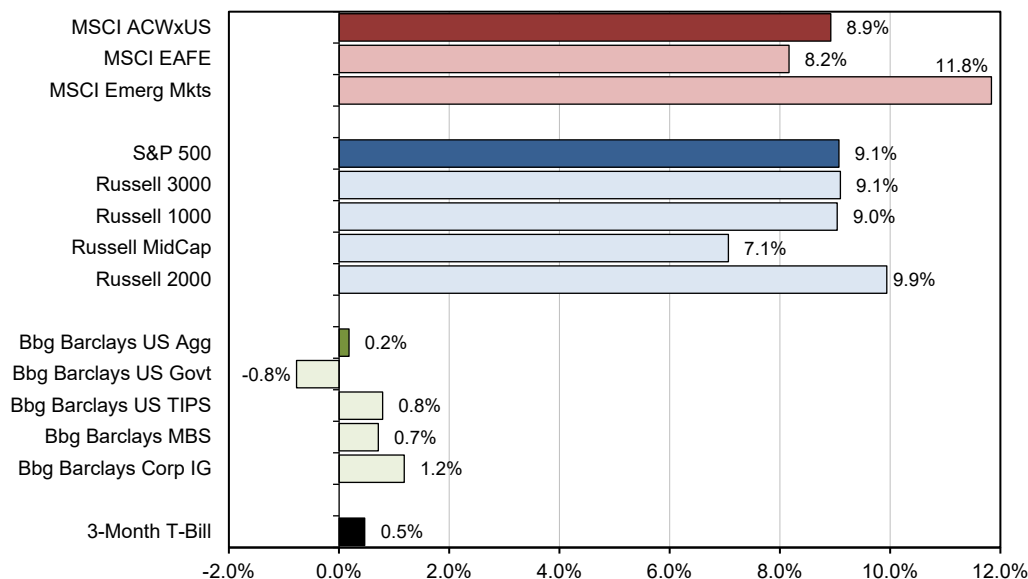
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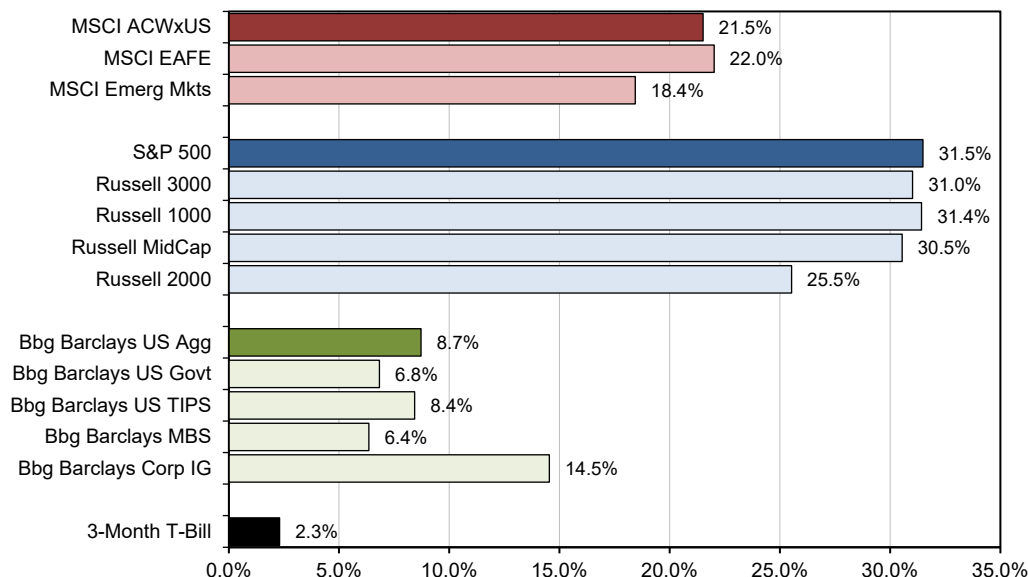
4th Quarter 2019 Market Environment

- Broad asset class returns were positive during the 4th quarter of 2019 with the exception of the US Gov't bond index. Both US and international equity markets benefited from positive developments concerning trade disruptions. Generally, the dispersion between US and international developed equities was muted during the quarter. Emerging markets significantly outperformed as previously noted trade tensions between the US and China eased. Monetary policy remained supportive with the Federal Reserve (Fed) cutting rates once during the period in addition to providing liquidity to the market through security purchases which acted as a catalyst to risk assets. Within domestic equity markets, the performance dispersion between large cap and small cap stocks reversed during the quarter with the S&P 500 Index returning 9.1% versus a return of 9.9% for the small cap Russell 2000 Index. 2019 performance of US equity markets was the highest since 2013 with large and mid-cap stocks returning 31.5% and 30.5%, respectively, while small cap stocks posted a return of 25.5%.
- International equity market returns were strong during the 4th quarter. Similar to US markets, international performance was impacted by continued monetary policy relief from the Bank of Japan and the European Central Bank, positive developments around global trade, and likely resolution on Brexit. International returns were also buoyed by a weakening US dollar (USD) which declined against most major currencies during the period. Emerging markets outperformed relative to developed markets during the period with the MSCI Emerging Markets Index posting a gain of 11.8% compared to a return of 8.2% for the MSCI EAFE Index. Both developed and emerging markets posted strong returns over the 1-year period, returning 22.0% and 18.4% respectively.
- Fixed income index performance was muted during the 4th quarter. The broad market Bloomberg Barclays Aggregate Index managed to gain 0.2% as investors favored equities and interest rates were generally flat during the quarter as concerns over an imminent US recession eased. Investment grade corporate bonds delivered solid performance for the 4th quarter returning 1.2%, which outperformed Treasury and securitized issues. Corporate bonds benefitted from the same increased investor risk appetite that fueled equity returns during the quarter. Overall, the bond market delivered strong trailing 1-year returns with the Bloomberg Barclays Aggregate posting a return of 8.7%.

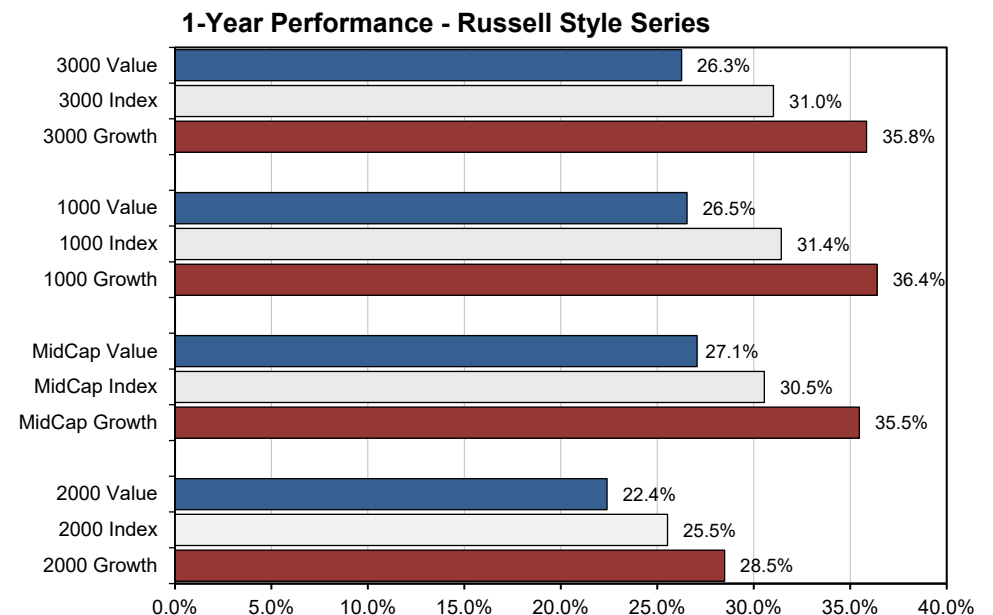
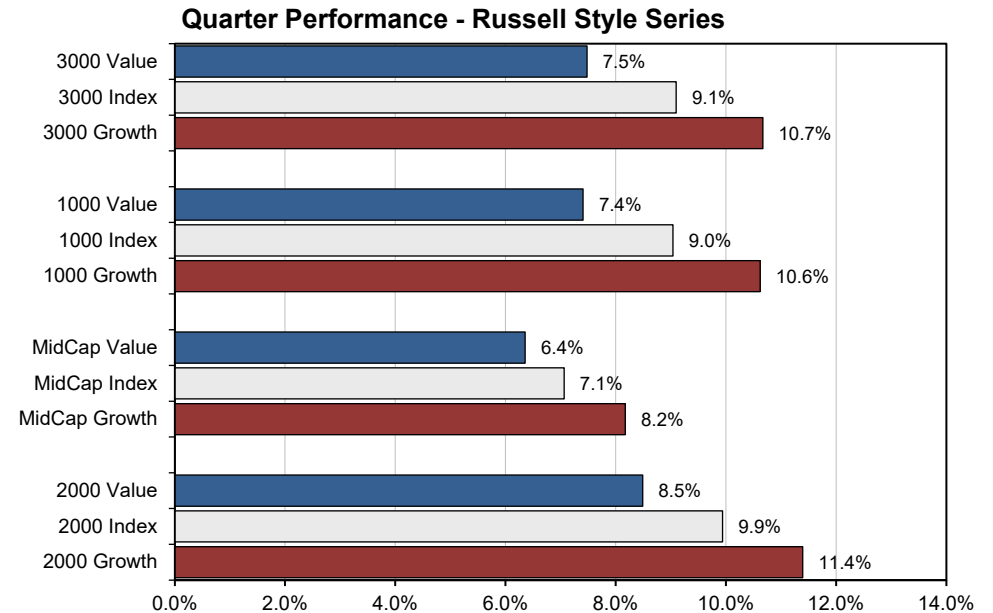
Quarter Performance



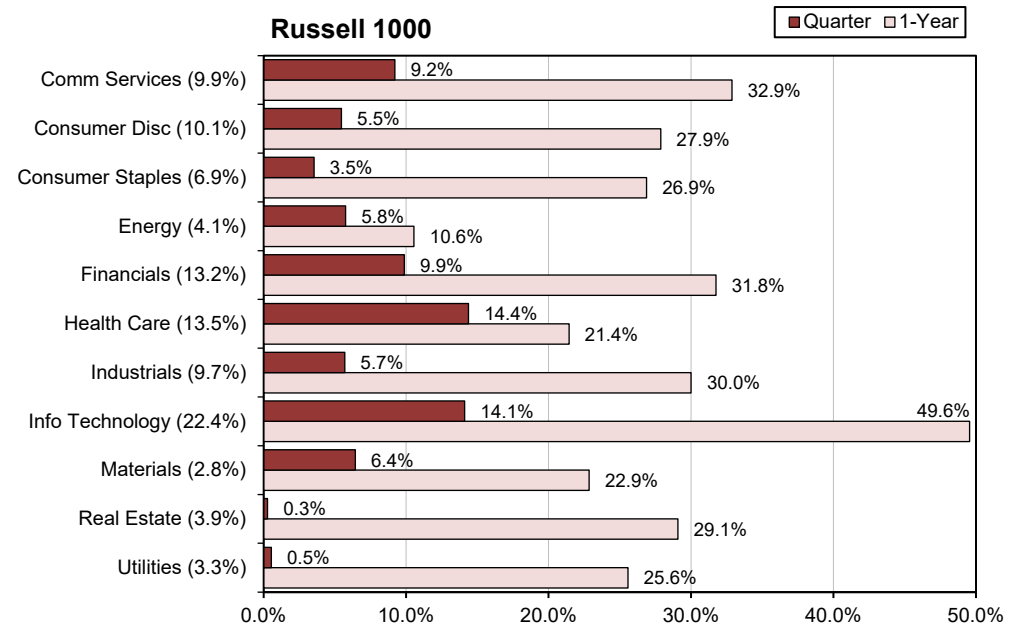
1-Year Performance



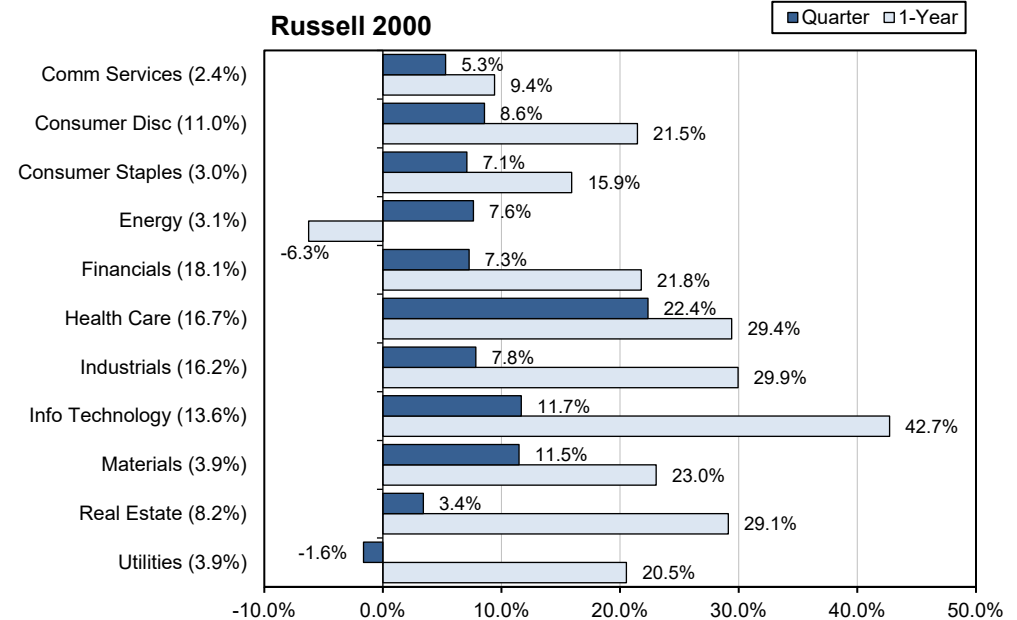
- Against the largely positive global economic backdrop detailed on the previous page, the US equity market delivered strong gains across the capitalization and style spectrum for the 4th quarter of 2019. Growth stocks outperformed value stocks for the full capitalization range during the period. Further, as is often the case during periods of strong “risk-on” performance, small cap growth stocks outpaced large cap growth stocks due primarily to an expectation that smaller companies have accelerated earnings growth relative to large companies.
- The Russell 2000 Growth Index was the best performing style index for the period, returning 11.4%, while large cap and mid-cap growth returned a solid 10.6% and 8.2% respectively. The outperformance of small cap stocks across the style spectrum for the period represented a reversal from previous quarters. The small cap Russell 2000 Index gained 9.9% during the period versus a 9.0% return for the large cap Russell 1000 Index.
- When viewed over the most recent 1-year period, large cap stocks significantly outperformed small cap stocks with the Russell 1000 posting a strong 31.4% gain while the Russell 2000 delivered a solid 25.5% return. Unsurprisingly, given the recent strong market environment, value stocks also trailed their growth counterparts over the trailing 1-year period. The technology-heavy Russell 1000 Growth Index was the best performing index over the 1-year period delivering a stellar 36.5% return compared to a return of 26.5% for the Russell 1000 Value Index



- Performance was positive across all eleven large cap economic sectors for the 4th quarter but four outpaced the return of the broader Russell 1000 Index. The more economically sensitive sectors, such as technology, financials and communication services posted returns of 14.1%, 9.9% and 9.2%, respectively, as investors' expectations of future economic growth improved. Health care stocks rallied as the cost and drug pricing rhetoric from Democratic Presidential candidates softened. Technology was also a leader with stocks such as Apple experiencing strong holiday sales and Microsoft making a strong earnings announcement. Not surprisingly, defensive sectors such as consumer staples, industrials and energy underperformed the broader market during the period. All eleven economic sectors were also positive over the 1-year trailing period with each sector posting a return in excess of 20% for the year. Similar to the quarter's results, economically sensitive sectors outpaced defensive ones by a considerable margin. The technology sector was 2019's standout performer, posting an impressive 49.6% for the year. The sector was buoyed by Apple's 89.0% return and Microsoft's 57.6% return for the year. The financial sector, which returned 31.8% for the year, also experienced strong earnings as recessionary fears subsided and the US yield curve moved toward a more normal, positively slope. The only other economic sector to outperform the broader Russell 1000 index return of 31.4% for the 1-year period was the communication services sector, which posted a return of 32.9% for the year.



- Quarterly results for small cap sectors were mixed compared to their large cap counterparts with seven of the eleven economic sectors outpacing their corresponding large cap equivalents. Ten of the eleven small cap sectors produced positive absolute returns during the quarter, but similar to large cap performance, only three sectors managed to outpace the broad Russell 2000 Index. Economically sensitive sectors were also the strongest performers in the small cap space as investors expressed an appetite for risk. The health care sector was the quarter's standout, posting a return of 22.4% for the quarter. The technology and materials sectors also posted double-digit performance for the period with returns of 11.7% and 11.5% respectively. While not a significant weight in the index, the utilities, which are considered defensive, was the only negative sector, posting a loss of -1.6%. Over the trailing 1-year period, returns were broadly positive with only the highly cyclical energy sector, largely tied to oil prices, producing negative performance with a return of -6.3%. Similar to large cap performance, technology led the way with the sector returning a stellar 42.7% for the year. Returns were also impressive in the industrials, health care and real estate sectors, which posted gains of 29.9%, 29.4% and 29.1%, respectively, and finished ahead of the Russell 2000 index return of 25.5% for the year.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of December 31, 2019

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	4.40%	31.5%	89.0%	Information Technology
Microsoft Corp	4.02%	13.8%	57.6%	Information Technology
Amazon.com Inc	2.57%	6.4%	23.0%	Consumer Discretionary
Facebook Inc A	1.65%	15.3%	56.6%	Communication Services
Berkshire Hathaway Inc B	1.49%	8.9%	10.9%	Financials
JPMorgan Chase & Co	1.46%	19.4%	47.3%	Financials
Alphabet Inc A	1.35%	9.7%	28.2%	Communication Services
Alphabet Inc Class C	1.35%	9.7%	29.1%	Communication Services
Johnson & Johnson	1.31%	13.5%	16.2%	Health Care
Visa Inc Class A	1.08%	9.4%	43.3%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Tesla Inc	0.20%	73.7%	25.7%	Consumer Discretionary
Sarepta Therapeutics Inc	0.03%	71.3%	18.2%	Health Care
Ubiquiti Inc	0.01%	60.1%	91.6%	Information Technology
Advanced Micro Devices Inc	0.16%	58.2%	148.4%	Information Technology
Qorvo Inc	0.05%	56.8%	91.4%	Information Technology
Zillow Group Inc A	0.01%	54.8%	45.5%	Communication Services
Align Technology Inc	0.07%	54.2%	33.2%	Health Care
Zillow Group Inc C	0.02%	54.1%	45.5%	Communication Services
Transocean Ltd	0.01%	53.9%	-0.9%	Energy
Skyworks Solutions Inc	0.07%	53.2%	84.1%	Information Technology

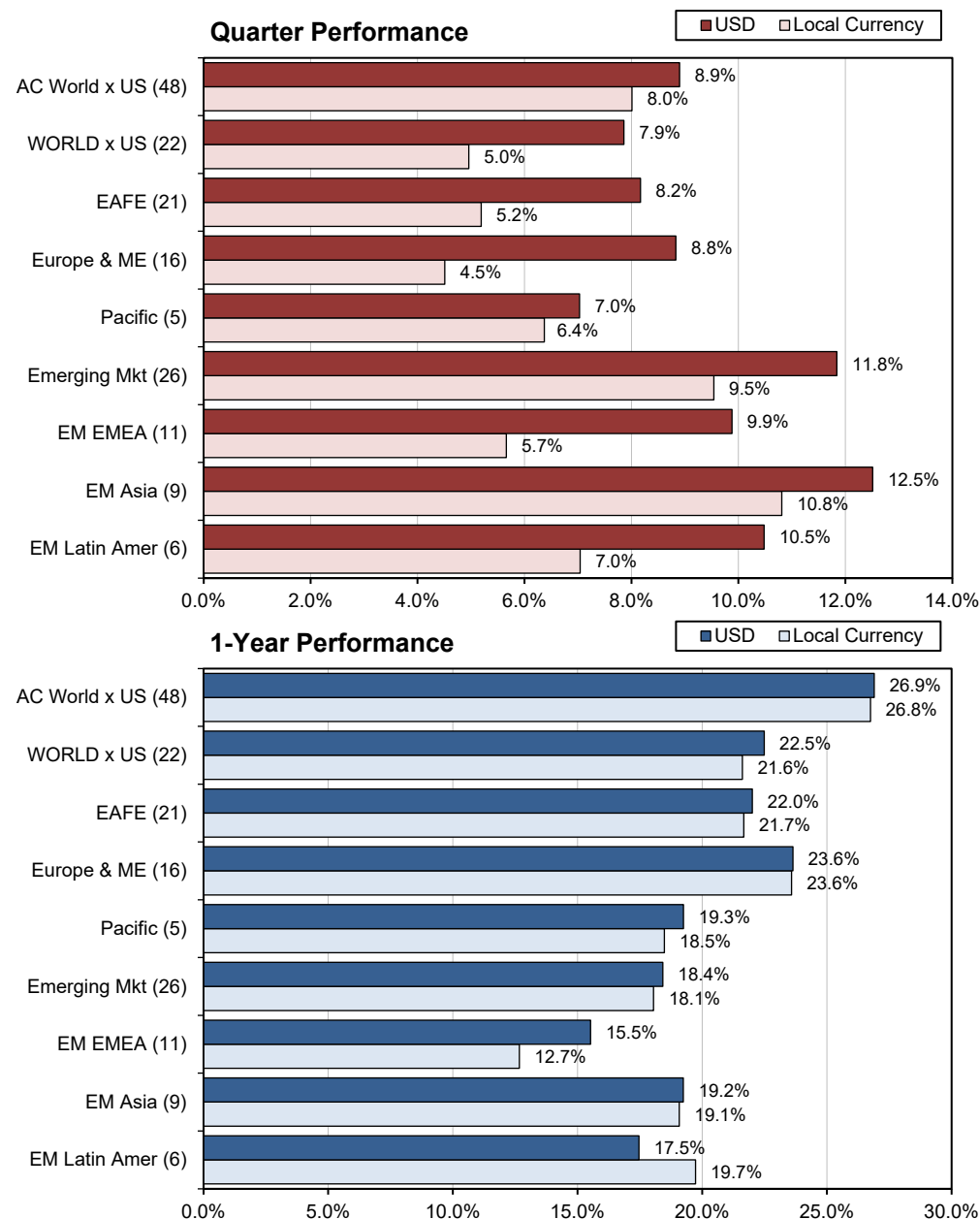
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Beyond Meat Inc	0.01%	-49.1%	N/A	Consumer Staples
Sage Therapeutics Inc	0.01%	-48.5%	-24.6%	Health Care
Chesapeake Energy Corp	0.00%	-41.4%	-60.7%	Energy
ServiceMaster Global Holdings Inc	0.02%	-30.8%	5.2%	Consumer Discretionary
Twitter Inc	0.08%	-22.2%	11.5%	Communication Services
Taubman Centers Inc	0.01%	-22.1%	-27.0%	Real Estate
Elastic NV	0.01%	-21.9%	-10.0%	Information Technology
Etsy Inc	0.02%	-21.6%	-6.9%	Consumer Discretionary
Sinclair Broadcast Group Inc	0.01%	-21.5%	29.0%	Communication Services
Ventas Inc	0.07%	-19.9%	3.4%	Real Estate

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
NovoCure Ltd	0.35%	12.7%	151.7%	Health Care
The Medicines Co	0.30%	69.9%	343.8%	Health Care
Generac Holdings Inc	0.29%	28.4%	102.4%	Industrials
Lumentum Holdings Inc	0.29%	48.1%	88.8%	Information Technology
Teladoc Health Inc	0.29%	23.6%	68.9%	Health Care
Arrowhead Pharmaceuticals Inc	0.28%	125.1%	410.7%	Health Care
Haemonetics Corp	0.28%	-8.9%	14.8%	Health Care
Marriott Vacations Worldwide Corp	0.25%	24.8%	85.9%	Consumer Discretionary
Performance Food Group Co	0.25%	11.9%	59.5%	Consumer Staples
Trex Co Inc	0.25%	-1.2%	51.4%	Industrials

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Constellation Pharmaceuticals Inc	0.03%	629.3%	1074.8%	Health Care
Forty Seven Inc	0.04%	513.2%	150.4%	Health Care
ChemoCentryx Inc	0.08%	483.3%	262.5%	Health Care
Axsome Therapeutics Inc	0.12%	410.7%	3565.2%	Health Care
Kodiak Sciences Inc	0.08%	400.3%	913.4%	Health Care
Karuna Therapeutics Inc	0.02%	361.6%	N/A	Health Care
Intra-Cellular Therapies Inc	0.07%	359.3%	201.2%	Health Care
Synthorx Inc	0.03%	329.6%	302.1%	Health Care
Mersana Therapeutics Inc	0.01%	262.7%	40.4%	Health Care
VBI Vaccines Inc	0.01%	192.9%	-13.8%	Health Care

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
resTORbio Inc	0.00%	-83.1%	-82.7%	Health Care
TransEnterix Inc	0.00%	-81.8%	-95.0%	Health Care
Unit Corp	0.00%	-79.4%	-95.1%	Energy
Cyclerion Therapeutics Inc Ord Shrs	0.00%	-77.6%	N/A	Health Care
Waitr Holdings Inc Class A	0.00%	-74.9%	-97.1%	Consumer Discretionary
Intelsat SA	0.02%	-69.2%	-67.1%	Communication Services
Contura Energy Inc	0.01%	-67.6%	-86.2%	Energy
McDermott International Inc	0.01%	-66.5%	-89.7%	Energy
Pareteum Corp	0.00%	-66.1%	-74.1%	Communication Services
Exela Technologies Inc	0.00%	-65.4%	-89.5%	Information Technology

- Broad international equity returns were positive in both local currency and USD terms for the 4th quarter as investors benefited from a broad “risk-on” environment. US investors also benefited as the USD weakened relative to most major developed and emerging market currencies during the period. Within the broader currency moves that boosted USD return, the British pound and the Euro appreciated relative to the USD during the quarter which acted as a headwind to holdings in those sub-markets. However, the macro impact of the USD weakness for the period was positive for US investors for the broad market international indexes. The MSCI EAFE and ACWI ex US Indexes returned 8.2% and 7.9% respectively for the quarter. Similar to US markets, international equity markets were buoyed by loose central bank monetary policies which supplied the markets with liquidity. Christine Lagarde assumed the presidency of the European Central Bank (ECB) and announced that interest rates would remain negative at -0.5% while the Bank of Japan’s key rate also remains in negative territory at -0.1%. The People’s Bank of China announced during the quarter that it would continue with its prudent monetary policy with the goal of providing stimulus measures as needed.
- As previously noted, results for developed market indexes were strongly positive for the 4th quarter. European stocks moved higher on expectations of a trade resolution between China and the US. In the UK, Prime Minister Boris Johnson received a resounding mandate in recent elections resulting in a large majority in Parliament. The results make it highly likely that the UK will leave the European Union. The decrease in Brexit uncertainty led the British pound to rally against most major currencies. In contrast, the economy in Hong Kong fell into recession as continued political protests and the Chinese government’s response detracted from growth. While not as strong as US equity market returns, each of the broad, developed market benchmarks posted returns in excess of 20% for the trailing 1-year period.
- For the 4th quarter, emerging markets reversed the recent trend and managed to outperform developed international markets. The MSCI Emerging Markets Index returned a strong USD return of 11.8%. As previously noted, the prospect of reduced trade tensions between the US and China stoked returns in emerging markets. As a result, countries with greater sensitivities to commodity prices and global trade activity performed well during the period. As evidence, Russia and Brazil, both large energy exporters, returned 16.6% and 15.6%, respectively, during the quarter. For the full year, emerging markets delivered strong returns in both local currency and USD terms. The MSCI Emerging Markets Index climbed 18.4% in local currency and 18.1% in USD terms. The narrow performance differential between local currency and USD emerging market returns is also observable across each of the international benchmarks for the 1-year period as the year’s currency volatility largely balanced out.



The Market Environment
US Dollar International Index Attribution & Country Detail
As of December 31, 2019

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.2%	4.8%	12.7%
Consumer Discretionary	11.6%	9.4%	24.8%
Consumer Staples	11.3%	1.9%	18.9%
Energy	4.9%	3.8%	7.6%
Financials	18.6%	8.4%	17.7%
Health Care	12.2%	12.4%	30.7%
Industrials	15.0%	10.0%	26.2%
Information Technology	7.1%	12.6%	37.7%
Materials	7.1%	10.5%	22.9%
Real Estate	3.5%	4.2%	14.8%
Utilities	3.7%	5.3%	19.2%
Total	100.0%	8.2%	22.0%

MSCI - ACWIXUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.7%	7.0%	12.1%
Consumer Discretionary	11.8%	11.4%	27.7%
Consumer Staples	9.4%	1.9%	17.5%
Energy	6.5%	6.5%	14.8%
Financials	21.4%	8.1%	17.2%
Health Care	8.9%	12.5%	27.7%
Industrials	11.9%	9.6%	24.0%
Information Technology	9.4%	15.5%	40.7%
Materials	7.4%	10.8%	18.6%
Real Estate	3.2%	7.3%	17.1%
Utilities	3.4%	4.8%	17.4%
Total	100.0%	8.9%	26.9%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	11.0%	9.8%	11.2%
Consumer Discretionary	14.2%	16.7%	35.1%
Consumer Staples	6.3%	2.6%	10.7%
Energy	7.4%	9.8%	19.8%
Financials	24.2%	9.8%	12.6%
Health Care	2.8%	14.7%	3.7%
Industrials	5.3%	7.8%	7.1%
Information Technology	15.7%	18.9%	41.6%
Materials	7.4%	12.3%	5.9%
Real Estate	3.0%	17.6%	23.9%
Utilities	2.6%	4.3%	7.9%
Total	100.0%	11.8%	18.4%

Country	MSCI-EAFE Weight	MSCI-ACWIXUS Weight	Quarter Return	1- Year Return
Japan	24.5%	16.1%	7.6%	19.6%
United Kingdom	16.5%	10.8%	10.0%	21.1%
France	11.4%	7.5%	8.5%	25.7%
Switzerland	9.3%	6.1%	7.6%	32.3%
Germany	8.7%	5.7%	9.9%	20.8%
Australia	6.8%	4.5%	4.3%	22.9%
Netherlands	4.0%	2.6%	7.4%	32.1%
Hong Kong	3.5%	2.3%	7.3%	10.3%
Spain	2.8%	1.9%	6.0%	12.0%
Sweden	2.7%	1.8%	13.1%	21.2%
Italy	2.3%	1.5%	8.1%	27.3%
Denmark	1.8%	1.2%	13.1%	28.2%
Singapore	1.3%	0.8%	7.4%	15.0%
Belgium	1.0%	0.7%	-1.1%	20.3%
Finland	0.9%	0.6%	3.0%	9.5%
Norway	0.6%	0.4%	4.3%	10.4%
Ireland	0.6%	0.4%	18.5%	37.5%
Israel	0.6%	0.4%	7.2%	9.6%
New Zealand	0.3%	0.2%	17.4%	38.2%
Austria	0.2%	0.2%	8.0%	14.5%
Portugal	0.2%	0.1%	8.7%	23.7%
Total EAFE Countries	100.0%	65.8%	8.2%	22.0%
Canada		6.7%	4.9%	27.5%
Total Developed Countries		72.5%	7.9%	22.5%
China		9.4%	14.7%	23.5%
Korea		3.2%	13.4%	12.5%
Taiwan		3.2%	17.9%	36.4%
India		2.4%	5.3%	7.6%
Brazil		2.1%	14.2%	26.3%
South Africa		1.3%	13.1%	10.0%
Russia		1.1%	16.8%	50.9%
Saudi Arabia		0.7%	2.7%	7.2%
Thailand		0.7%	-0.9%	9.5%
Mexico		0.6%	6.2%	11.4%
Indonesia		0.5%	7.0%	9.1%
Malaysia		0.5%	3.1%	-2.0%
Philippines		0.3%	2.9%	10.5%
Qatar		0.3%	2.2%	-1.0%
Poland		0.2%	4.1%	-5.9%
Chile		0.2%	-8.8%	-16.9%
United Arab Emirates		0.2%	-1.5%	4.0%
Turkey		0.1%	-0.1%	11.1%
Colombia		0.1%	14.4%	30.8%
Peru		0.1%	6.0%	4.8%
Greece		0.1%	12.7%	43.2%
Hungary		0.1%	22.2%	19.4%
Argentina		0.0%	15.4%	-20.8%
Czech Republic		0.0%	8.9%	4.2%
Egypt		0.0%	5.6%	41.8%
Pakistan		0.0%	26.5%	9.7%
Total Emerging Countries		27.5%	11.8%	18.4%
Total ACWIXUS Countries		100.0%	8.9%	26.9%

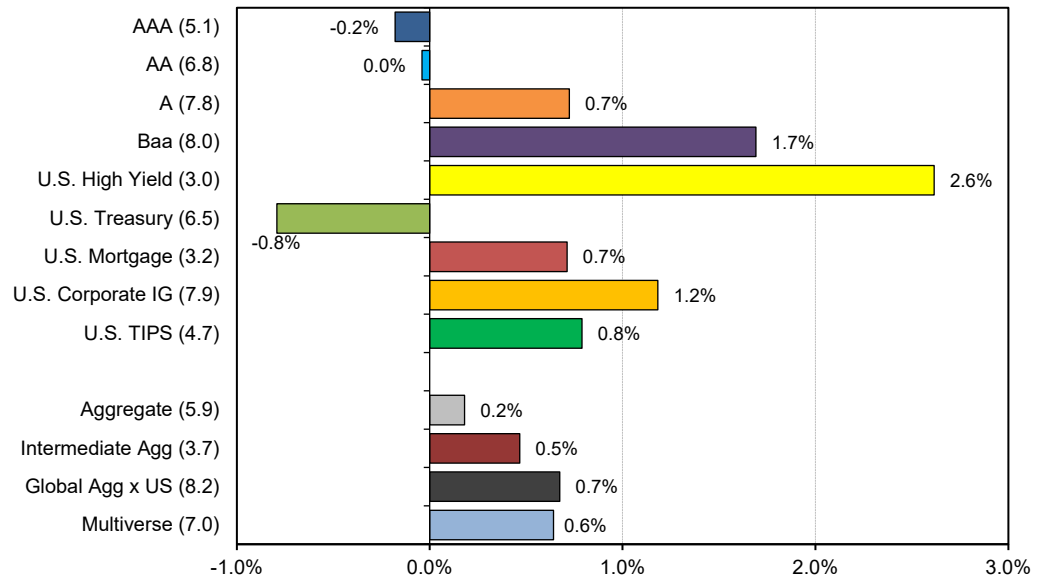
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)

As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

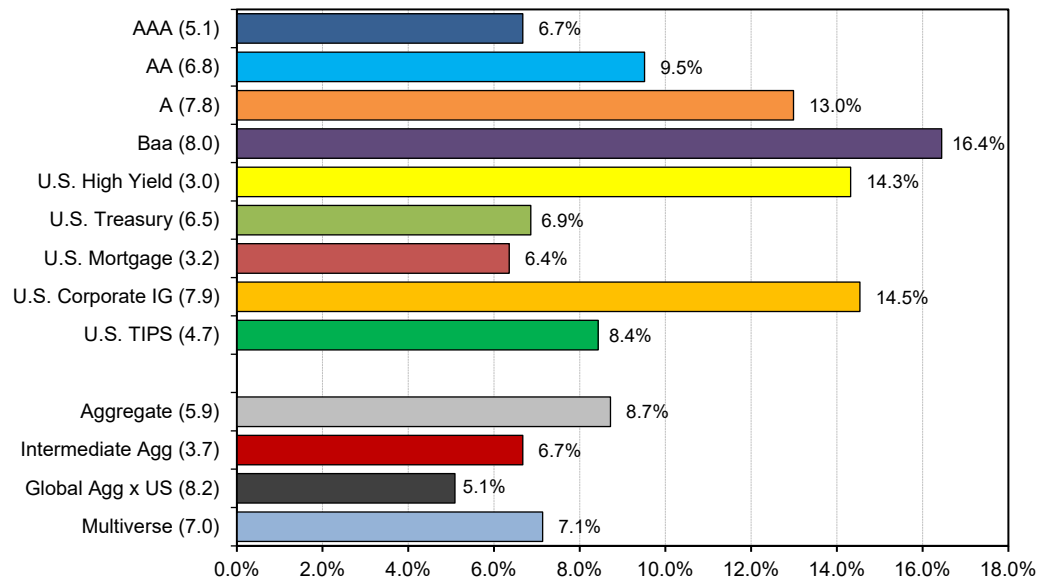


- Fixed income markets extended their gains in the 4th quarter, except for US Treasury bonds which declined during the period. Interest rates rose modestly across the US Treasury Yield Curve through the quarter as investors' confidence generally improved which resulted in bond prices falling. The Fed continued to provide liquidity by cutting short-term interest rates by 25 basis points to between 1.50% and 1.75% in October. The Fed began expanding its balance sheet by purchasing securities to provide the market with liquidity which is another form of monetary easing. The Fed made no changes to monetary policy at their December meeting and signaled that they would remain on hold but would continue to monitor the economy closely for any further deterioration. Importantly, the US Treasury Yield Curve normalized between the 2-year and 10-year issues which suggests that the threat of an imminent recession has been reduced. An inverted yield curve has historically preceded a recession within the next 6-24 months. The bellwether Bloomberg Barclays US Aggregate Index added 0.2% during the 4th quarter while returning 8.7% for the 1-year period ending in December.
- Within investment grade credit, lower quality issues resumed their outperformance over higher quality issues as investors' appetites for risk increased during the quarter. Bonds rated Baa were the best performing investment grade credit quality segment returning 1.7% for the quarter, while AAA was the worst performing, returning -0.2%. High yield corporate bonds outpaced all other credit sectors during the quarter returning 2.6%. For the full year both investment grade and high yield bonds delivered strong performance returning 14.5% and 14.3% respectively.
- Performance across defensive sectors such as US Treasury bonds, mortgage backed securities and TIPS were mixed during the quarter mostly due to their duration profiles. Rising interest rates during the quarter acted as a headwind to performance. As a result, US Treasury bonds, mortgage bonds and TIPS returned -0.8%, 0.7% and 0.8% respectively. Overall, fears of rising inflation remain relatively low while expectations for a positive economic environment remain strong. As a result, for the full 1-year period, US Treasury, mortgages and TIPS returned 6.9%, 6.4% and 8.4% respectively, trailing all corporate credit sectors significantly over the full year.

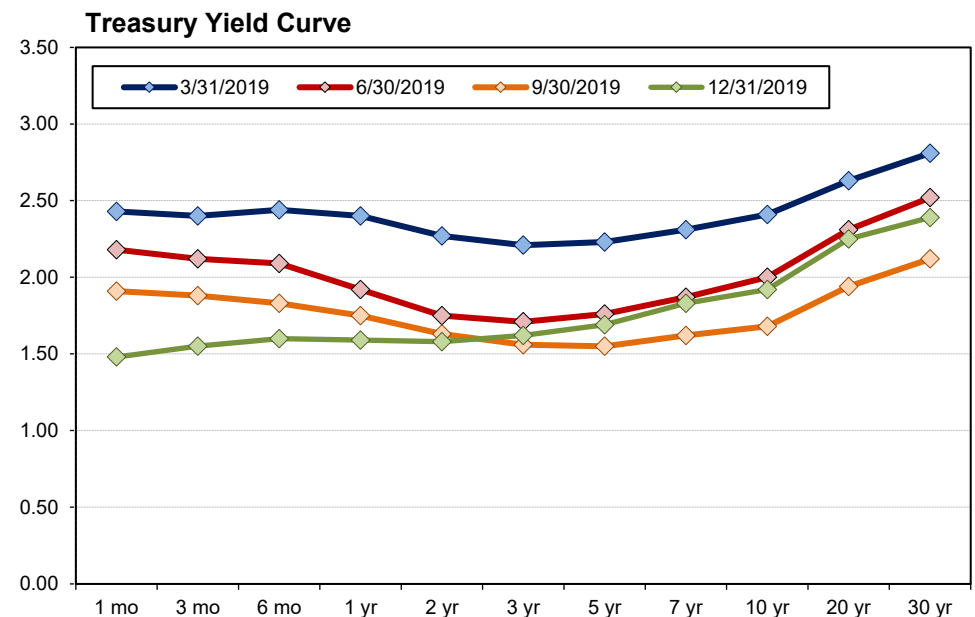
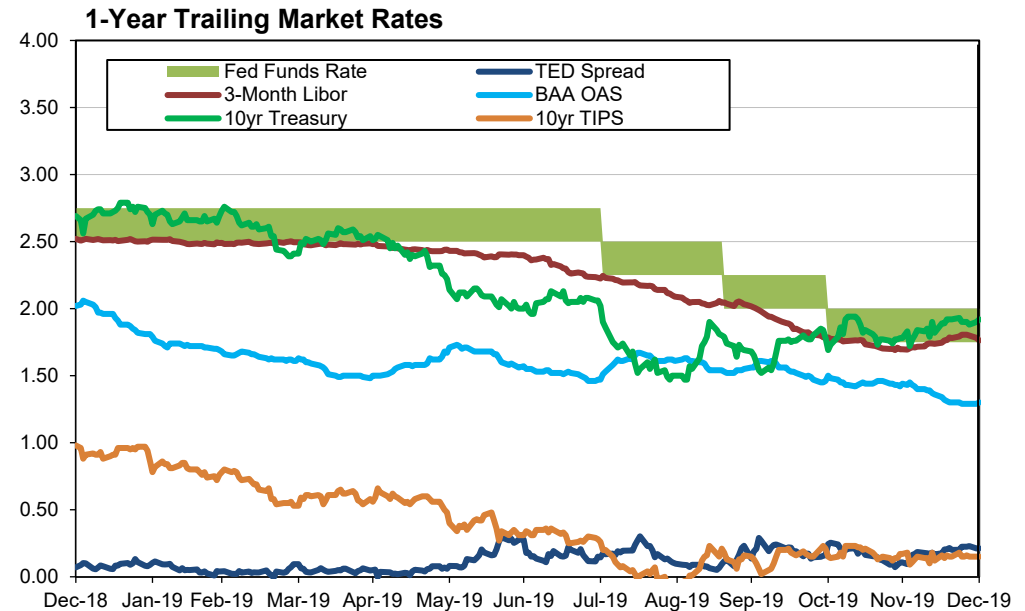
Quarter Performance



1-Year Performance



- Global fixed income returns were positive during the 4th quarter. Generally, global central bank monetary policy remains supportive as low economic growth persists in much of the world outside of the US. As a result, negative interest rates persist in much of Europe and Japan. However, the number of bonds with negative yields declined in recent months as future expectations for economic growth improved. As mentioned previously, we saw currency volatility increase during the quarter with the USD moving lower against most major developed and emerging market currencies. The depreciation of the USD acted as a catalyst for US investors compared to local investors. Global bonds, as represented by the Bloomberg Barclays Global Aggregate ex US Index, returned was 0.7% during the quarter which outperformed US bonds represented by the Bloomberg Barclays Aggregate Index. For the full 1-year period, global bonds underperformed domestic bonds 5.1% versus 8.7% respectively.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that over the last year, the 10-year Treasury yield (green line) fell from highs near 2.8%, to yields below 1.5% before ending the quarter at 1.92%. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates the continued decline from nearly 2.5% in the 1st quarter of 2019 to less than 1.6% in 4th quarter as investors sought out higher yielding assets and concerns regarding trade and the potential for a recession in the US declined. Spreads tightened by about 24 basis points during the quarter. Spread tightening is equivalent to an interest rate decrease on corporate bonds, which produces an additional tailwind for corporate bond index returns. The green band across the graph illustrates the decrease in the Federal Funds Rate due to the recent easing in US monetary policy. The Fed cut the Fed Funds Rate three times during the year on fears that economic growth was decelerating.
- The lower graph provides a snapshot of the US Treasury Yield Curve at the end of each of the last four calendar quarters. Interest rates were broadly lower over the full year as the Fed cut interest rates and expectations of future economic growth declined. During the year, the US Treasury curve was inverted between 2-year and 10-year rates. After multiple rate cuts, the curve finished the year with a more normalized shape with the long end of the curve higher than the short end.



1 Quarter				
	Market Value 10/01/2019	Net Flows	Return On Investment	Market Value 12/31/2019
Fire Total Fund	30,143,455	-489,257	1,794,183	31,448,381
Total Domestic Equity	14,041,291	-780,000	1,364,845	14,626,136
Seizert	4,951,486	-300,000	602,115	5,253,601
ClearBridge (LSITX)	5,080,617	-480,000	447,797	5,048,414
T. Rowe Price (TRMCX)	4,009,188	-	314,934	4,324,121
Total International Equity	3,444,933	600,000	370,199	4,415,131
AF EuroPacific Growth (RERGX)	3,444,933	600,000	370,199	4,415,131
Total Domestic Fixed Income	10,421,626	-3,289	39,631	10,457,968
C.S. McKee	5,289,799	-3,963	20,143	5,305,980
Garcia Hamilton	5,131,827	674	19,487	5,151,988
Great Lakes	-	-	-	-
Total Real Estate	1,512,923	-	18,916	1,531,839
Principal Real Estate	1,512,923	-	18,916	1,531,839
Total Cash				
Cash	722,682	-305,968	592	417,307

Fiscal Year To Date				
	Market Value 01/01/2019	Net Flows	Return On Investment	Market Value 12/31/2019
Fire Total Fund	26,884,925	-356,139	4,919,595	31,448,381
Total Domestic Equity	12,422,360	-1,149,831	3,353,606	14,626,136
Seizert	4,285,981	-312,366	1,279,986	5,253,601
ClearBridge (LSITX)	4,521,295	-837,465	1,364,583	5,048,414
T. Rowe Price (TRMCX)	3,615,084	-	709,037	4,324,121
Total International Equity	2,977,020	600,000	838,111	4,415,131
AF EuroPacific Growth (RERGX)	2,977,020	600,000	838,111	4,415,131
Total Domestic Fixed Income	9,833,769	-15,745	639,943	10,457,968
C.S. McKee	4,966,416	-16,420	355,983	5,305,980
Garcia Hamilton	3,569,617	1,298,900	283,471	5,151,988
Great Lakes	1,297,736	-1,298,224	488	-
Total Real Estate	1,447,254	-	84,585	1,531,839
Principal Real Estate	1,447,254	-	84,585	1,531,839
Total Cash				
Cash	204,522	209,436	3,349	417,307

Financial Reconciliation
Total Fund
1 Year Ending December 31, 2019

1 Year				
	Market Value 01/01/2019	Net Flows	Return On Investment	Market Value 12/31/2019
Fire Total Fund	26,884,925	-356,139	4,919,595	31,448,381
Total Domestic Equity	12,422,360	-1,149,831	3,353,606	14,626,136
Seizert	4,285,981	-312,366	1,279,986	5,253,601
ClearBridge (LSITX)	4,521,295	-837,465	1,364,583	5,048,414
T. Rowe Price (TRMCX)	3,615,084	-	709,037	4,324,121
Total International Equity	2,977,020	600,000	838,111	4,415,131
AF EuroPacific Growth (RERGX)	2,977,020	600,000	838,111	4,415,131
Total Domestic Fixed Income	9,833,769	-15,745	639,943	10,457,968
C.S. McKee	4,966,416	-16,420	355,983	5,305,980
Garcia Hamilton	3,569,617	1,298,900	283,471	5,151,988
Great Lakes	1,297,736	-1,298,224	488	-
Total Real Estate	1,447,254	-	84,585	1,531,839
Principal Real Estate	1,447,254	-	84,585	1,531,839
Total Cash				
Cash	204,522	209,436	3,349	417,307

Asset Allocation
Total Fund
As of December 31, 2019

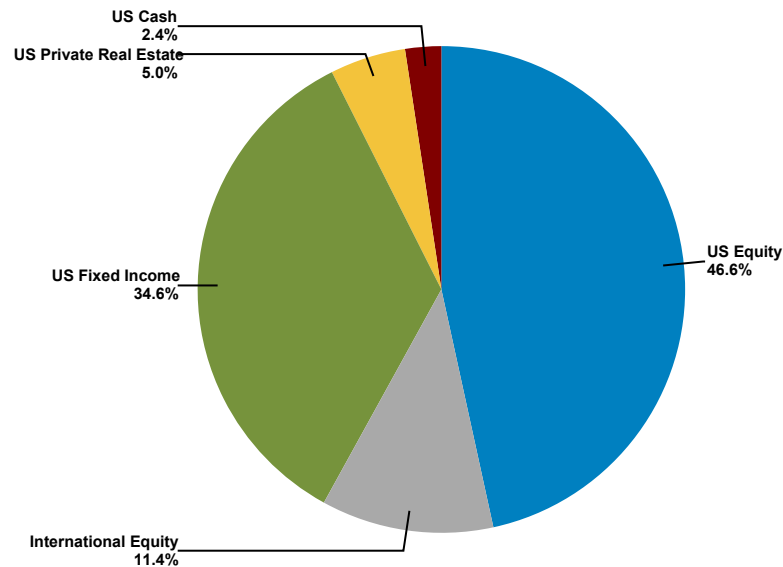
Asset Allocation Attributes												
	Domestic Equity		International Equity		Domestic Fixed Income		Real Estate		Cash Equivalent		Total Fund	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%	(\$)	%
Fire Total Fund	14,411,907	45.8	4,415,131	14.0	10,183,959	32.4	1,531,839	4.9	905,545	2.9	31,448,381	100.0
Total Domestic Equity	14,411,907	98.5	-	-	-	-	-	-	214,229	1.5	14,626,136	46.5
Seizert	5,039,372	95.9	-	-	-	-	-	-	214,229	4.1	5,253,601	16.7
ClearBridge (LSITX)	5,048,414	100.0	-	-	-	-	-	-	-	-	5,048,414	16.1
T. Rowe Price (TRMCX)	4,324,121	100.0	-	-	-	-	-	-	-	-	4,324,121	13.7
Total International Equity	-	-	4,415,131	100.0	-	-	-	-	-	-	4,415,131	14.0
AF EuroPacific Growth (RERGX)	-	-	4,415,131	100.0	-	-	-	-	-	-	4,415,131	14.0
Total Domestic Fixed Income	-	-	-	-	10,183,959	97.4	-	-	274,009	2.6	10,457,968	33.3
C.S. McKee	-	-	-	-	5,221,615	98.4	-	-	84,365	1.6	5,305,980	16.9
Garcia Hamilton	-	-	-	-	4,962,344	96.3	-	-	189,644	3.7	5,151,988	16.4
Great Lakes	-	-	-	-	-	-	-	-	-	-	-	0.0
Total Real Estate	-	-	-	-	-	-	1,531,839	100.0	-	-	1,531,839	4.9
Principal Real Estate	-	-	-	-	-	-	1,531,839	100.0	-	-	1,531,839	4.9
Total Cash	-	-	-	-	-	-	-	-	-	-	-	-
Cash	-	-	-	-	-	-	-	-	417,307	100.0	417,307	1.3

Asset Allocation By Asset Class

Fire Total Fund

As of December 31, 2019

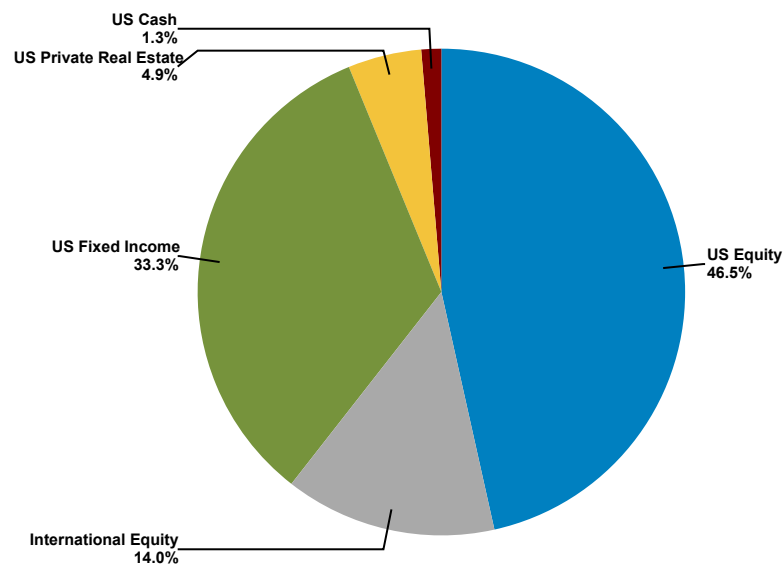
September 30, 2019 : \$30,143,455



Allocation

	Market Value	Allocation
US Equity	14,041,291	46.6
International Equity	3,444,933	11.4
US Fixed Income	10,421,626	34.6
US Private Real Estate	1,512,923	5.0
US Cash	722,682	2.4

December 31, 2019 : \$31,448,381

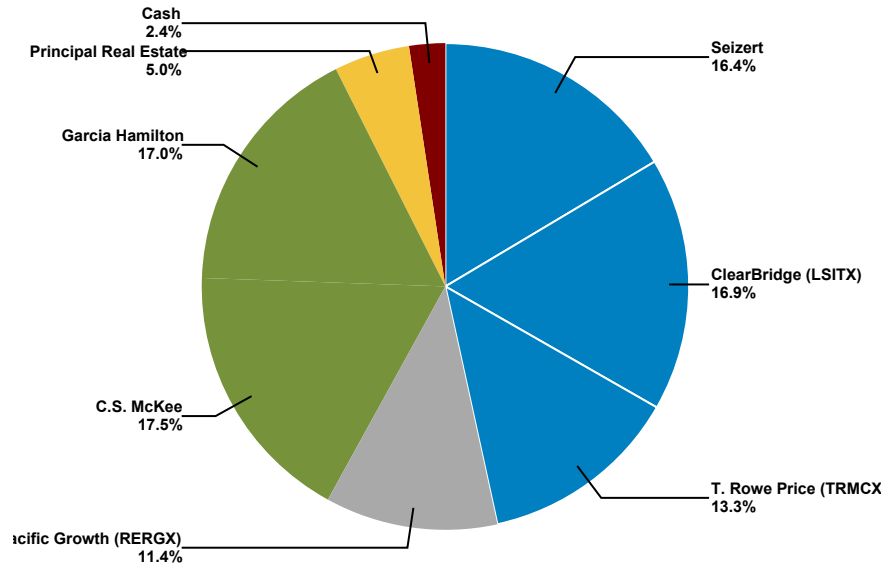


Allocation

	Market Value	Allocation
US Equity	14,626,136	46.5
International Equity	4,415,131	14.0
US Fixed Income	10,457,968	33.3
US Private Real Estate	1,531,839	4.9
US Cash	417,307	1.3

Asset Allocation By Manager
Fire Total Fund
As of December 31, 2019

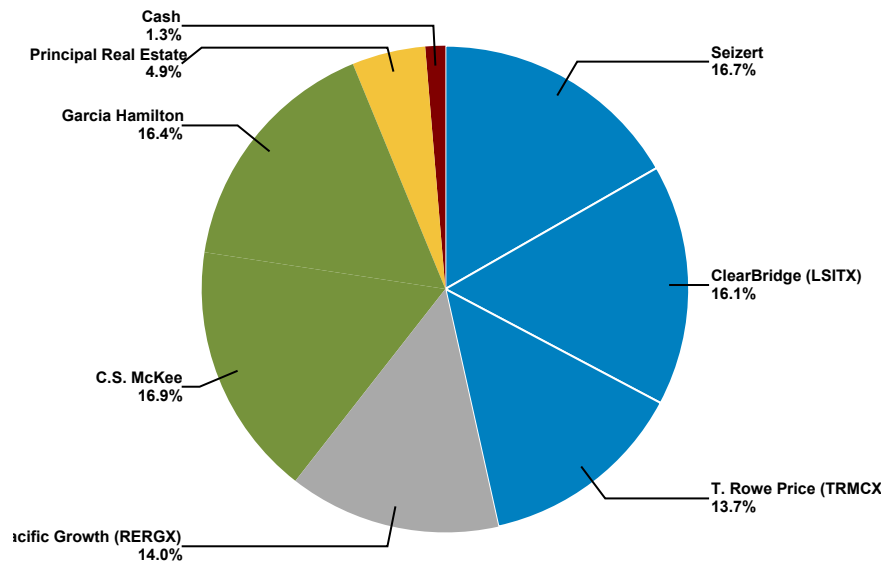
September 30, 2019 : \$30,143,455



Allocation

	Market Value	Allocation
Seizert	4,951,486	16.4
ClearBridge (LSITX)	5,080,617	16.9
T. Rowe Price (TRMCX)	4,009,188	13.3
AF EuroPacific Growth (RERGX)	3,444,933	11.4
C.S. McKee	5,289,799	17.5
Garcia Hamilton	5,131,827	17.0
Principal Real Estate	1,512,923	5.0
Cash	722,682	2.4

December 31, 2019 : \$31,448,381



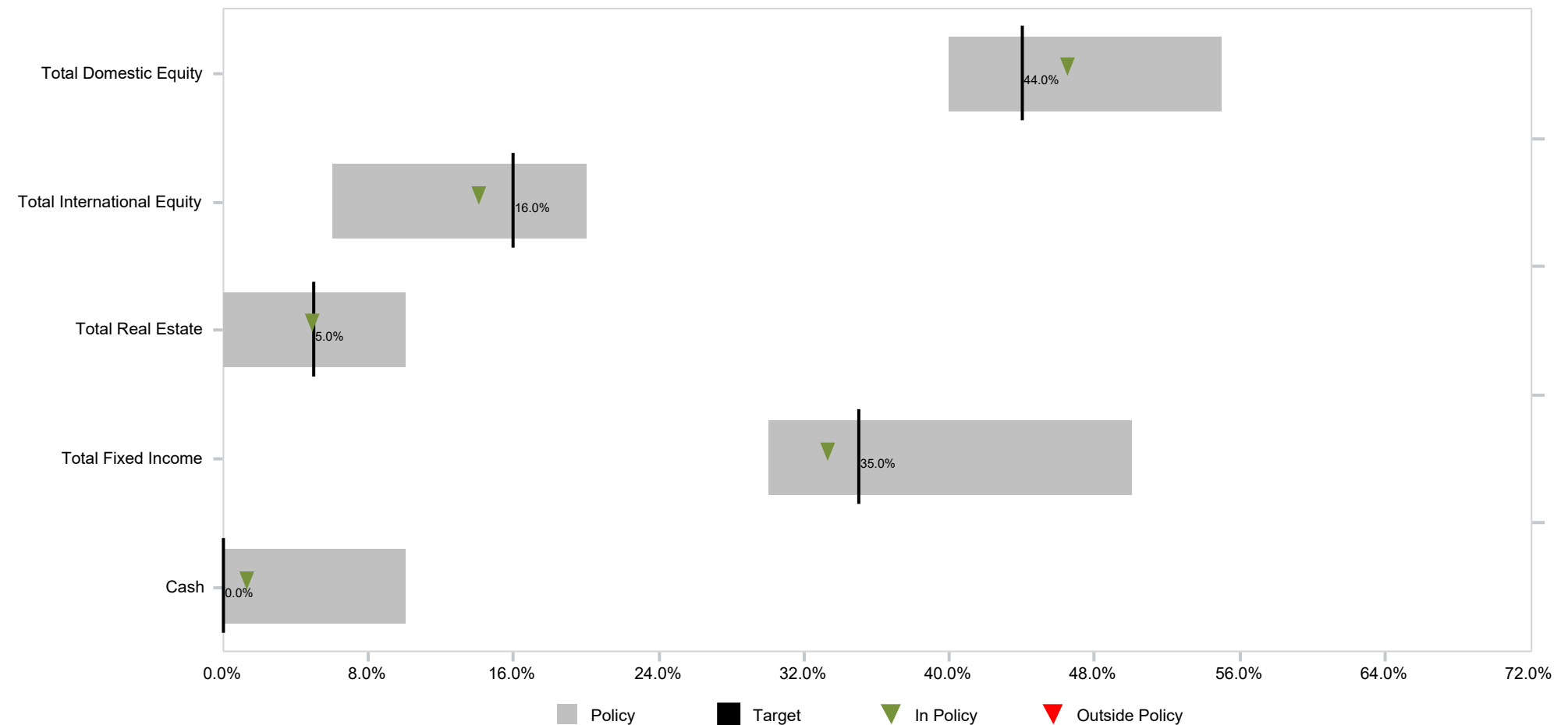
Allocation

	Market Value	Allocation
Seizert	5,253,601	16.7
ClearBridge (LSITX)	5,048,414	16.1
T. Rowe Price (TRMCX)	4,324,121	13.7
AF EuroPacific Growth (RERGX)	4,415,131	14.0
C.S. McKee	5,305,980	16.9
Garcia Hamilton	5,151,988	16.4
Principal Real Estate	1,531,839	4.9
Cash	417,307	1.3

Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Fire Total Fund	31,448,381	100.0		100.0		-	0.0
Total Domestic Equity	14,626,136	46.5	40.0	44.0	55.0	-788,848	2.5
Total International Equity	4,415,131	14.0	6.0	16.0	20.0	616,610	-2.0
Total Real Estate	1,531,839	4.9	0.0	5.0	10.0	40,580	-0.1
Total Fixed Income	10,457,968	33.3	30.0	35.0	50.0	548,965	-1.7
Cash	417,307	1.3	0.0	0.0	10.0	-417,307	1.3

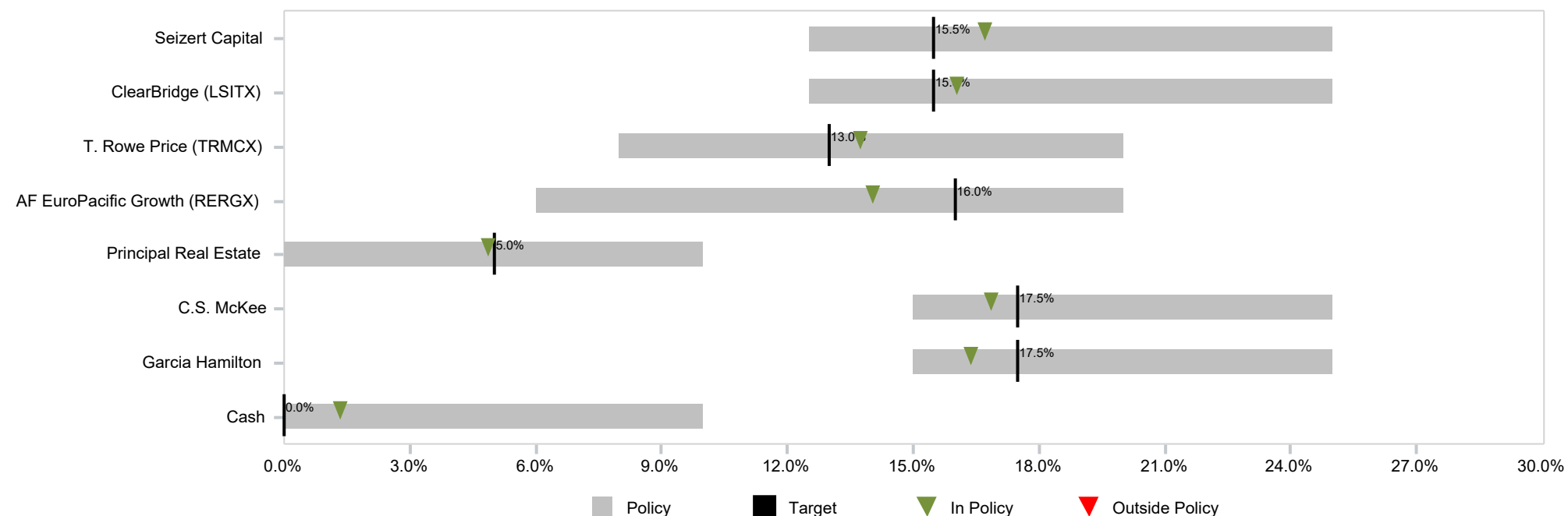
Allocation Summary



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)	Target Rebal. (\$)	Differences (%)
Fire Total Fund	31,448,381	100.0		100.0		-	0.0
Total Equity	19,041,267	60.5		60.0		-172,239	0.5
Total Domestic Equity	14,626,136	46.5		44.0		-788,848	2.5
Seizert Capital	5,253,601	16.7	12.5	15.5	25.0	-379,102	1.2
ClearBridge (LSITX)	5,048,414	16.1	12.5	15.5	25.0	-173,915	0.6
T. Rowe Price (TRMCX)	4,324,121	13.7	8.0	13.0	20.0	-235,832	0.7
Total International Equity	4,415,131	14.0		16.0		616,610	-2.0
AF EuroPacific Growth (RERGX)	4,415,131	14.0	6.0	16.0	20.0	616,610	-2.0
Total Real Estate	1,531,839	4.9		5.0		40,580	-0.1
Principal Real Estate	1,531,839	4.9	0.0	5.0	10.0	40,580	-0.1
Total Fixed Income	10,457,968	33.3		35.0		548,965	-1.7
Total Domestic Fixed Income	10,457,968	33.3		35.0		548,965	-1.7
C.S. McKee	5,305,980	16.9	15.0	17.5	25.0	197,487	-0.6
Garcia Hamilton	5,151,988	16.4	15.0	17.5	25.0	351,478	-1.1
Cash	417,307	1.3	0.0	0.0	10.0	-417,307	1.3

Allocation Summary



Comparative Performance

Total Fund

As of December 31, 2019

Comparative Performance														
	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
Fire Total Fund	6.00	(19)	18.31	(59)	18.31	(59)	8.28	(65)	6.66	(52)	8.11	(48)	7.93	(54)
Fire - Total Fund Policy	5.23	(50)	19.10	(52)	19.10	(52)	8.74	(59)	6.86	(46)	8.40	(37)	8.20	(44)
All Master Trust - Total Fund Median	5.20		19.19		19.19		9.22		6.69		8.00		8.06	
Fire Total Fund	6.00	(15)	18.31	(78)	18.31	(78)	8.28	(85)	6.66	(64)	8.11	(61)	7.93	(69)
Fire - Total Fund Policy	5.23	(64)	19.10	(67)	19.10	(67)	8.74	(77)	6.86	(58)	8.40	(44)	8.20	(53)
Master Trust >=45% and <65% Equity Median	5.45		19.92		19.92		9.68		6.98		8.28		8.23	
Total Domestic Equity	9.92	(21)	27.78	(49)	27.78	(49)	12.35	(44)	10.47	(32)	13.64	(33)	12.82	(36)
Russell 3000 Index	9.10	(31)	31.02	(30)	31.02	(30)	14.57	(31)	11.24	(25)	14.38	(25)	13.42	(26)
IM U.S. Equity (SA+CF+MF) Median	7.95		27.55		27.55		11.14		8.90		12.35		12.06	
Seizert	12.43	(4)	30.23	(20)	30.23	(20)	11.11	(44)	9.63	(30)	13.57	(27)	12.77	(29)
Russell 1000 Value Index	7.41	(60)	26.54	(53)	26.54	(53)	9.68	(68)	8.29	(64)	12.20	(67)	11.80	(64)
IM U.S. Large Cap Value Equity (SA+CF) Median	7.85		26.89		26.89		10.50		8.73		12.68		12.09	
ClearBridge (LSITX)	9.04	(69)	32.21	(64)	32.21	(64)	N/A		N/A		N/A		N/A	
Russell 1000 Growth Index	10.62	(27)	36.39	(21)	36.39	(21)	20.49	(40)	14.63	(19)	16.92	(14)	15.22	(11)
IM U.S. Large Cap Growth Equity (MF) Median	9.69		33.39		33.39		19.88		13.21		15.60		13.85	
T. Rowe Price (TRMCX)	7.86	(28)	19.61	(89)	19.61	(89)	6.09	(58)	7.48	(28)	11.21	(32)	11.07	(40)
Russell Midcap Value Index	6.36	(66)	27.06	(33)	27.06	(33)	8.10	(33)	7.62	(27)	12.00	(15)	12.41	(14)
IM U.S. Mid Cap Value Equity (MF) Median	6.78		25.14		25.14		6.47		6.15		10.58		10.71	
Total International Equity	9.95	(26)	27.23	(32)	27.23	(32)	9.05	(66)	4.58	(61)	4.62	(73)	5.44	(46)
MSCI AC World ex USA Index (Net)	8.92	(53)	21.51	(76)	21.51	(76)	9.87	(57)	5.51	(49)	5.44	(55)	4.97	(57)
IM International Large Cap Equity (MF) Median	8.98		25.95		25.95		10.21		5.42		5.73		5.28	
AF EuroPacific Growth (RERGX)	10.09	(23)	27.40	(41)	27.40	(41)	N/A		N/A		N/A		N/A	
MSCI AC World ex USA Index (Net)	8.92	(53)	21.51	(94)	21.51	(94)	9.87	(74)	5.51	(68)	5.44	(69)	4.97	(75)
IM International Large Cap Growth Equity (MF) Median	9.00		27.05		27.05		11.87		6.14		6.14		5.94	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Comparative Performance

Total Fund

As of December 31, 2019

	QTR		FYTD		1 YR		3 YR		5 YR		7 YR		10 YR	
Total Domestic Fixed Income	0.38	(74)	6.51	(71)	6.51	(71)	3.07	(78)	2.64	(74)	2.30	(74)	3.23	(74)
Total Domestic Fixed Policy	0.47	(66)	6.67	(69)	6.67	(69)	3.26	(75)	2.59	(76)	2.28	(75)	3.07	(78)
IM U.S. Fixed Income (SA+CF) Median	0.60		8.54		8.54		4.27		3.40		3.10		4.20	
C.S. McKee	0.38	(67)	7.18	(34)	7.18	(34)	3.45	(51)	2.95	(32)	2.51	(45)	N/A	
Bloomberg Barclays US Interm Agg Index	0.47	(48)	6.67	(64)	6.67	(64)	3.26	(74)	2.59	(80)	2.28	(71)	3.15	(77)
IM U.S. Intermediate Duration (SA+CF) Median	0.44		6.92		6.92		3.45		2.83		2.47		3.42	
Garcia Hamilton	0.38	(67)	5.86	(90)	5.86	(90)	N/A		N/A		N/A		N/A	
Bloomberg Barclays Intermed Aggregate Index	0.47	(48)	6.67	(64)	6.67	(64)	3.26	(74)	2.59	(80)	2.28	(71)	3.15	(77)
IM U.S. Intermediate Duration (SA+CF) Median	0.44		6.92		6.92		3.45		2.83		2.47		3.42	
Real Estate														
Principal Real Estate	1.25	(80)	5.84	(79)	5.84	(79)	7.23	(70)	N/A		N/A		N/A	
NCREIF Fund Index-ODCE (EW) (Net)	1.31	(78)	5.18	(82)	5.18	(82)	6.47	(77)	8.35	(74)	9.35	(72)	10.52	(77)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.51		6.66		6.66		8.02		9.30		10.50		12.02	
Cash	0.11		0.53		0.53		0.42		0.27		0.21		0.18	
90 Day U.S. Treasury Bill	0.46		2.28		2.28		1.67		1.05		0.76		0.56	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.



Comparative Performance
Total Fund
12 months Ending December 31st

Comparative Performance

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Fire Total Fund	18.31 (59)	-4.86 (56)	12.78 (71)	8.39 (18)	0.34 (25)	7.03 (24)	16.82 (33)	10.42 (73)	2.73 (16)	9.54 (83)	14.13 (82)	-9.20 (9)
Fire - Total Fund Policy	19.10 (52)	-4.63 (52)	13.20 (67)	8.88 (12)	-0.47 (42)	8.08 (15)	16.78 (33)	10.04 (77)	2.65 (17)	10.74 (70)	11.36 (90)	-13.04 (12)
All Master Trust - Total Fund Median	19.19	-4.57	14.56	6.67	-0.92	5.43	14.80	11.85	-0.20	12.13	19.76	-24.32
Fire Total Fund	18.31 (78)	-4.86 (42)	12.78 (88)	8.39 (19)	0.34 (27)	7.03 (20)	16.82 (30)	10.42 (89)	2.73 (5)	9.54 (98)	14.13 (96)	-9.20 (1)
Fire - Total Fund Policy	19.10 (67)	-4.63 (36)	13.20 (83)	8.88 (13)	-0.47 (44)	8.08 (9)	16.78 (31)	10.04 (92)	2.65 (5)	10.74 (88)	11.36 (99)	-13.04 (1)
Master Trust >=45% and <65% Equity Median	19.92	-5.18	14.92	6.87	-0.79	5.46	15.32	12.44	-0.75	12.57	20.76	-25.98
Total Domestic Equity	27.78 (49)	-6.90 (47)	19.21 (46)	14.78 (36)	1.07 (32)	10.85 (38)	34.22 (48)	17.10 (30)	0.42 (35)	16.10 (59)	37.41 (29)	-33.15 (21)
Russell 3000 Index	31.02 (30)	-5.24 (36)	21.13 (37)	12.74 (45)	0.48 (36)	12.56 (25)	33.55 (53)	16.42 (37)	1.03 (31)	16.93 (55)	28.34 (59)	-37.31 (46)
IM U.S. Equity (SA+CF+MF) Median	27.55	-7.41	18.19	11.73	-1.48	9.18	33.88	15.25	-1.67	17.89	30.45	-37.92
Seizert	30.23 (20)	-10.57 (69)	17.79 (45)	19.21 (16)	-3.16 (63)	13.78 (30)	35.28 (42)	19.76 (14)	-1.28 (66)	15.44 (42)	28.92 (32)	N/A
Russell 1000 Value Index	26.54 (53)	-8.27 (50)	13.66 (88)	17.34 (26)	-3.83 (69)	13.45 (35)	32.53 (62)	17.51 (29)	0.39 (53)	15.51 (41)	19.69 (80)	-36.85 (65)
IM U.S. Large Cap Value Equity (SA+CF) Median	26.89	-8.36	17.24	14.52	-2.25	12.14	34.22	15.66	0.63	14.66	25.21	-35.34
ClearBridge (LSITX)	32.21 (64)	0.05 (40)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	36.39 (21)	-1.51 (58)	30.21 (41)	7.08 (8)	5.67 (54)	13.05 (22)	33.48 (55)	15.26 (46)	2.64 (11)	16.71 (33)	37.21 (42)	-38.44 (39)
IM U.S. Large Cap Growth Equity (MF) Median	33.39	-0.87	29.47	2.18	6.01	10.47	33.94	14.81	-1.76	15.15	35.24	-39.76
T. Rowe Price (TRMCX)	19.61 (89)	-10.61 (10)	11.67 (62)	24.33 (7)	-3.41 (26)	10.60 (52)	32.61 (79)	20.61 (8)	-4.05 (58)	17.41 (93)	47.84 (7)	-34.08 (12)
Russell Midcap Value Index	27.06 (33)	-12.29 (27)	13.34 (50)	20.00 (28)	-4.78 (51)	14.75 (11)	33.46 (75)	18.51 (25)	-1.38 (33)	24.75 (33)	34.21 (55)	-38.44 (51)
IM U.S. Mid Cap Value Equity (MF) Median	25.14	-13.98	13.21	17.03	-4.76	10.68	35.67	16.59	-3.40	22.02	35.72	-38.36
Total International Equity	27.23 (32)	-17.04 (74)	22.86 (83)	0.25 (48)	-3.80 (82)	-6.82 (75)	17.74 (63)	21.84 (11)	-8.94 (15)	11.54 (30)	35.59 (27)	-44.42 (62)
MSCI AC World ex USA Index (Net)	21.51 (76)	-14.20 (38)	27.19 (47)	4.50 (8)	-5.66 (87)	-3.87 (28)	15.29 (71)	16.83 (66)	-13.71 (60)	11.15 (31)	41.45 (10)	-45.53 (69)
IM International Large Cap Equity (MF) Median	25.95	-15.18	26.76	0.06	-0.98	-5.55	19.68	18.70	-13.24	8.32	30.69	-43.00
AF EuroPacific Growth (RERGX)	27.40 (41)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA Index (Net)	21.51 (94)	-14.20 (43)	27.19 (65)	4.50 (10)	-5.66 (90)	-3.87 (33)	15.29 (68)	16.83 (70)	-13.71 (61)	11.15 (49)	41.45 (9)	-45.53 (74)
IM International Large Cap Growth Equity (MF) Median	27.05	-14.98	29.50	-0.87	-0.02	-4.98	18.48	18.97	-13.24	10.99	32.36	-42.35

Returns for periods greater than one year are annualized.
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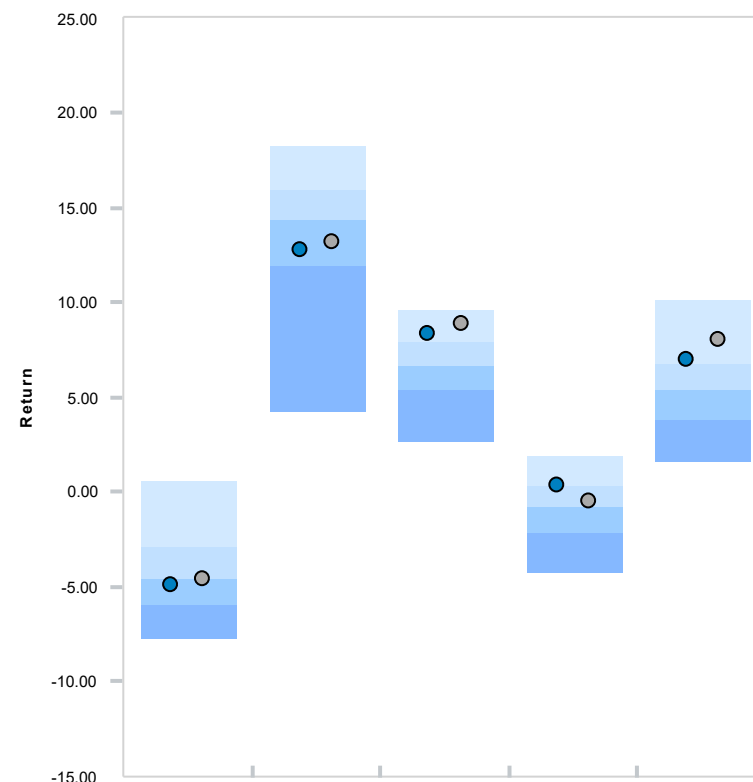
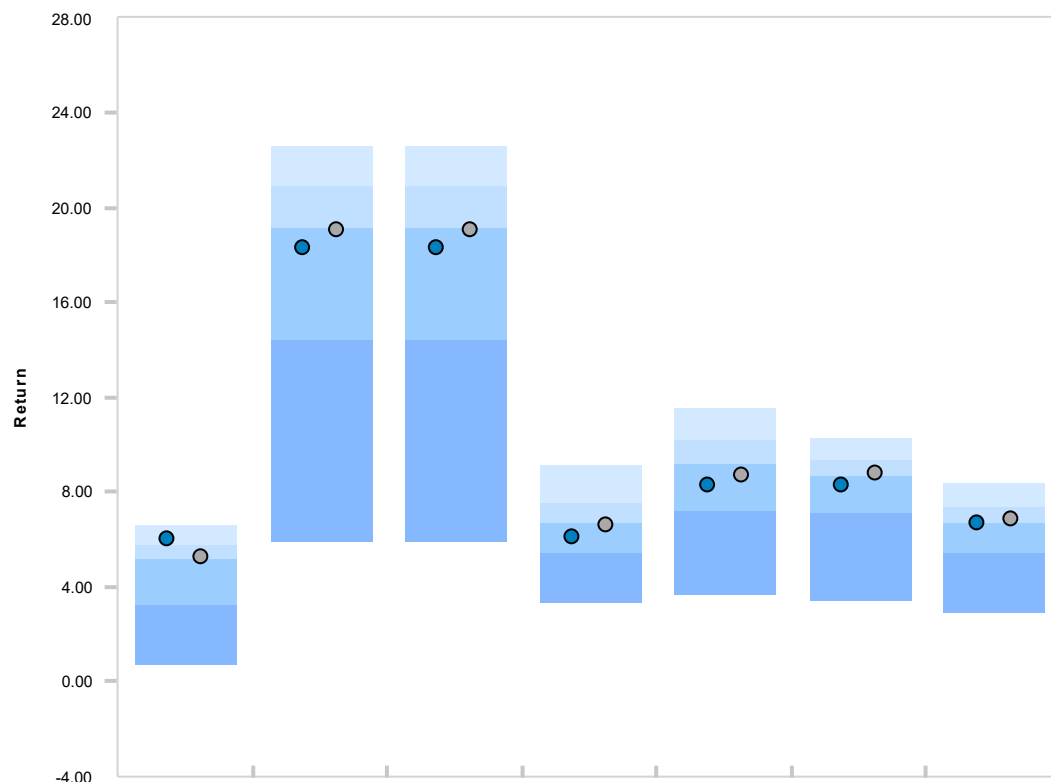


Comparative Performance
Total Fund
12 months Ending December 31st

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Domestic Fixed Income	6.51 (71)	0.49 (50)	2.30 (80)	2.30 (70)	1.70 (17)	3.90 (55)	-0.91 (64)	4.31 (74)	6.56 (49)	5.45 (76)	3.27 (90)	9.67 (5)
Total Domestic Fixed Policy	6.67 (69)	0.92 (40)	2.27 (81)	1.97 (76)	1.21 (31)	4.12 (53)	-1.02 (66)	3.56 (81)	5.81 (59)	5.45 (76)	1.78 (94)	10.36 (4)
IM U.S. Fixed Income (SA+CF) Median	8.54	0.42	4.18	3.70	0.73	4.43	-0.21	6.90	6.41	7.60	10.67	1.33
C.S. McKee	7.18 (34)	0.97 (48)	2.30 (71)	2.43 (47)	1.98 (8)	3.79 (43)	-0.93 (75)	3.64 (87)	N/A	N/A	N/A	N/A
Bloomberg Barclays US Interm Agg Index	6.67 (64)	0.92 (51)	2.27 (76)	1.97 (79)	1.21 (63)	4.12 (31)	-1.02 (80)	3.56 (87)	5.97 (46)	6.15 (64)	6.46 (65)	4.86 (50)
IM U.S. Intermediate Duration (SA+CF) Median	6.92	0.95	2.55	2.39	1.30	3.56	-0.53	4.98	5.88	6.41	7.85	4.70
Garcia Hamilton	5.86 (90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	6.67 (64)	0.92 (51)	2.27 (76)	1.97 (79)	1.21 (63)	4.12 (31)	-1.02 (80)	3.56 (87)	5.97 (46)	6.15 (64)	6.46 (65)	4.86 (50)
IM U.S. Intermediate Duration (SA+CF) Median	6.92	0.95	2.55	2.39	1.30	3.56	-0.53	4.98	5.88	6.41	7.85	4.70
Real Estate												
Principal Real Estate	5.84 (79)	7.94 (60)	7.91 (54)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NCREIF Fund Index-ODCE (EW) (Net)	5.18 (82)	7.30 (76)	6.92 (80)	8.36 (82)	14.18 (70)	11.42 (87)	12.36 (69)	9.93 (87)	14.99 (63)	15.12 (58)	-31.30 (57)	-11.09 (49)
IM U.S. Open End Private Real Estate (SA+CF) Median	6.66	8.35	8.07	9.47	15.01	13.51	14.30	12.46	15.71	15.76	-29.99	-11.61
Cash	0.53	0.45	0.27	0.05	0.04	0.06	0.07	0.09	0.08	0.12	0.22	1.81
90 Day U.S. Treasury Bill	2.28	1.87	0.86	0.25	0.03	0.04	0.05	0.08	0.08	0.13	0.17	2.10

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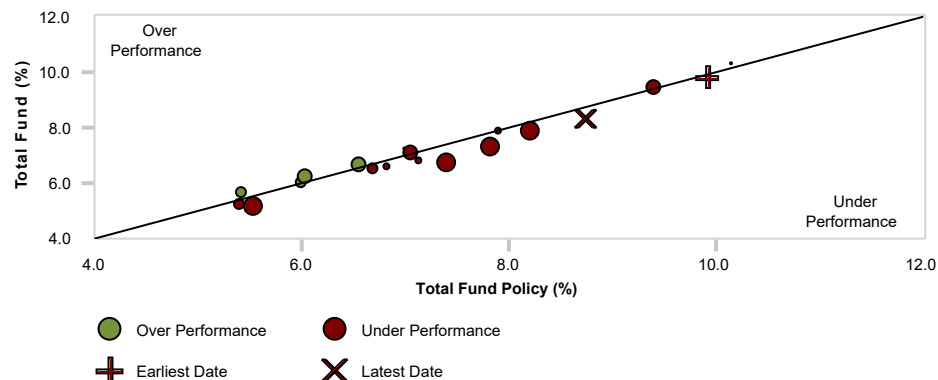
Peer Group Analysis - All Master Trust - Total Fund



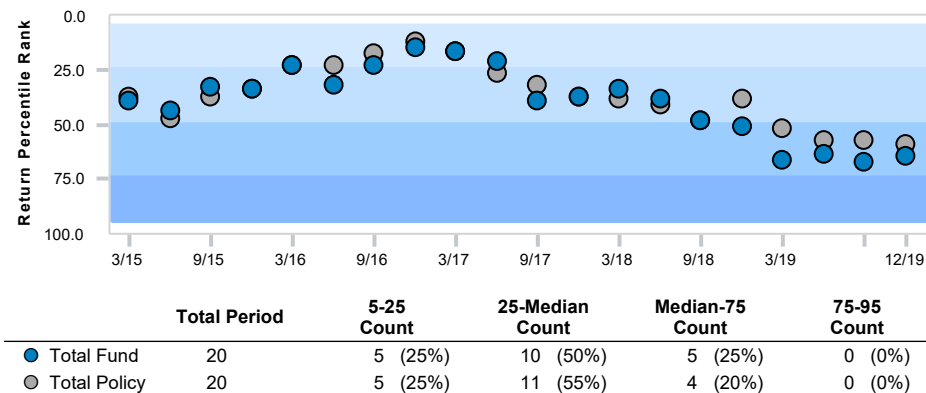
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Total Fund	0.32 (74)	3.08 (53)	7.94 (54)	-8.42 (69)	3.06 (30)	1.14 (34)
Total Fund Policy	0.89 (40)	3.22 (44)	8.68 (37)	-7.47 (51)	2.97 (33)	1.09 (37)
All Master Trust - Total Fund Median	0.72	3.12	8.13	-7.44	2.44	0.84

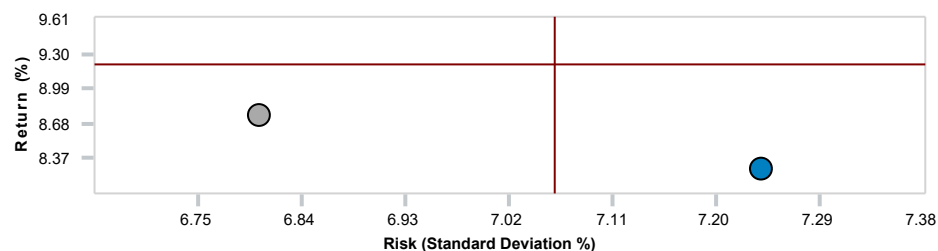
3 Yr Rolling Under/Over Performance - 5 Years



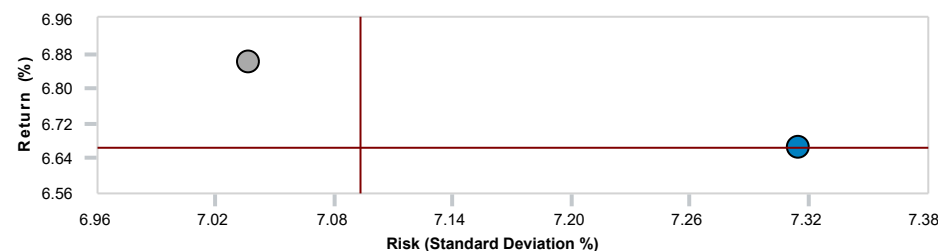
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



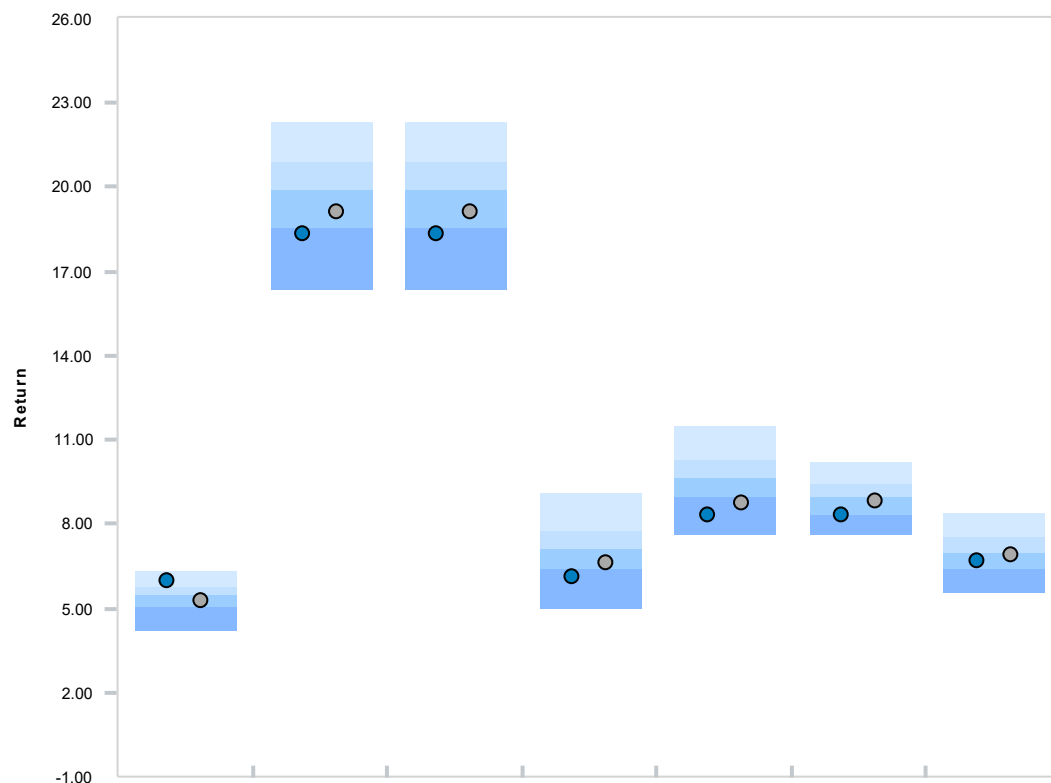
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.13	101.41	110.90	-0.85	-0.35	0.91	1.05	4.82
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.02	1.00	4.41

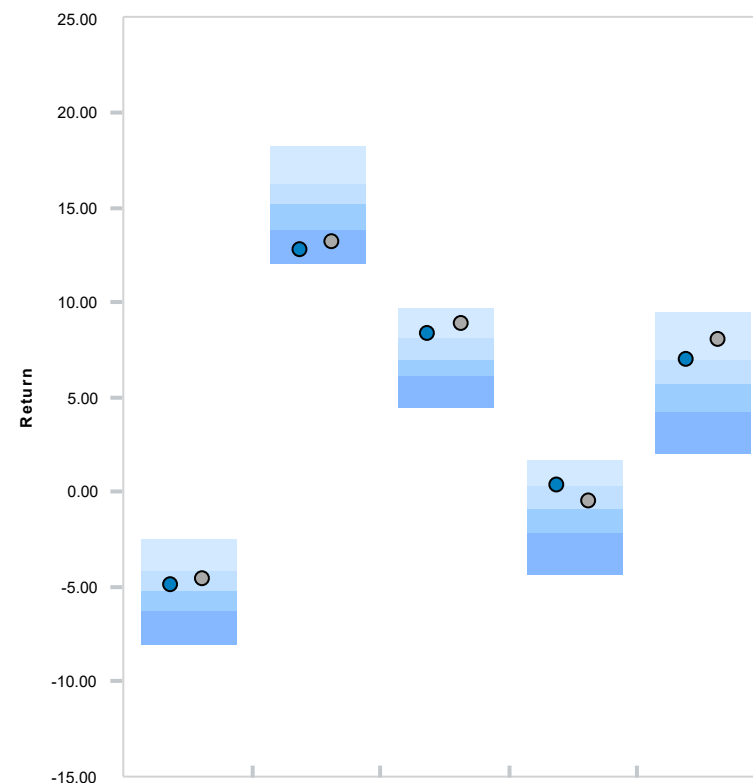
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.11	101.96	106.78	-0.36	-0.15	0.78	1.03	4.58
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.83	1.00	4.34

Peer Group Analysis - Master Trust >=45% and <65% Equity



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Fund	6.00 (15)	18.31 (78)	18.31 (78)	6.09 (81)	8.28 (85)	8.31 (76)	6.66 (64)
● Total Policy	5.23 (64)	19.10 (67)	19.10 (67)	6.58 (70)	8.74 (77)	8.78 (59)	6.86 (58)
Median	5.45	19.92	19.92	7.11	9.68	8.96	6.98

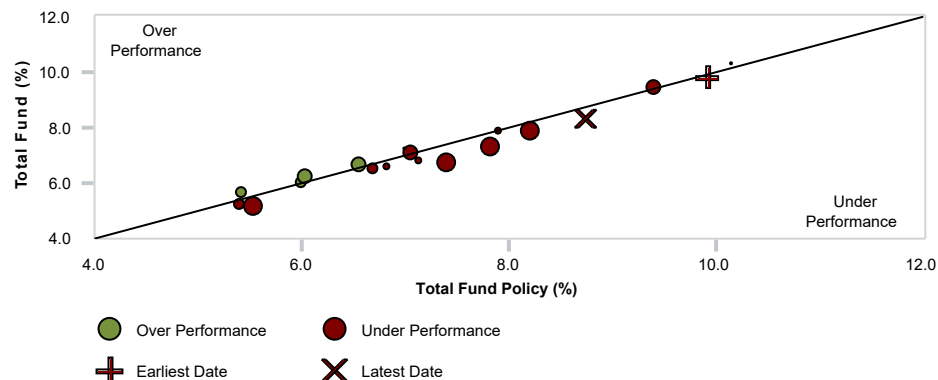


	2018	2017	2016	2015	2014
● Total Fund	-4.86 (42)	12.78 (91)	8.39 (21)	0.34 (26)	7.03 (25)
● Total Policy	-4.63 (36)	13.20 (87)	8.88 (13)	-0.47 (42)	8.08 (13)
Median	-5.18	15.24	6.99	-0.85	5.71

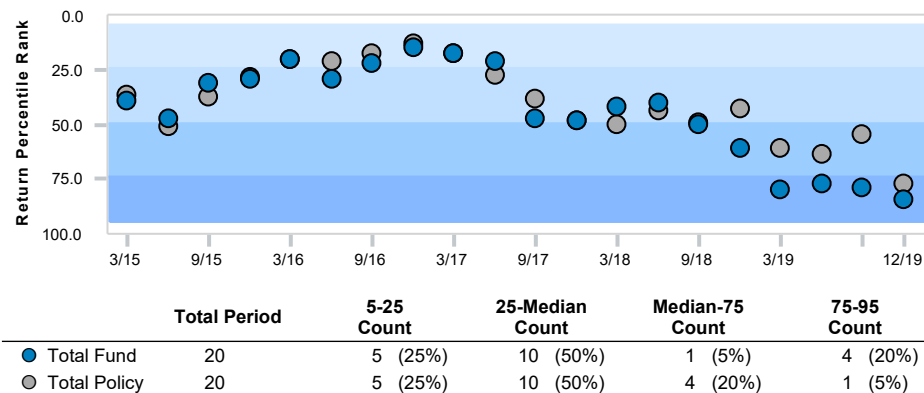
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Total Fund	0.32 (71)	3.08 (63)	7.94 (81)	-8.42 (51)	3.06 (32)	1.14 (35)
Total Fund Policy	0.89 (34)	3.22 (52)	8.68 (53)	-7.47 (22)	2.97 (36)	1.09 (40)
Master Trust >=45% and <65% Equity Median	0.64	3.24	8.74	-8.42	2.67	0.93

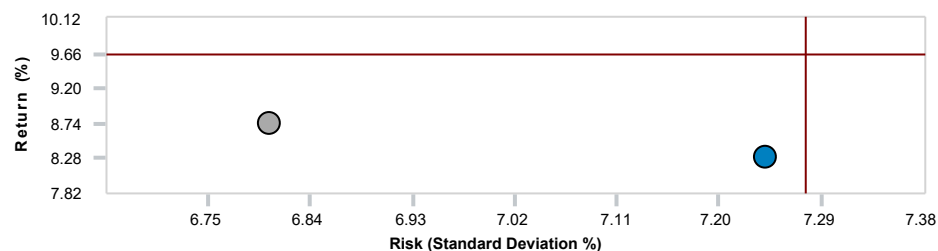
3 Yr Rolling Under/Over Performance - 5 Years



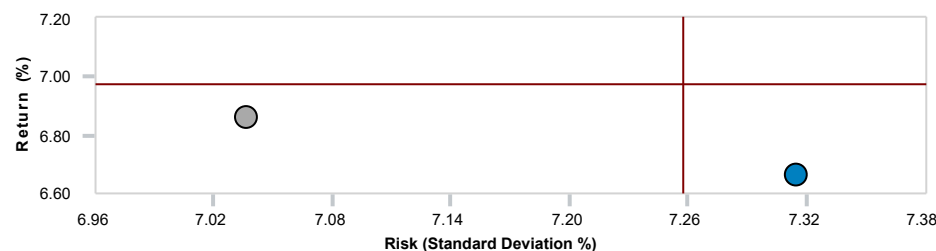
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



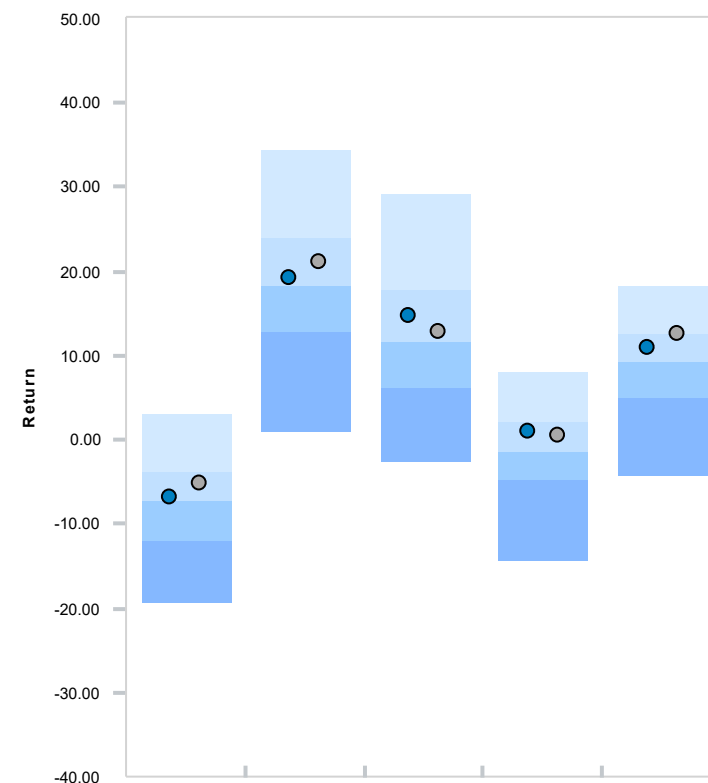
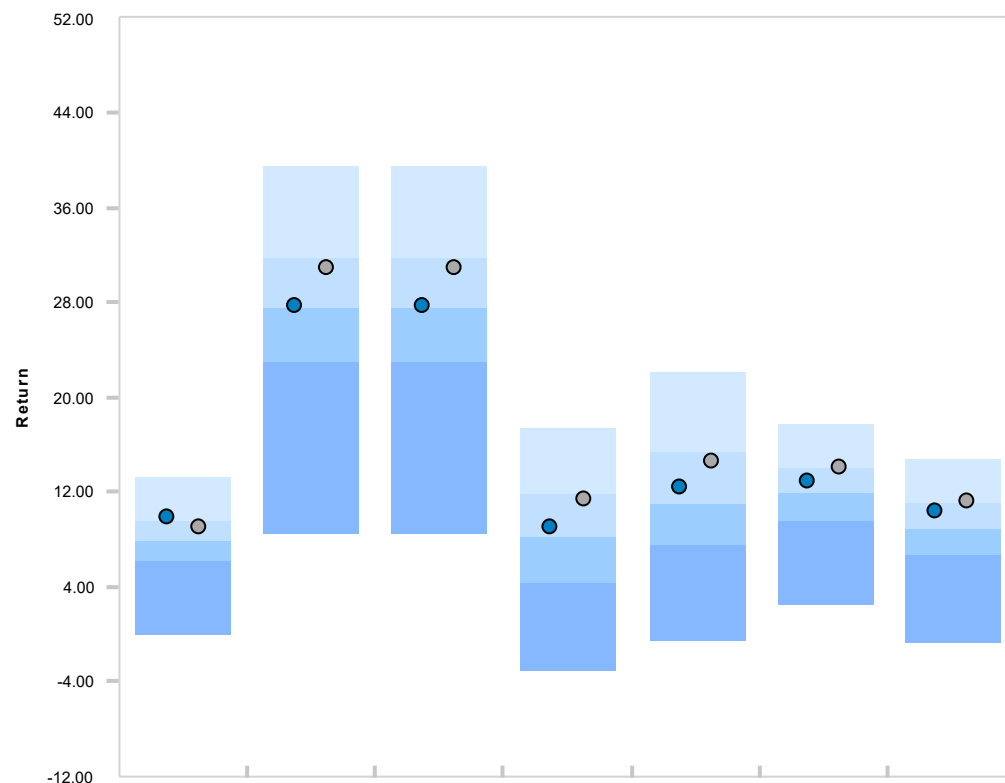
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.13	101.41	110.90	-0.85	-0.35	0.91	1.05	4.82
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	1.02	1.00	4.41

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.11	101.96	106.78	-0.36	-0.15	0.78	1.03	4.58
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.83	1.00	4.34

Peer Group Analysis - IM U.S. Equity (SA+CF+MF)



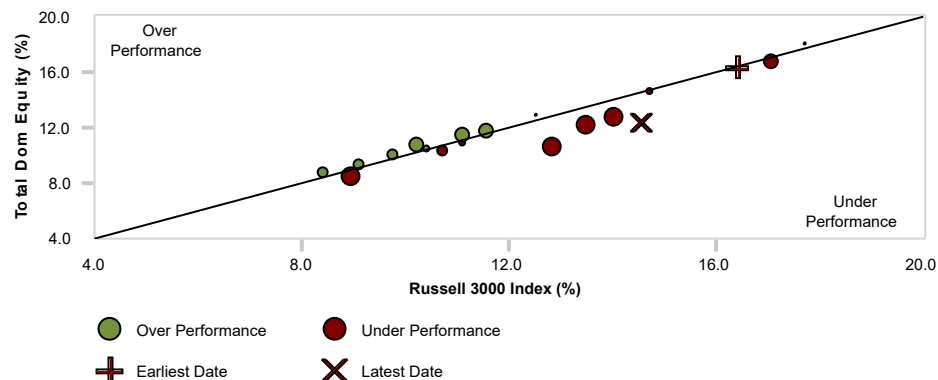
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Total Dom Equity	9.92 (21)	27.78 (49)	27.78 (49)	9.07 (45)	12.35 (44)	12.95 (38)	10.47 (32)
● Russell 3000	9.10 (31)	31.02 (30)	31.02 (30)	11.42 (29)	14.57 (31)	14.11 (25)	11.24 (25)
Median	7.95	27.55	27.55	8.17	11.14	11.89	8.90

	2018	2017	2016	2015	2014
● Total Dom Equity	-6.90 (47)	19.21 (46)	14.78 (36)	1.07 (32)	10.85 (38)
● Russell 3000	-5.24 (36)	21.13 (37)	12.74 (45)	0.48 (36)	12.56 (25)
Median	-7.41	18.19	11.73	-1.48	9.18

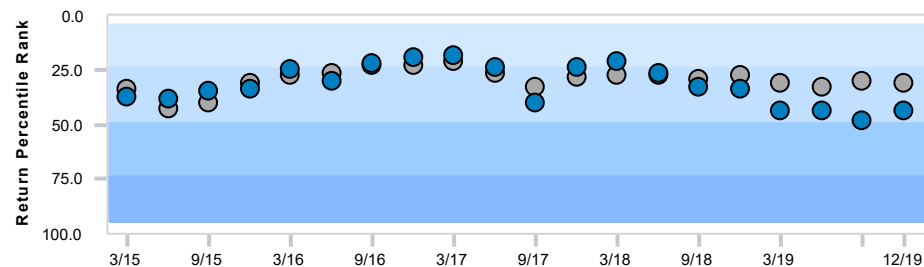
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Total Dom Equity	-0.22 (60)	3.79 (48)	12.26 (68)	-14.91 (46)	6.20 (41)	2.82 (61)
Russell 3000 Index	1.16 (37)	4.10 (41)	14.04 (46)	-14.30 (40)	7.12 (30)	3.89 (46)
IM U.S. Equity (SA+CF+MF) Median	0.41	3.62	13.69	-15.47	5.45	3.57

3 Yr Rolling Under/Over Performance - 5 Years

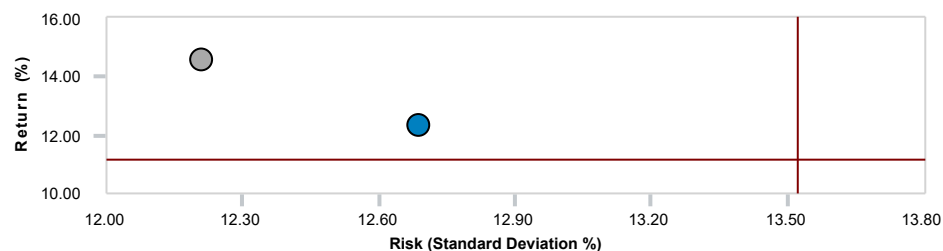


3 Yr Rolling Percentile Ranking - 5 Years



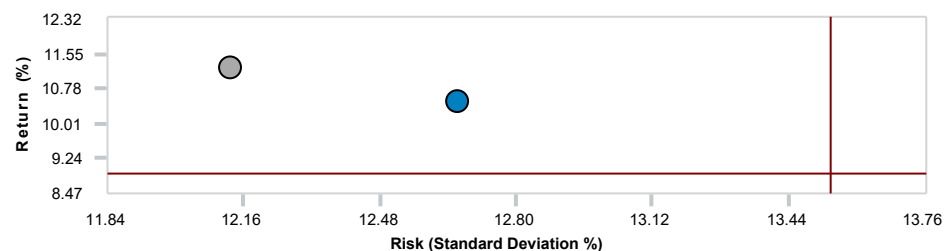
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Dom Equity	20	7 (35%)	13 (65%)	0 (0%)	0 (0%)
Russell 3000	20	3 (15%)	17 (85%)	0 (0%)	0 (0%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Dom Equity	12.35	12.69
Russell 3000	14.57	12.21
Median	11.14	13.52

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Dom Equity	10.47	12.67
Russell 3000	11.24	12.13
Median	8.90	13.54

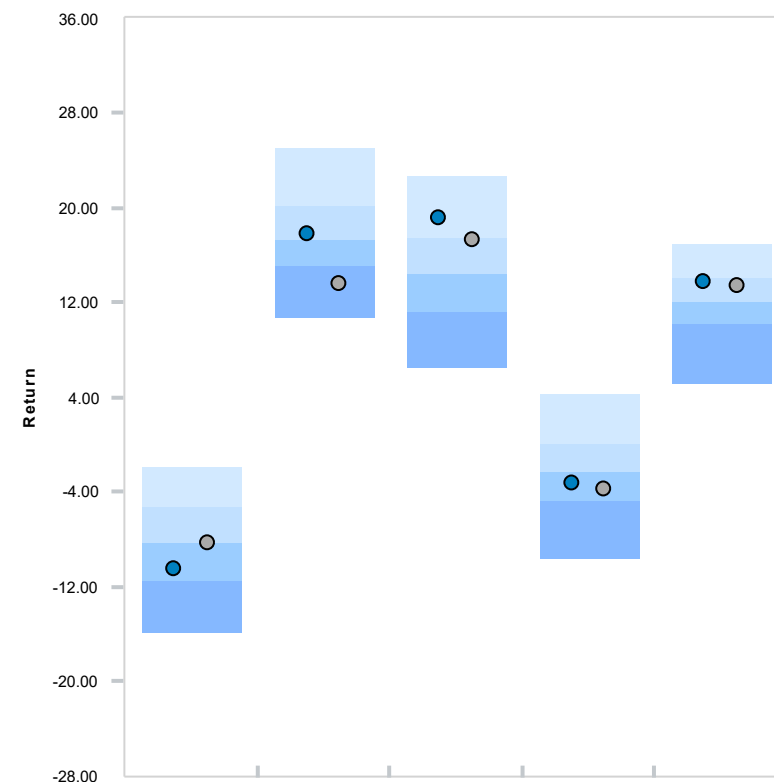
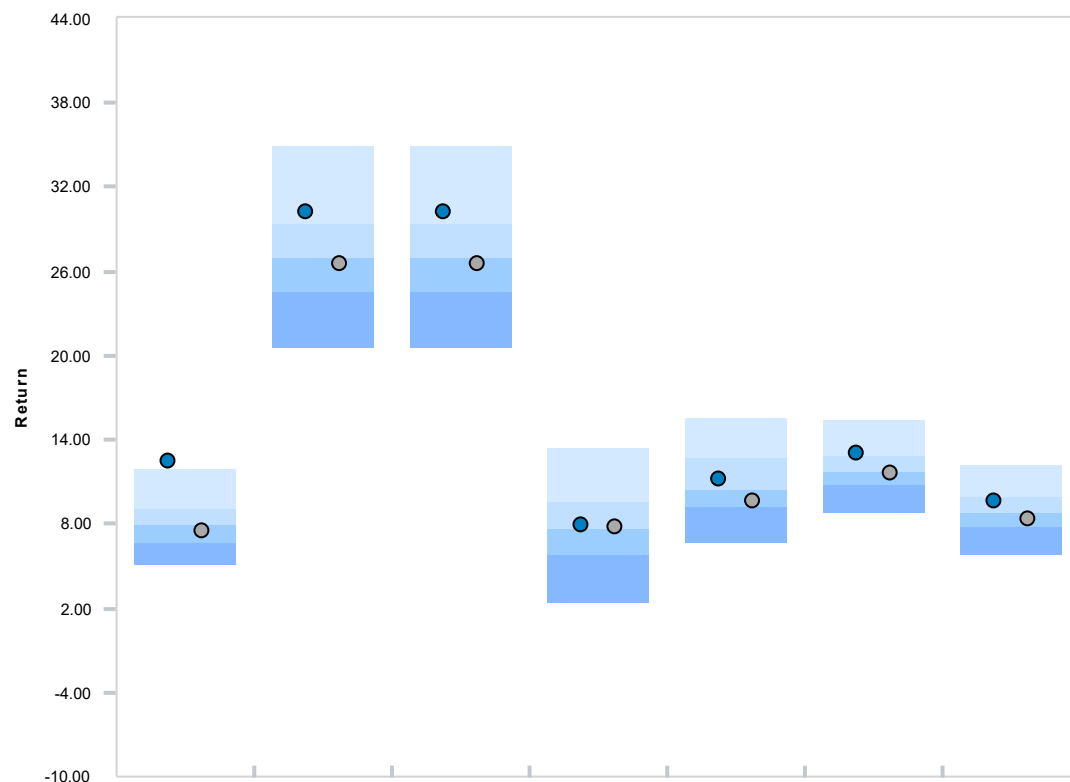
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.22	95.22	107.13	-2.24	-0.86	0.85	1.02	8.64
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	1.05	1.00	8.26

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Equity	2.09	99.36	104.47	-0.98	-0.31	0.77	1.03	8.04
Russell 3000 Index	0.00	100.00	100.00	0.00	N/A	0.86	1.00	7.77

Peer Group Analysis - IM U.S. Large Cap Value Equity (SA+CF)



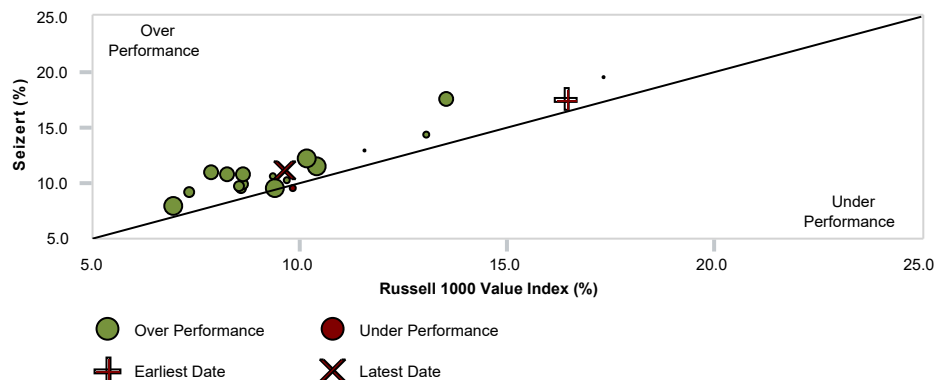
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Seizert	12.43 (4)	30.23 (20)	30.23 (20)	7.92 (45)	11.11 (44)	13.09 (23)	9.63 (30)
● R 1000 V	7.41 (60)	26.54 (53)	26.54 (53)	7.74 (48)	9.68 (68)	11.55 (58)	8.29 (64)
Median	7.85	26.89	26.89	7.57	10.50	11.76	8.73

	2018	2017	2016	2015	2014
● Seizert	-10.57 (69)	17.79 (45)	19.21 (16)	-3.16 (63)	13.78 (30)
● R 1000 V	-8.27 (50)	13.66 (88)	17.34 (26)	-3.83 (69)	13.45 (35)
Median	-8.36	17.24	14.52	-2.25	12.14

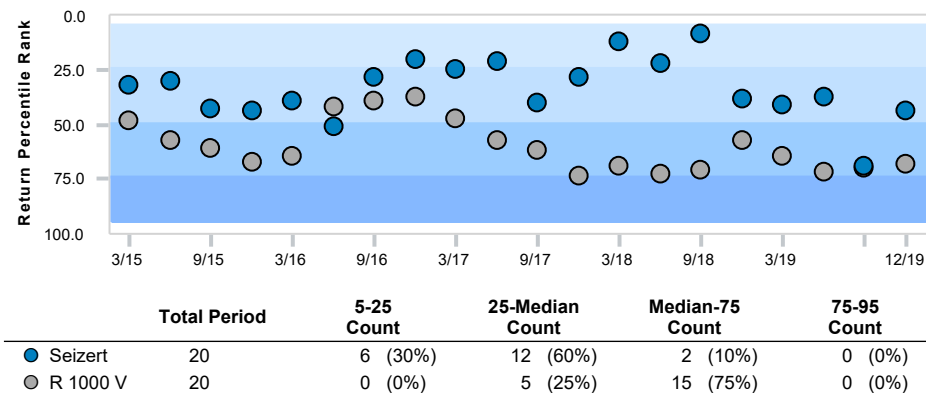
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Seizert	0.77 (74)	4.50 (33)	10.00 (88)	-16.83 (91)	8.95 (5)	-0.72 (97)
Russell 1000 Value Index	1.36 (59)	3.84 (53)	11.93 (45)	-11.72 (30)	5.70 (51)	1.18 (66)
IM U.S. Large Cap Value Equity (SA+CF) Median	1.66	3.95	11.74	-13.43	5.71	1.74

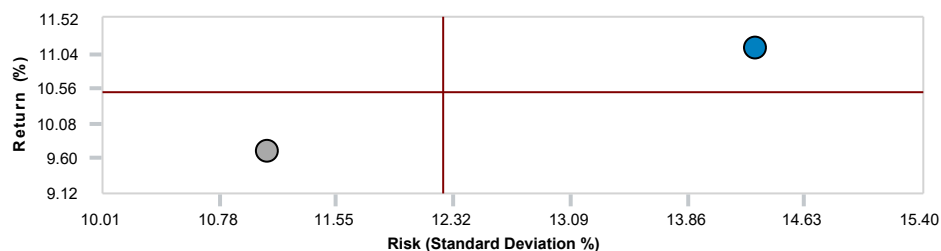
3 Yr Rolling Under/Over Performance - 5 Years



3 Yr Rolling Percentile Ranking - 5 Years

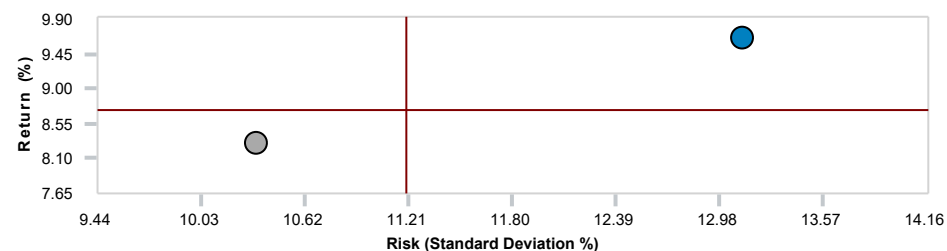


Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Seizert	11.11	14.31
R 1000 V	9.68	11.10
Median	10.50	12.26

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Seizert	9.63	13.11
R 1000 V	8.29	10.34
Median	8.73	11.20

Historical Statistics - 3 Years

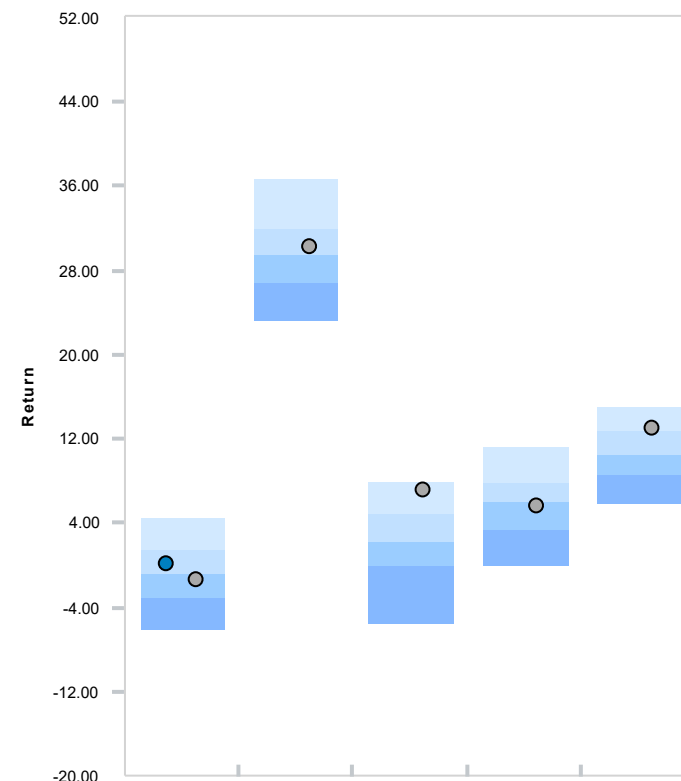
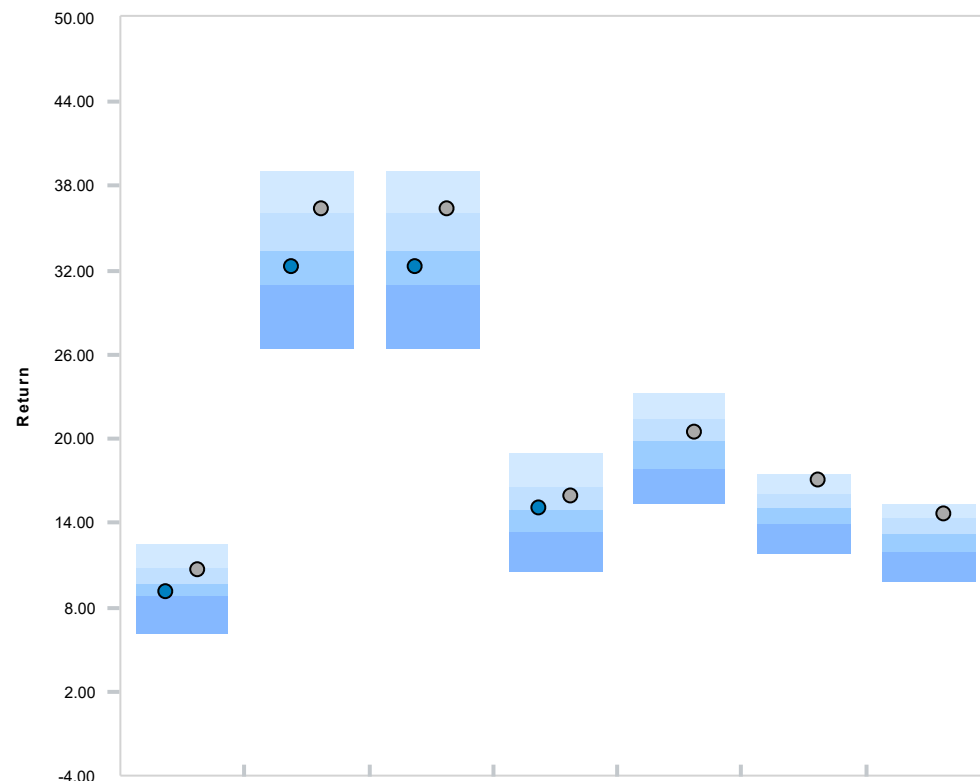
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	4.81	113.80	111.73	0.33	0.33	0.70	1.13	9.30
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.70	1.00	8.11

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Seizert	4.38	114.07	111.40	0.32	0.35	0.65	1.14	8.93
Russell 1000 Value Index	0.00	100.00	100.00	0.00	N/A	0.64	1.00	7.71

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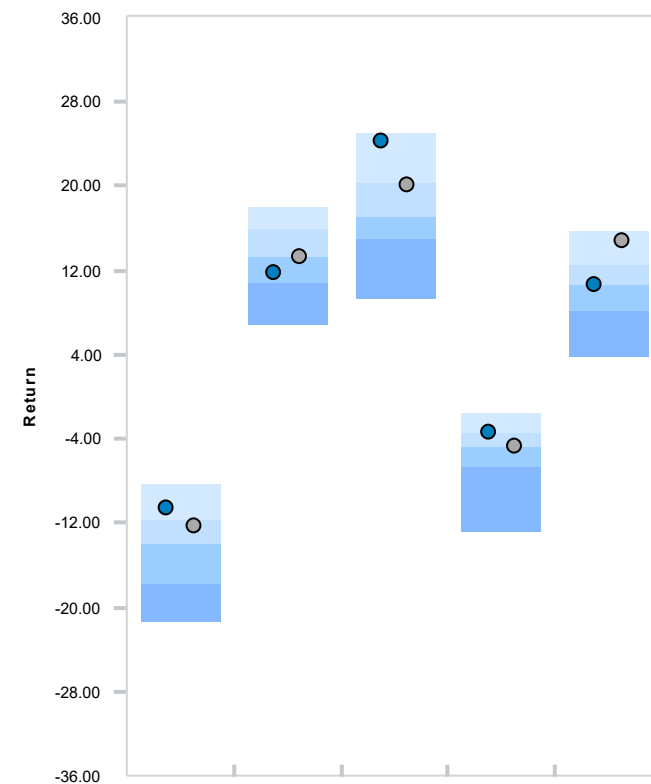
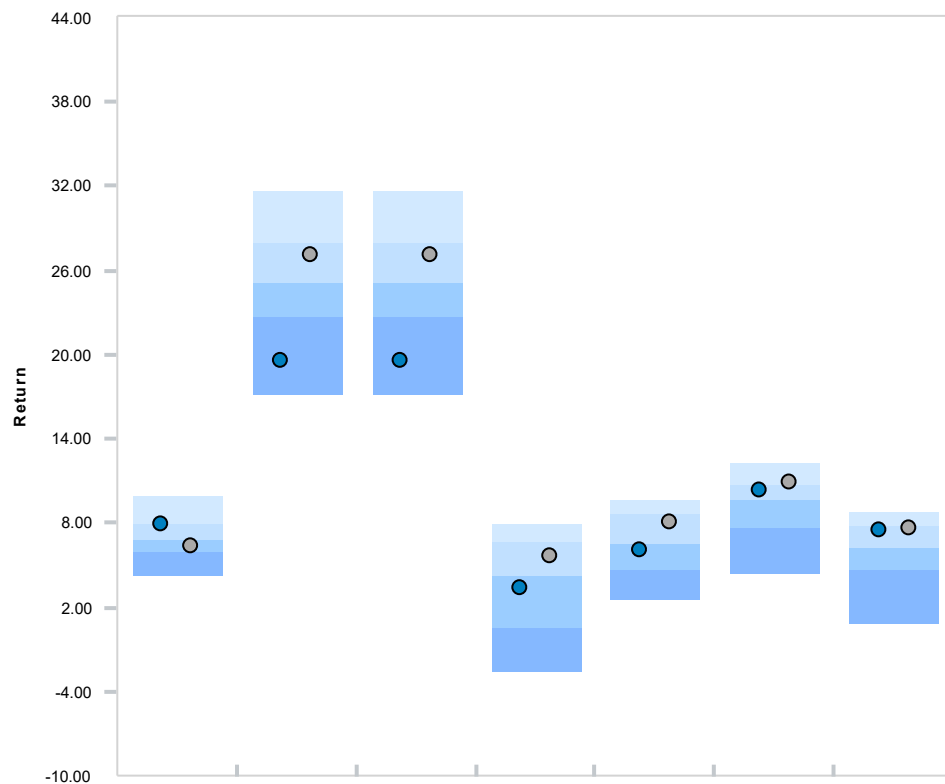
Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
ClearBridge (LSITX)	-0.45 (58)	5.22 (39)	15.76 (67)	-13.35 (14)	7.78 (50)	5.31 (66)
Russell 1000 Growth Index	1.49 (16)	4.64 (56)	16.10 (55)	-15.89 (53)	9.17 (11)	5.76 (51)
IM U.S. Large Cap Growth Equity (MF) Median	-0.01	4.76	16.25	-15.76	7.78	5.77

Peer Group Analysis - IM U.S. Mid Cap Value Equity (MF)



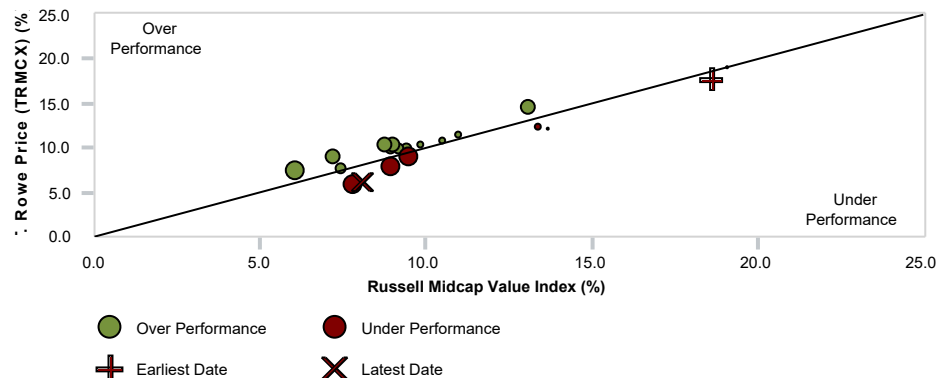
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● T. Rowe Price (TRMCX)	7.86 (28)	19.61 (89)	19.61 (89)	3.41 (56)	6.09 (58)	10.38 (33)	7.48 (28)
● R Midcap Value	6.36 (66)	27.06 (33)	27.06 (33)	5.57 (34)	8.10 (33)	10.96 (21)	7.62 (27)
Median	6.78	25.14	25.14	4.16	6.47	9.57	6.15

	2018	2017	2016	2015	2014
● T. Rowe Price (TRMCX)	10.61 (10)	11.67 (62)	24.33 (7)	-3.41 (26)	10.60 (52)
● R Midcap Value	12.29 (27)	13.34 (50)	20.00 (28)	-4.78 (51)	14.75 (11)
Median	13.98	13.21	17.03	-4.76	10.68

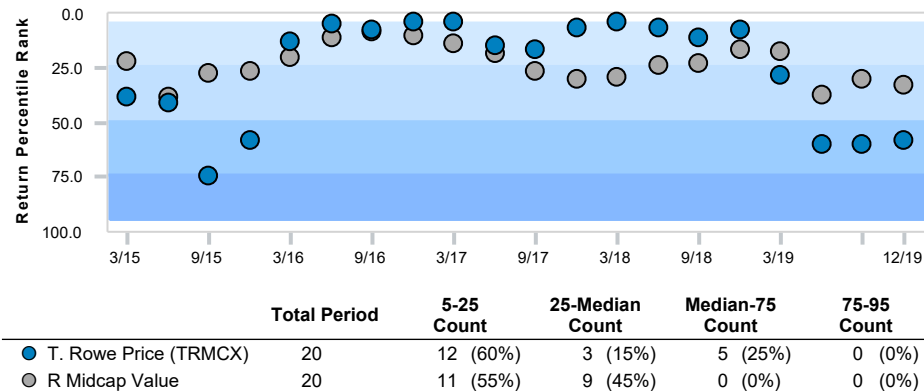
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
T. Rowe Price (TRMCX)	-1.13 (82)	1.22 (72)	10.82 (96)	-14.51 (18)	1.24 (82)	3.97 (9)
Russell Midcap Value Index	1.22 (44)	3.19 (35)	14.37 (32)	-14.95 (29)	3.30 (26)	2.41 (31)
IM U.S. Mid Cap Value Equity (MF) Median	0.89	2.82	13.69	-16.28	2.89	1.88

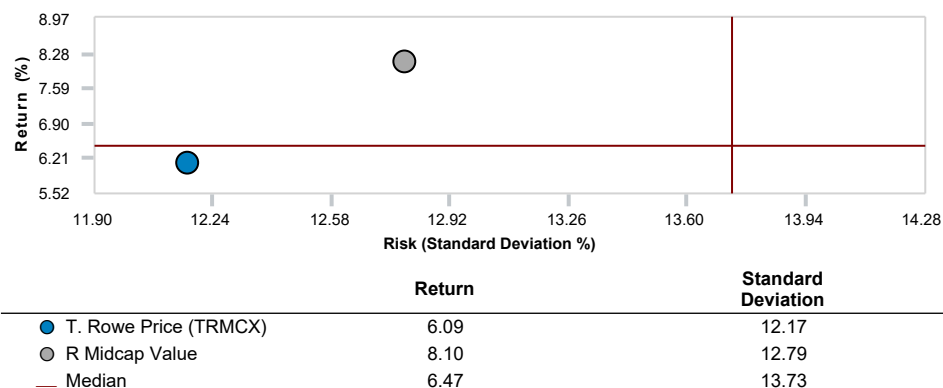
3 Yr Rolling Under/Over Performance - 5 Years



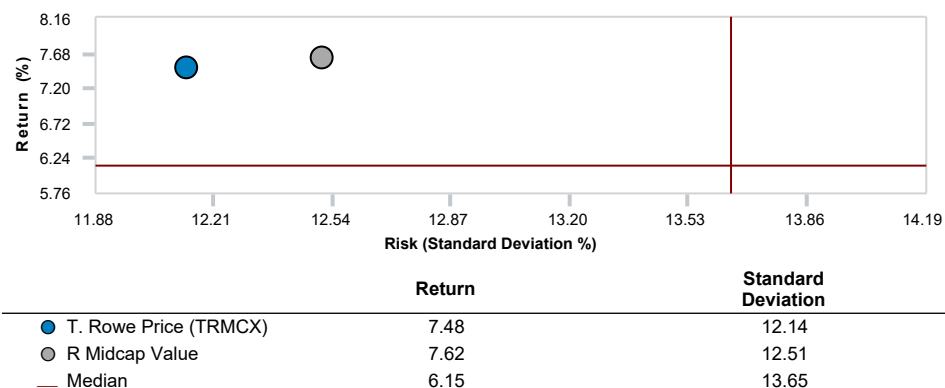
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



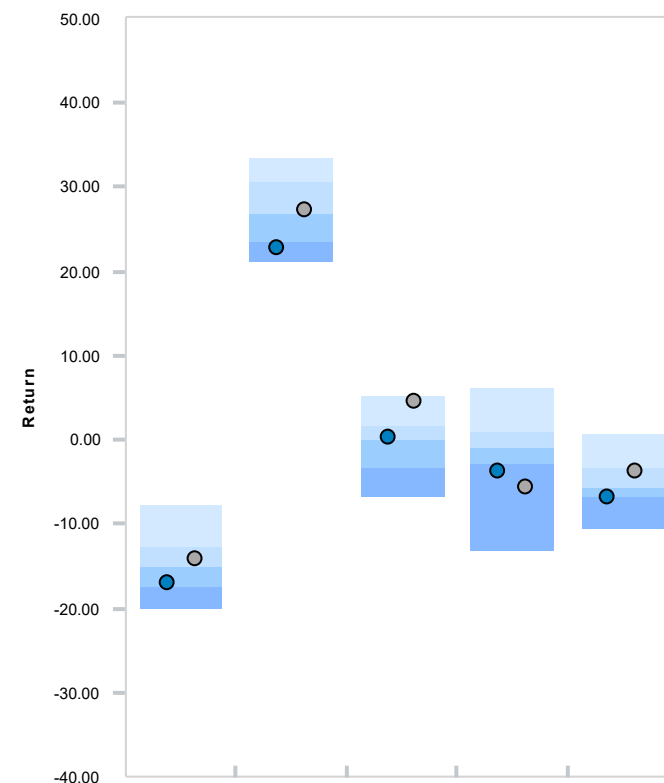
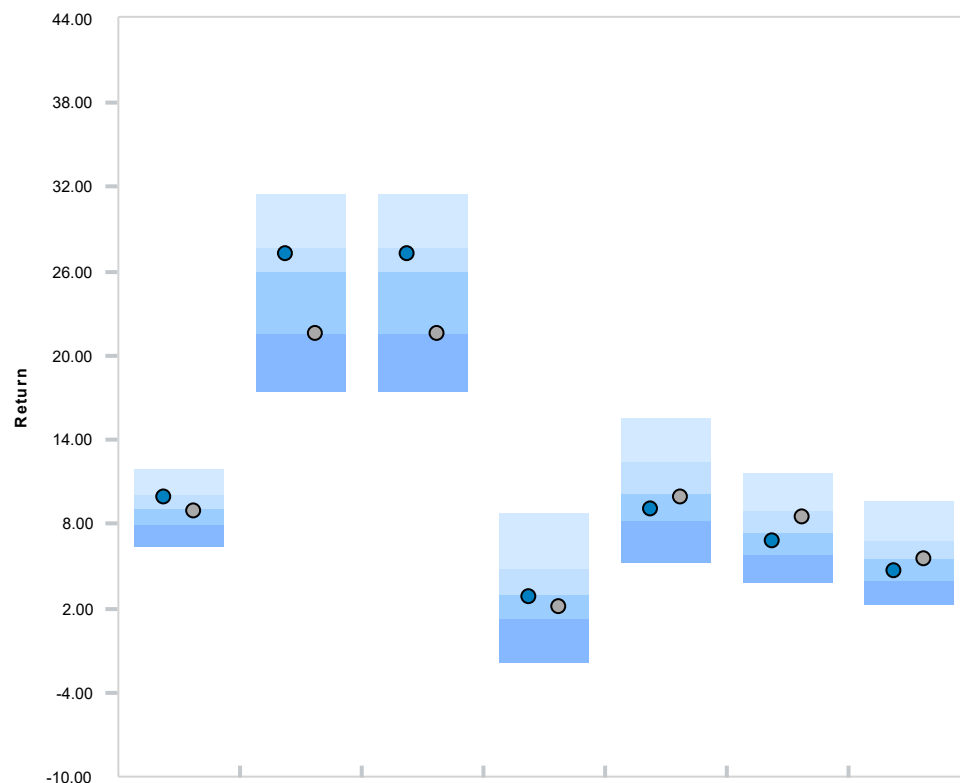
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMCX)	3.13	89.46	98.16	-1.28	-0.63	0.41	0.92	8.88
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.55	1.00	9.03

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
T. Rowe Price (TRMCX)	3.02	95.41	93.81	0.30	-0.06	0.57	0.94	7.85
Russell Midcap Value Index	0.00	100.00	100.00	0.00	N/A	0.57	1.00	8.18

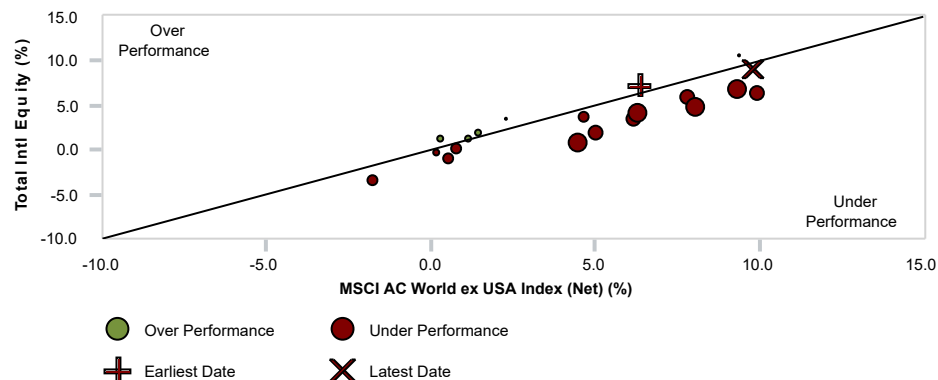
Peer Group Analysis - IM International Large Cap Equity (MF)



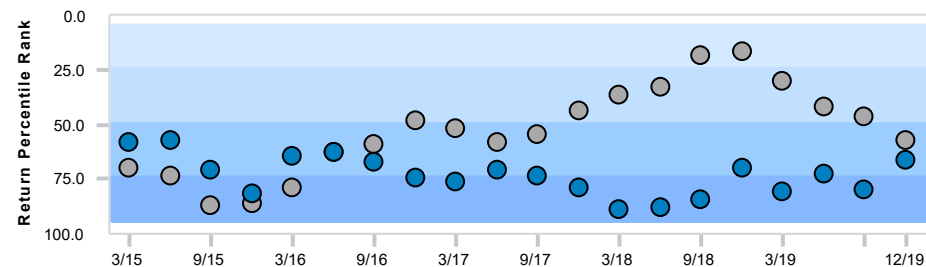
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Total Intl Equity	-1.59 (53)	3.87 (53)	13.20 (19)	-12.59 (35)	-0.84 (87)	-2.82 (64)
MSCI AC World ex USA Index (Net)	-1.80 (67)	2.98 (74)	10.31 (71)	-11.46 (18)	0.71 (42)	-2.61 (59)
IM International Large Cap Equity (MF) Median	-1.51	4.01	11.54	-13.31	0.44	-2.25

3 Yr Rolling Under/Over Performance - 5 Years

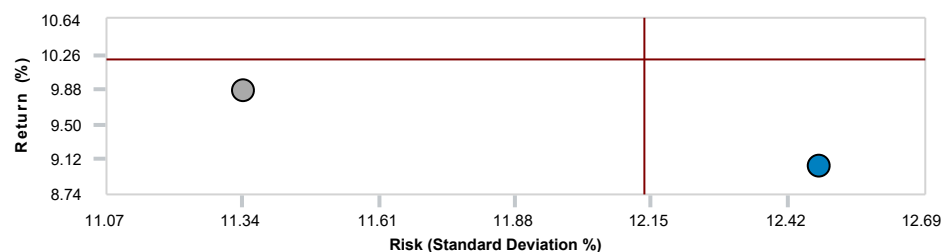


3 Yr Rolling Percentile Ranking - 5 Years



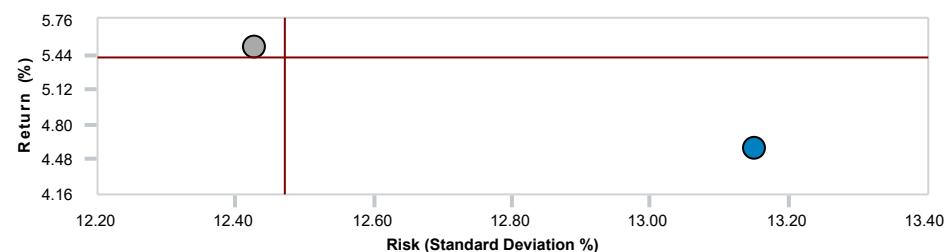
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Intl Equity	20	0 (0%)	0 (0%)	12 (60%)	8 (40%)
MSCI ACWIXUS Index	20	2 (10%)	7 (35%)	8 (40%)	3 (15%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Intl Equity	9.05	12.49
MSCI ACWIXUS Index	9.87	11.34
Median	10.21	12.14

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Intl Equity	4.58	13.15
MSCI ACWIXUS Index	5.51	12.43
Median	5.42	12.47

Historical Statistics - 3 Years

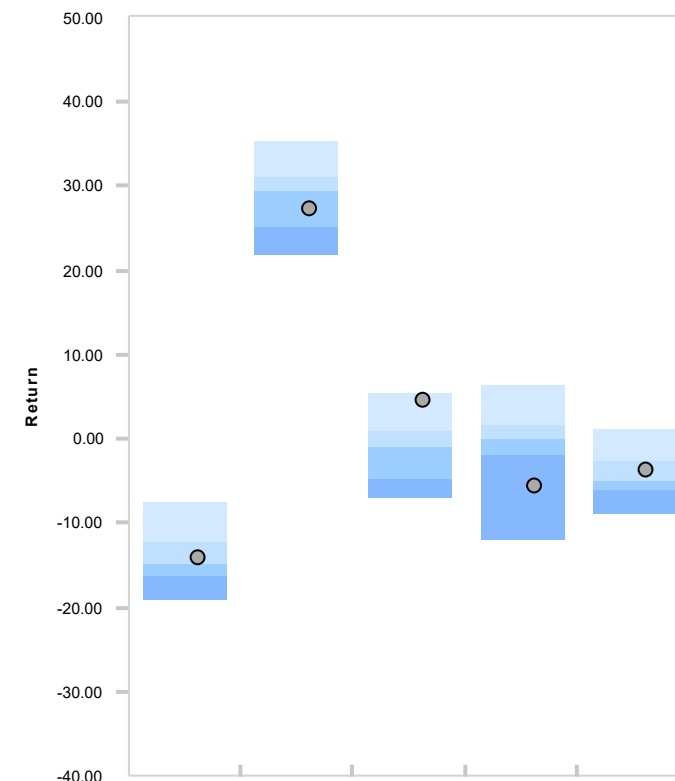
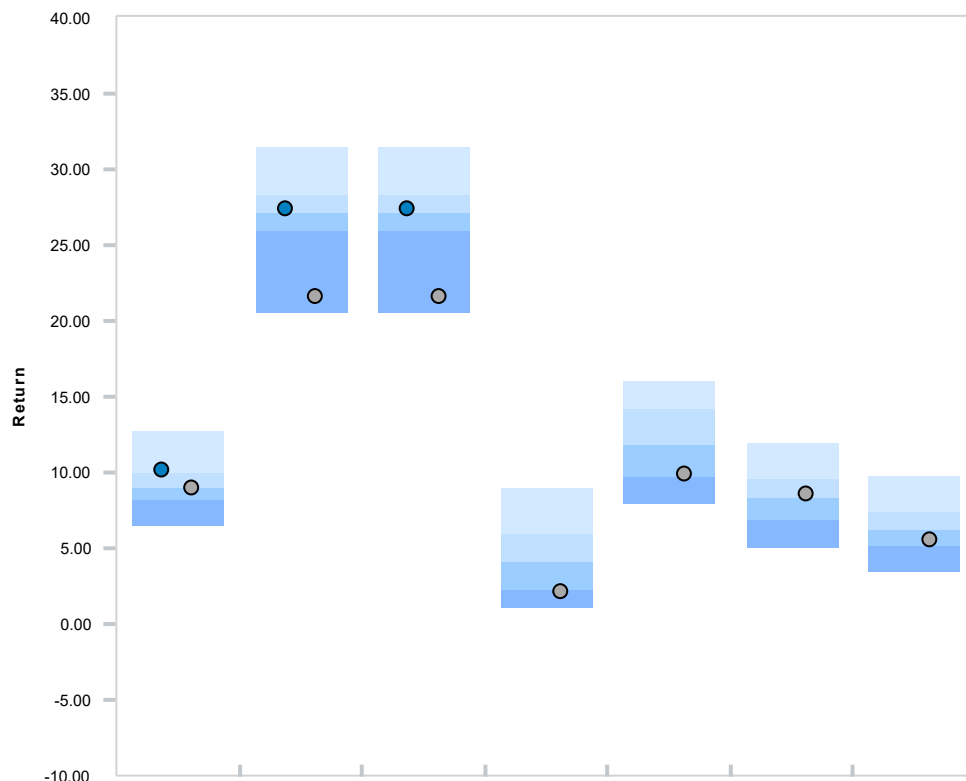
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.35	99.18	103.69	-1.23	-0.18	0.63	1.06	8.34
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.74	1.00	7.42

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Intl Equity	3.33	97.38	101.75	-0.94	-0.24	0.33	1.02	8.71
MSCI AC World ex USA Index (Net)	0.00	100.00	100.00	0.00	N/A	0.41	1.00	8.07

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Peer Group Analysis - IM International Large Cap Growth Equity (MF)



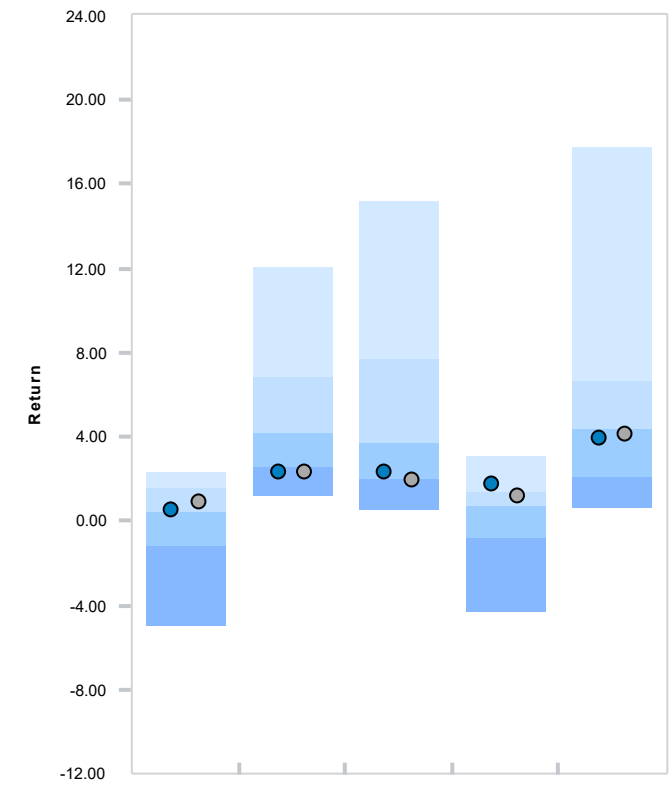
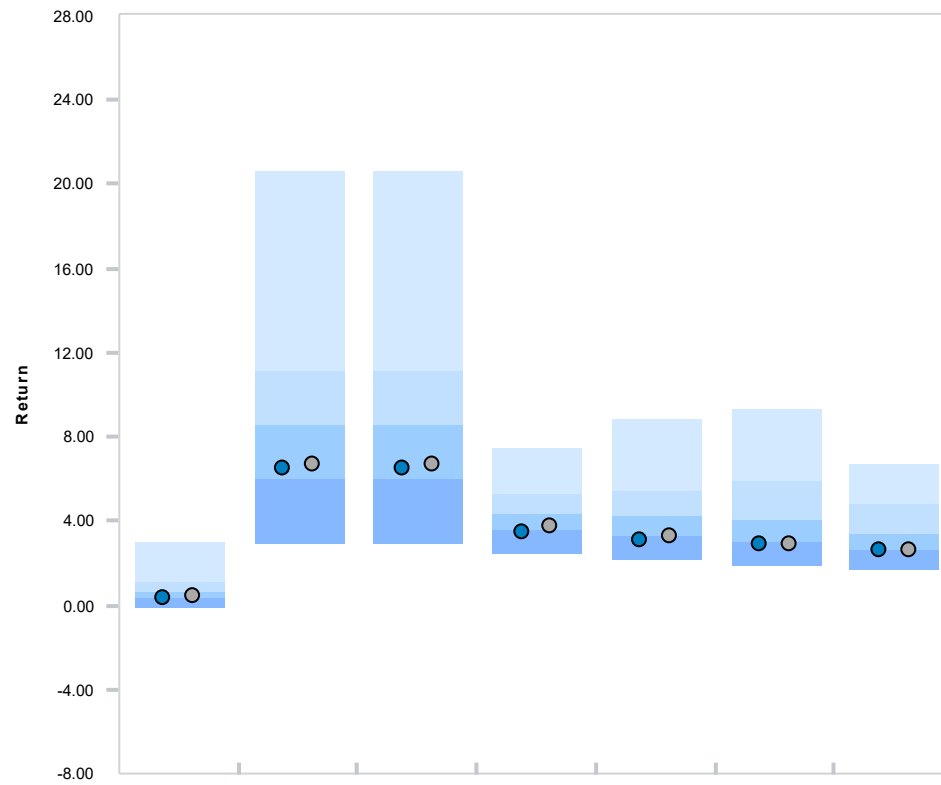
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● EuroPacific (RERGX)	10.09 (23)	27.40 (41)	27.40 (41)	N/A	N/A	N/A	N/A
● ACWI ex US Index	8.92 (53)	21.51 (94)	21.51 (94)	2.11 (78)	9.87 (74)	8.50 (45)	5.51 (68)
Median	9.00	27.05	27.05	4.04	11.87	8.26	6.14

	2018	2017	2016	2015	2014
● EuroPacific (RERGX)	N/A	N/A	N/A	N/A	N/A
● ACWI ex US Index	-14.20 (43)	27.19 (65)	4.50 (10)	-5.66 (90)	-3.87 (33)
Median	-14.98	29.50	-0.87	-0.02	-4.98

Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
EuroPacific (RERGX)	-1.59 (57)	3.87 (72)	13.20 (26)	-12.59 (42)	-0.84 (83)	-2.82 (60)
MSCI AC World ex USA Index (Net)	-1.80 (72)	2.98 (93)	10.31 (95)	-11.46 (25)	0.71 (42)	-2.61 (57)
IM International Large Cap Growth Equity (MF) Median	-1.46	4.44	12.52	-12.70	0.36	-2.31

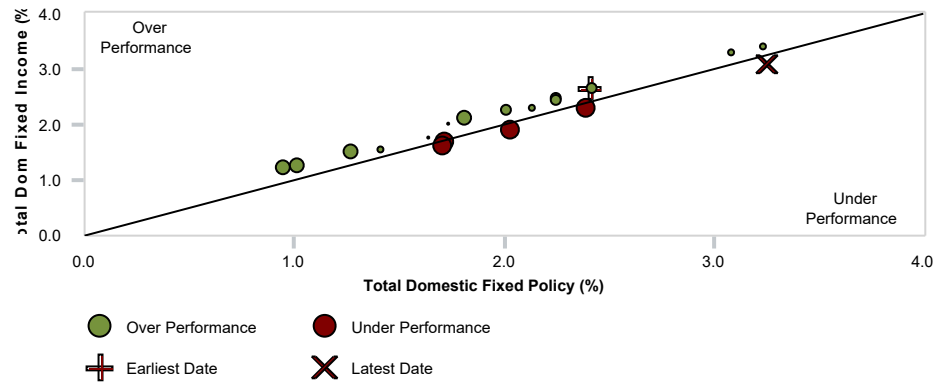
Peer Group Analysis - IM U.S. Fixed Income (SA+CF)



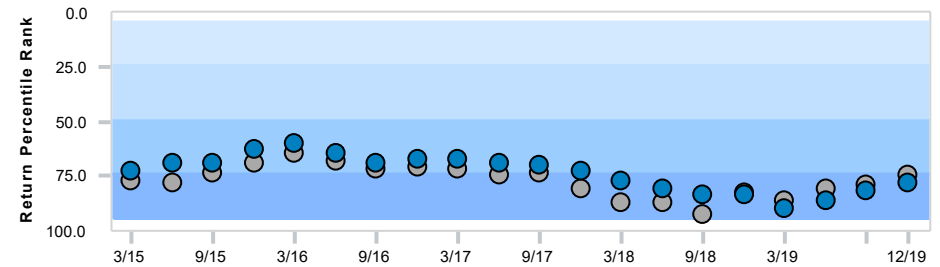
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Total Dom Fixed Income	1.54 (49)	2.29 (61)	2.16 (76)	1.14 (35)	0.21 (70)	0.16 (57)
Total Domestic Fixed Policy	1.38 (57)	2.39 (59)	2.28 (74)	1.80 (10)	0.11 (77)	0.09 (62)
IM U.S. Fixed Income (SA+CF) Median	1.49	2.58	3.21	0.70	0.47	0.27

3 Yr Rolling Under/Over Performance - 5 Years

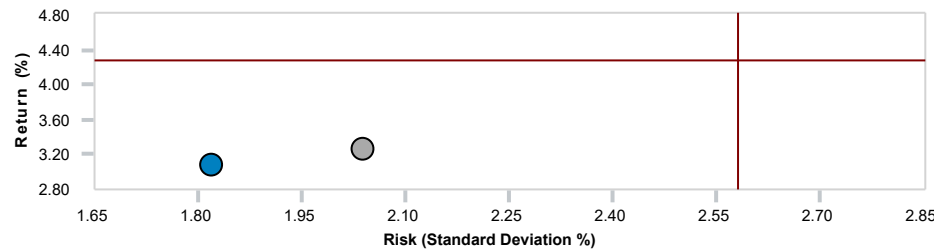


3 Yr Rolling Percentile Ranking - 5 Years



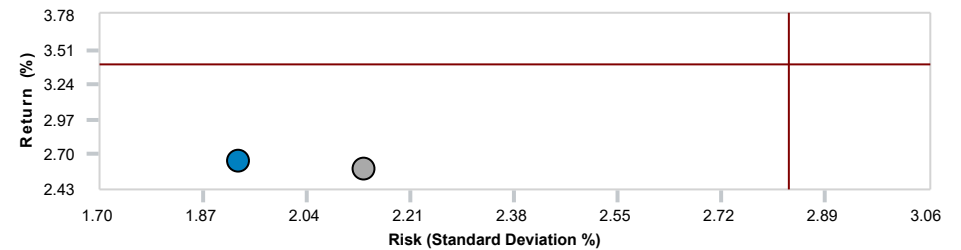
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Dom Fixed Income	20	0 (0%)	0 (0%)	12 (60%)	8 (40%)
Total Dom Fixed Policy	20	0 (0%)	0 (0%)	10 (50%)	10 (50%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Dom Fixed Income	3.07	1.82
Total Dom Fixed Policy	3.26	2.04
Median	4.27	2.58

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Dom Fixed Income	2.64	1.93
Total Dom Fixed Policy	2.59	2.13
Median	3.40	2.83

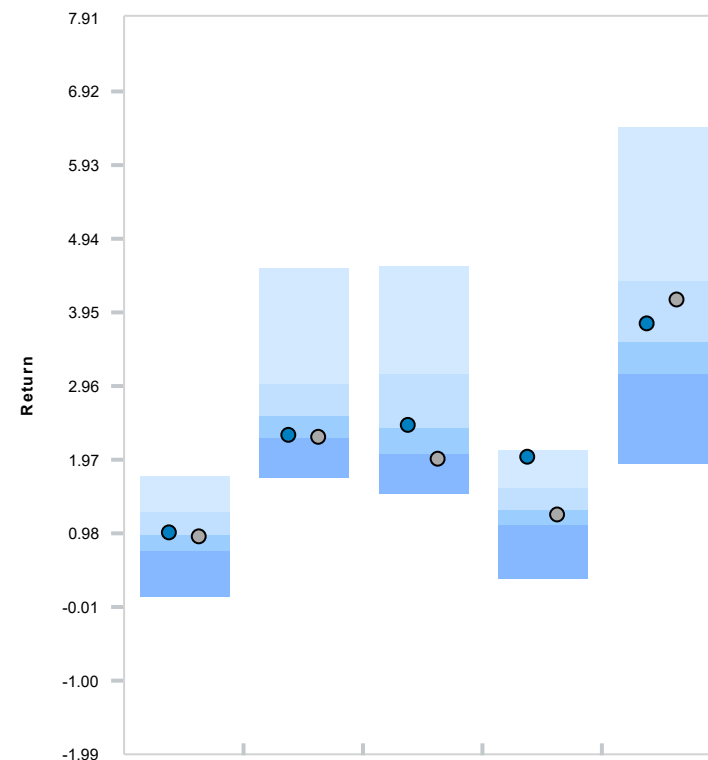
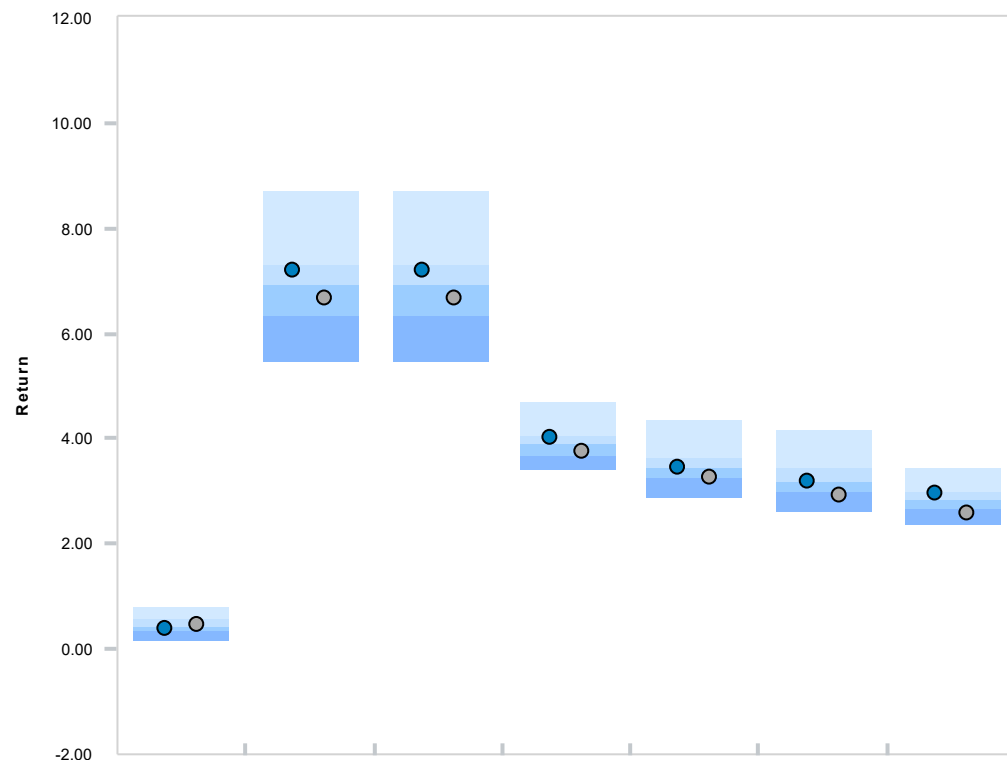
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	0.47	93.39	91.50	0.22	-0.40	0.80	0.87	0.77
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	0.80	1.00	0.85

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Dom Fixed Income	0.41	95.35	84.96	0.33	0.12	0.84	0.89	0.97
Total Domestic Fixed Policy	0.00	100.00	100.00	0.00	N/A	0.74	1.00	1.10

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



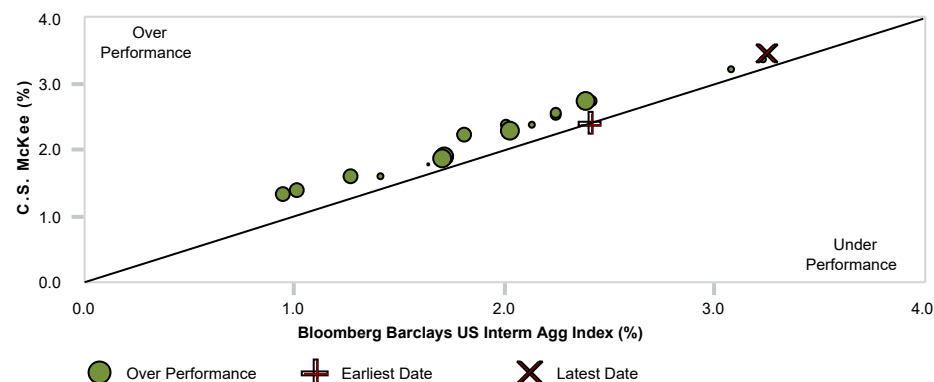
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● C.S. McKee	0.38 (67)	7.18 (34)	7.18 (34)	4.03 (29)	3.45 (51)	3.19 (51)	2.95 (32)
● Blmbg Intermed Agg	0.47 (48)	6.67 (64)	6.67 (64)	3.76 (71)	3.26 (74)	2.93 (82)	2.59 (80)
Median	0.44	6.92	6.92	3.88	3.45	3.19	2.83

	2018	2017	2016	2015	2014
● C.S. McKee	0.97 (48)	2.30 (71)	2.43 (47)	1.98 (8)	3.79 (43)
● Blmbg Intermed Agg	0.92 (51)	2.27 (76)	1.97 (79)	1.21 (63)	4.12 (31)
Median	0.95	2.55	2.39	1.30	3.56

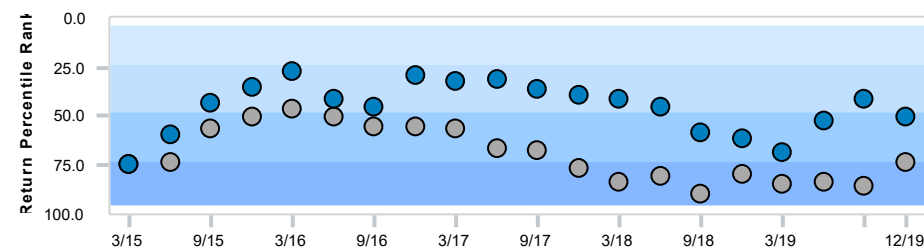
Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
C.S. McKee	1.63 (13)	2.49 (54)	2.51 (41)	1.50 (36)	0.20 (86)	0.23 (24)
Bloomberg Barclays US Interm Agg Index	1.38 (59)	2.39 (68)	2.28 (71)	1.80 (9)	0.11 (96)	0.09 (61)
IM U.S. Intermediate Duration (SA+CF) Median	1.42	2.51	2.45	1.39	0.37	0.12

3 Yr Rolling Under/Over Performance - 5 Years

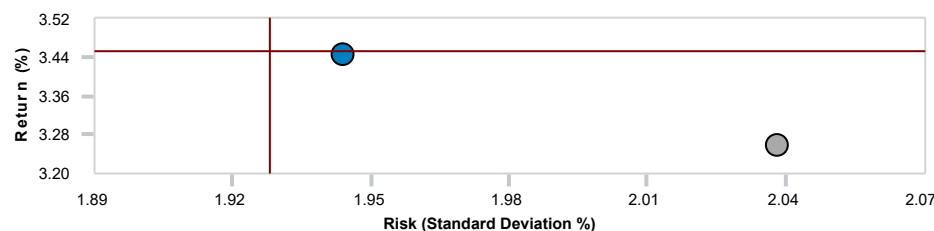


3 Yr Rolling Percentile Ranking - 5 Years



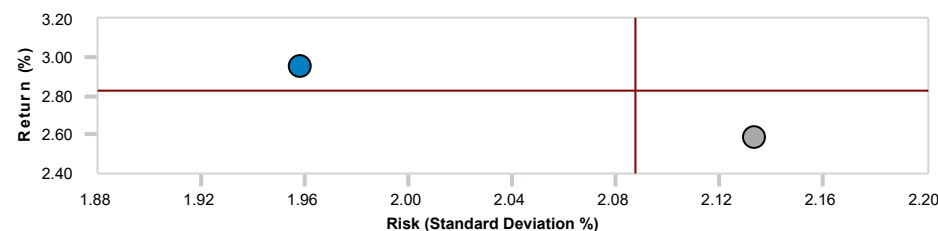
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
● C.S. McKee	20	0 (0%)	13 (65%)	7 (35%)	0 (0%)
● Blmbg Interm Agg	20	0 (0%)	1 (5%)	11 (55%)	8 (40%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
● C.S. McKee	3.45	1.94
● Blmbg Interm Agg	3.26	2.04
— Median	3.45	1.93

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
● C.S. McKee	2.95	1.96
● Blmbg Interm Agg	2.59	2.13
— Median	2.83	2.09

Historical Statistics - 3 Years

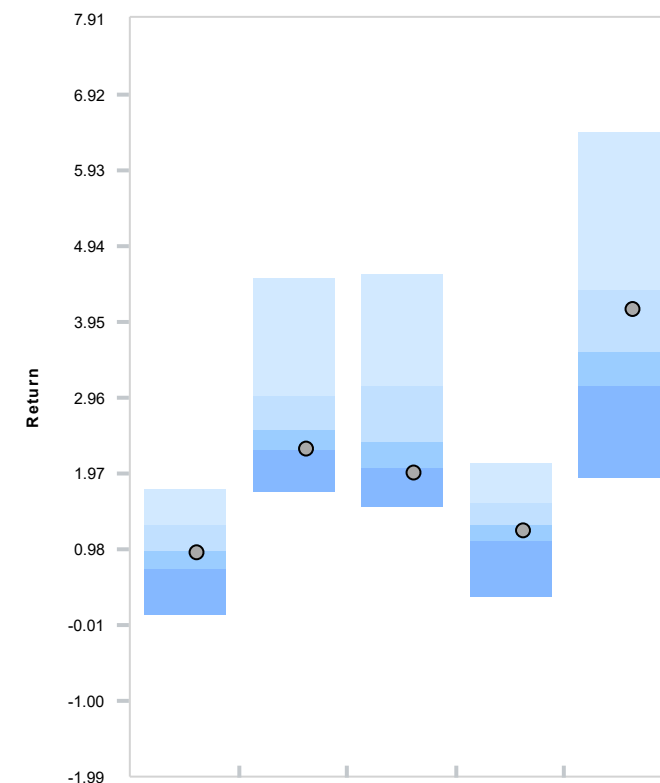
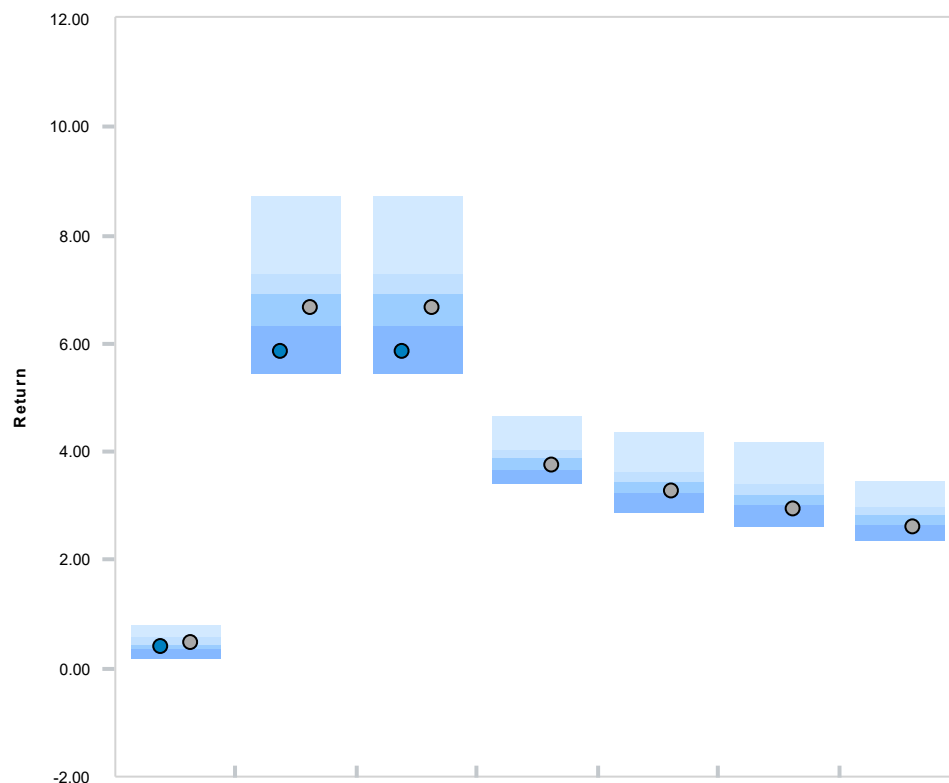
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
C.S. McKee	0.49	101.42	91.39	0.42	0.37	0.94	0.93	0.77
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	0.80	1.00	0.85

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
C.S. McKee	0.47	100.14	78.59	0.62	0.75	0.99	0.90	0.91
Bloomberg Barclays US Interm Agg Index	0.00	100.00	100.00	0.00	N/A	0.74	1.00	1.10

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Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



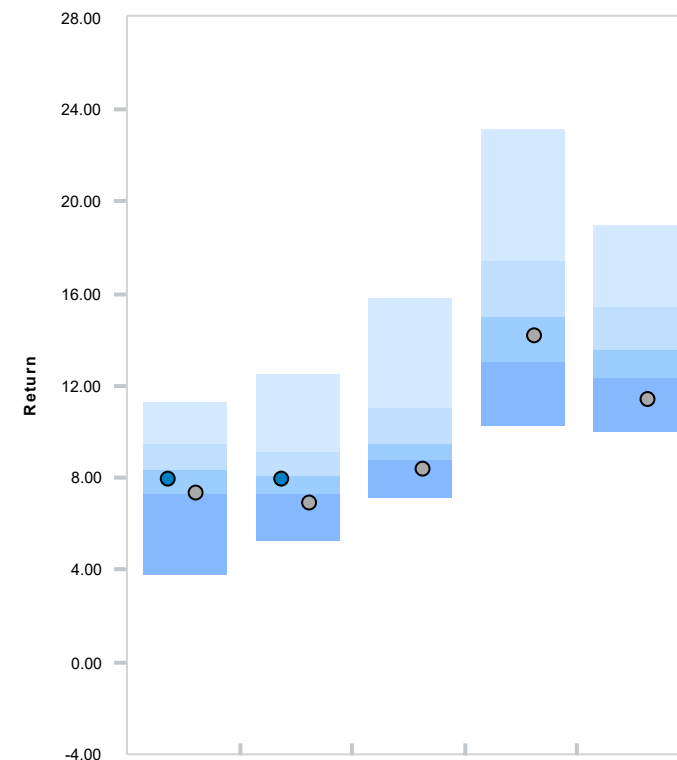
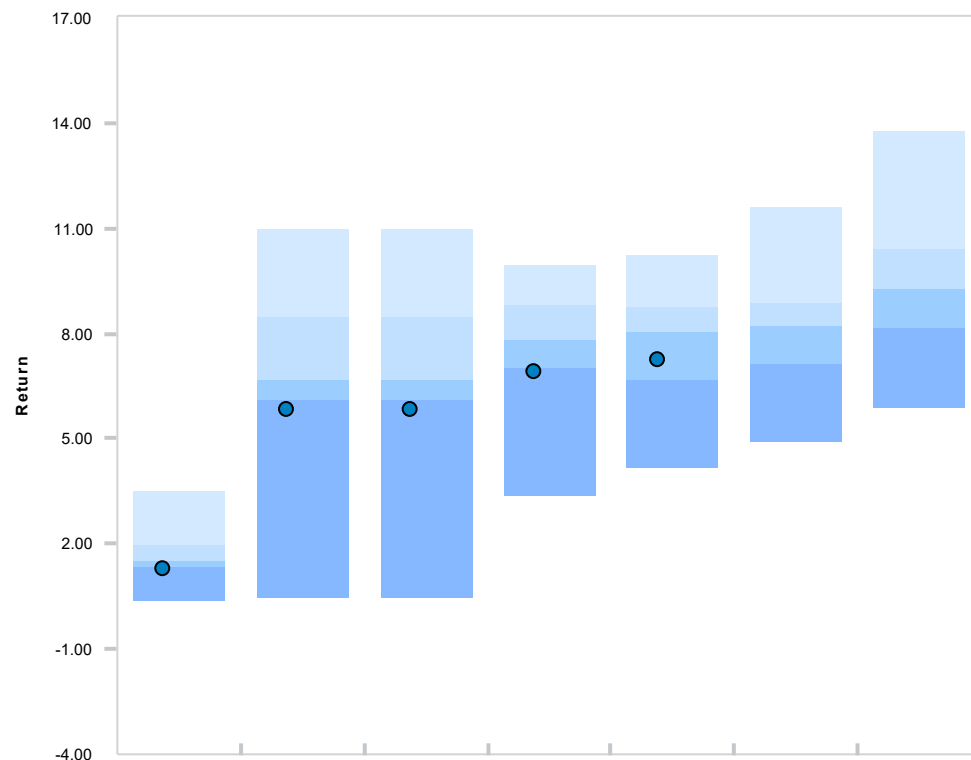
	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR
● Garcia Hamilton	0.38 (67)	5.86 (90)	5.86 (90)	N/A	N/A	N/A	N/A
● BB Intermed Agg Index	0.47 (48)	6.67 (64)	6.67 (64)	3.76 (71)	3.26 (74)	2.93 (82)	2.59 (80)
Median	0.44	6.92	6.92	3.88	3.45	3.19	2.83

	2018	2017	2016	2015	2014
● Garcia Hamilton	N/A	N/A	N/A	N/A	N/A
● BB Intermed Agg Index	0.92 (51)	2.27 (76)	1.97 (79)	1.21 (63)	4.12 (31)
Median	0.95	2.55	2.39	1.30	3.56

Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Garcia Hamilton	1.45 (38)	2.09 (85)	1.83 (93)	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	1.38 (59)	2.39 (68)	2.28 (71)	1.80 (9)	0.11 (96)	0.09 (61)
IM U.S. Intermediate Duration (SA+CF) Median	1.42	2.51	2.45	1.39	0.37	0.12

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTR	FYTD	1 YR	2 YR	3 YR	4 YR	5 YR		2018	2017	2016	2015	2014
Principal Real Estate	1.25 (80)	5.84 (79)	5.84 (79)	6.89 (78)	7.23 (70)	N/A	N/A	Principal Real Estate	7.94 (60)	7.91 (54)	N/A	N/A	N/A
NCREIF-ODCE (EW) (Net)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NCREIF-ODCE (EW) (Net)	7.30 (76)	6.92 (80)	8.36 (82)	14.18 (70)	11.42 (87)
Median	1.51	6.66	6.66	7.79	8.02	8.21	9.30	Median	8.35	8.07	9.47	15.01	13.51

Comparative Performance

	1 Qtr Ending Sep-2019	1 Qtr Ending Jun-2019	1 Qtr Ending Mar-2019	1 Qtr Ending Dec-2018	1 Qtr Ending Sep-2018	1 Qtr Ending Jun-2018
Principal Real Estate	1.59 (65)	1.26 (64)	1.62 (79)	1.21 (80)	2.46 (29)	2.19 (51)
NCREIF Fund Index-ODCE (EW) (Net)	1.18 (83)	1.12 (76)	1.48 (80)	1.39 (73)	1.88 (66)	1.89 (79)
IM U.S. Open End Private Real Estate (SA+CF) Median	1.79	1.43	1.99	1.75	2.09	2.20

Portfolio Characteristics (Benchmark: Russell 1000 Value Index)

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$)	183,485,687,067	131,913,417,271
Median Mkt. Cap (\$)	51,991,878,110	9,882,157,095
Price/Earnings ratio	17.1	18.4
Price/Book ratio	2.7	2.3
5 Yr. EPS Growth Rate (%)	10.6	6.2
Current Yield (%)	1.8	2.5
Beta (5 Years, Monthly)	1.14	1.00
Number of Stocks	34	764

Top Ten Equity Holdings (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Qtr Rtrn
Liberty Broadband Corp	3.8	0.0	3.8	19.2
Goldman Sachs Group Inc	3.7	0.5	3.2	11.6
Berkshire Hathaway Inc	3.7	3.1	0.6	8.9
Bank of America Corp	3.5	2.0	1.5	21.4
Capital One Financial Corp.	3.4	0.3	3.1	13.6
JPMorgan Chase & Co	3.4	3.0	0.4	19.4
Liberty Media SiriusXM	3.4	0.1	3.3	14.7
Johnson & Johnson	3.4	2.3	1.1	13.5
Ingersoll-Rand PLC	3.2	0.0	3.2	8.3
Apple Inc	3.2	0.0	3.2	31.5

Ten Best Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
Skyworks Solutions Inc	2.6	0.1	2.5	53.2
Regeneron Pharma	2.5	0.2	2.3	35.4
Apple Inc	3.2	0.0	3.2	31.5
Biogen Inc	2.9	0.2	2.7	27.5
Anthem Inc	2.5	0.4	2.1	26.1
Amgen Inc	2.7	0.1	2.6	25.4
Discovery Inc	3.1	0.1	3.0	23.8
Bank of America Corp	3.5	2.0	1.5	21.4
NetApp Inc	2.7	0.0	2.7	19.7
JPMorgan Chase & Co	3.4	3.0	0.4	19.4

Ten Worst Performers (Benchmark: Russell 1000 Value Index)

	Portfolio Wt	Benchmark Wt	Active Wt	Quarterly Rtrn
eBay Inc.	2.9	0.0	2.9	-7.0
Cisco Systems Inc	2.4	0.0	2.4	-2.2
Exxon Mobil Corp	1.8	2.1	-0.3	0.0
Walmart Inc	2.6	1.2	1.4	0.6
Landstar System Inc	3.0	0.0	3.0	1.3
McKesson Corp	2.2	0.2	2.0	1.5
Acuity Brands Inc.	3.0	0.0	3.0	2.5
Verizon Communications Inc	2.7	1.8	0.9	2.8
Gilead Sciences Inc	2.2	0.5	1.7	3.5
Prudential Financial Inc	2.5	0.3	2.2	5.3

Buy and Hold Sector Attribution (Benchmark: Russell 1000 Value Index)

						Portfolio Comparison		
Allocation		Performance		Attribution		Seizert Capital		
	Portfolio	Benchmark	Portfolio	Benchmark	Stock	Sector	Total	Market Capitalization (%)
Communication Services	16.0	8.2	14.21	6.75	1.19	-0.05	1.14	Greater than 25000M
Consumer Discretionary	3.2	6.1	-7.00	4.11	-0.36	0.10	-0.26	16000M To 25000M
Consumer Staples	3.8	9.2	0.58	3.49	-0.11	0.21	0.10	12000M To 16000M
Energy	2.1	8.4	0.04	5.72	-0.12	0.11	-0.01	8000M To 12000M
Financials	19.8	23.6	13.45	9.97	0.69	-0.10	0.59	5000M To 8000M
Health Care	20.7	12.4	18.94	12.02	1.43	0.38	1.81	3000M To 5000M
Industrials	14.7	9.4	7.44	9.01	-0.23	0.08	-0.15	Cash
Information Technology	15.5	6.0	19.87	12.18	1.19	0.45	1.64	
Materials	0.0	4.3	0.00	8.07	0.00	-0.03	-0.03	
Real Estate	0.0	5.5	0.00	-0.04	0.00	0.41	0.41	
Utilities	0.0	7.0	0.00	0.54	0.00	0.48	0.48	
Cash	4.4	0.0	0.00	0.00	0.00	-0.32	-0.32	
Total	100.0	100.0	12.82	7.41	3.69	1.72	5.42	

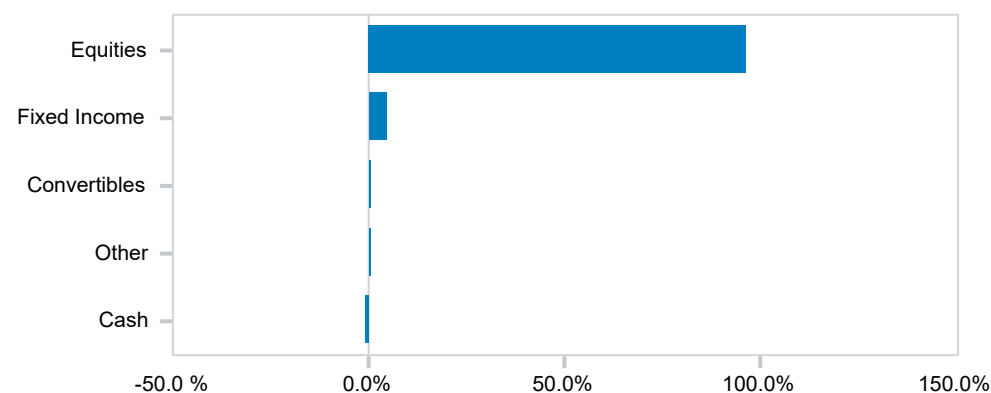
Fund Information

Fund Name :	Legg Mason Partners Equity Trust: ClearBridge Large Cap Growth Fund; Class IS Shares	Portfolio Assets :	\$14,494 Million
Fund Family :	Legg Mason	Portfolio Manager :	Bourbeau/Vitrano
Ticker :	LSITX	PM Tenure :	2013--2013
Inception Date :	03/15/2013	Fund Style :	IM U.S. Large Cap Growth Equity (MF)
Fund Assets :	\$2,959 Million	Style Benchmark :	Russell 1000 Growth Index
Portfolio Turnover :	20%		

Fund Investment Policy

The Fund seeks long-term capital growth by investing in equity securities of firms with large market capitalizations, including U.S. exchanged-traded and over-the-counter common stocks, convertible securities and warrants and rights related to equity securities. Selecting the best value among growth firms is stressed.

Asset Allocation As of 06/30/2019



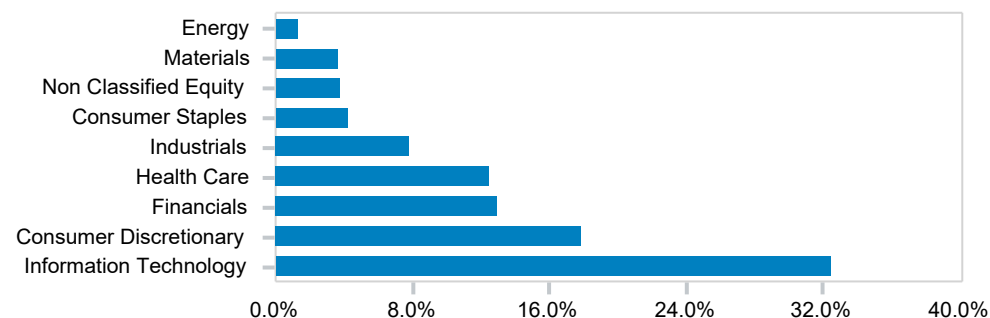
Fund Characteristics As of 06/30/2019

Total Securities	50
Avg. Market Cap	\$277,393 Million
P/E	33.0
P/B	9.3
Div. Yield	1.7%
Annual EPS	33.8
5Yr EPS	23.3
3Yr EPS Growth	27.4

Top Ten Securities As of 06/30/2019

Amazon.com Inc ORD	6.5 %
Facebook Inc ORD	5.2 %
Microsoft Corp ORD	4.8 %
Visa Inc ORD	4.4 %
JPMorgan 100% US Treasury Secs	4.3 %
UnitedHealth Group Inc ORD	3.1 %
Adobe Inc ORD	2.9 %
Alphabet Inc ORD	2.7 %
Walt Disney Co ORD	2.7 %
Zoetis Inc ORD	2.4 %

Sector/Quality Allocation As of 06/30/2019



Fund Information

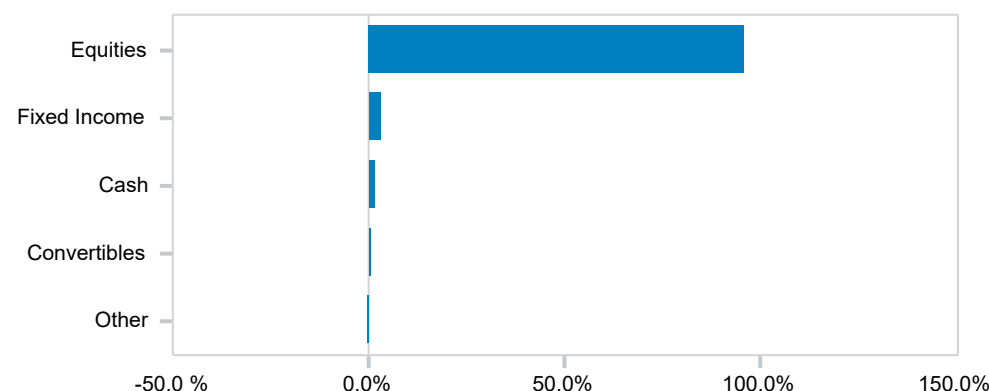
Fund Name : T Rowe Price Mid-Cap Value Fund, Inc
Fund Family : T Rowe Price Associates Inc
Ticker : TRMCX
Inception Date : 06/28/1996
Fund Assets : \$8,693 Million
Portfolio Turnover : 34%

Portfolio Assets : \$12,098 Million
Portfolio Manager : David J. Wallack
PM Tenure : 2000
Fund Style : IM U.S. Mid Cap Value Equity (MF)
Style Benchmark : Russell Midcap Value Index

Fund Investment Policy

The Fund seeks long-term capital appreciation by using a value-oriented approach. The Fund invests in common stocks of medium sized companies believed to be undervalued in the marketplace.

Asset Allocation As of 06/30/2019



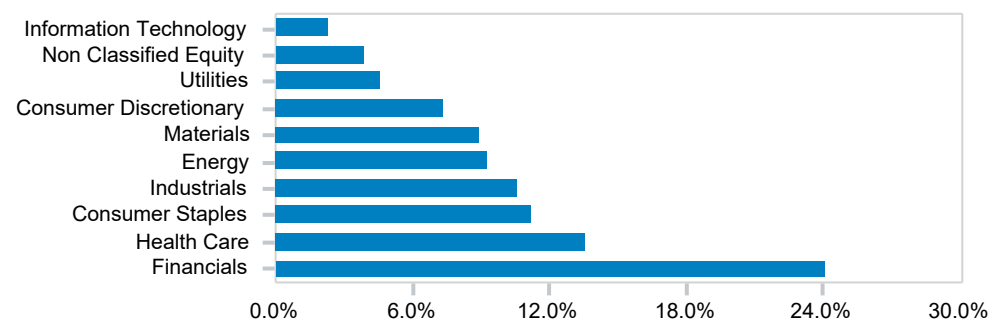
Fund Characteristics As of 06/30/2019

Total Securities : 108
Avg. Market Cap : \$14,423 Million
P/E : 26.9
P/B : 2.6
Div. Yield : 2.4%
Annual EPS : 16.8
5Yr EPS : 9.6
3Yr EPS Growth : 14.5

Top Ten Securities As of 06/30/2019

T Rowe Price Government Money Fund	4.8 %
Bunge Ltd ORD	2.2 %
Northern Trust Corp ORD	2.1 %
Textron Inc ORD	2.0 %
Flowers Foods Inc ORD	1.9 %
EQT Corp ORD	1.9 %
Newmont Goldcorp Corp ORD	1.9 %
FirstEnergy Corp ORD	1.8 %
Fifth Third Bancorp ORD	1.8 %
Carlsberg A/S ORD	1.7 %

Sector/Quality Allocation As of 06/30/2019



Fund Information

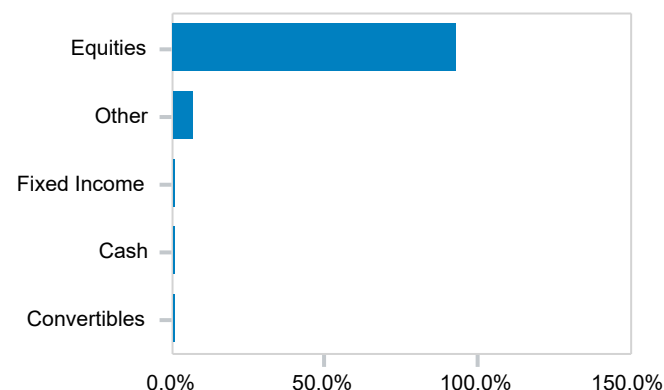
Fund Name : EuroPacific Growth Fund; Class R6 Shares
Fund Family : American Funds
Ticker : REGRX
Inception Date : 05/01/2009
Fund Assets : \$68,610 Million
Portfolio Turnover : 35%

Portfolio Assets : \$155,455 Million
Portfolio Manager : Team Managed
PM Tenure :
Fund Style : IM International Large Cap Growth Equity (MF)
Style Benchmark : MSCI EAFE Growth

Fund Investment Policy

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

Asset Allocation As of 06/30/2019



Top Ten Securities As of 06/30/2019

Capital Group Central Cash Fund;	6.4 %
AIA Group Ltd ORD	3.0 %
Airbus SE ORD	2.9 %
HDFC Bank Ltd ORD	2.5 %
Alibaba Group Holding Ltd DR	2.4 %
Nintendo Co Ltd ORD	2.3 %
Reliance Industries Ltd ORD	2.2 %
Samsung Electronics Co Ltd ORD	1.7 %
ASML Holding NV ORD	1.6 %
Vale SA DR	1.5 %

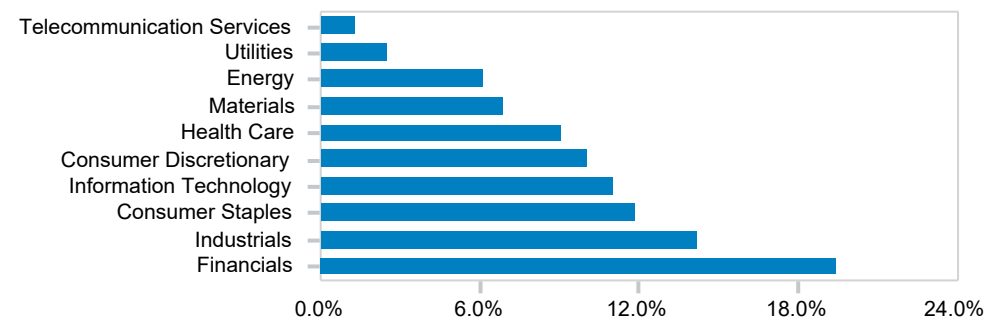
Top 5 Countries As of 06/30/2019

Japan	12.7 %
India	8.7 %
China	7.8 %
United Kingdom	7.7 %
Netherlands	6.9 %

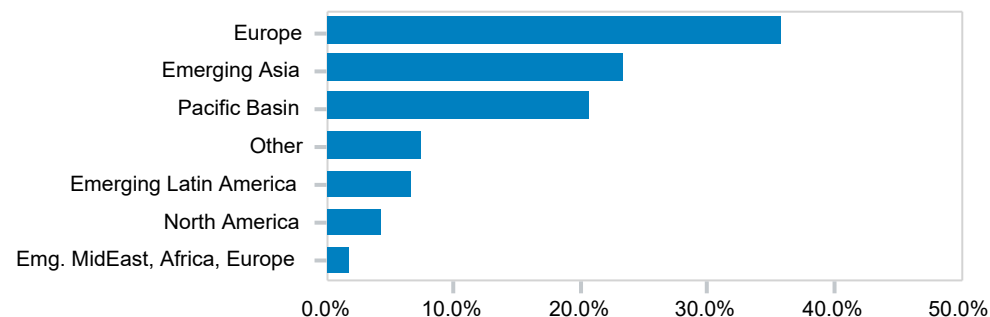
Fund Characteristics As of 06/30/2019

Total Securities	329
Avg. Market Cap	\$85,205 Million
P/E	26.6
P/B	5.0
Div. Yield	1.8%
Annual EPS	14.0
5Yr EPS	15.0
3Yr EPS Growth	21.9

Sector/Quality Allocation As of 06/30/2019



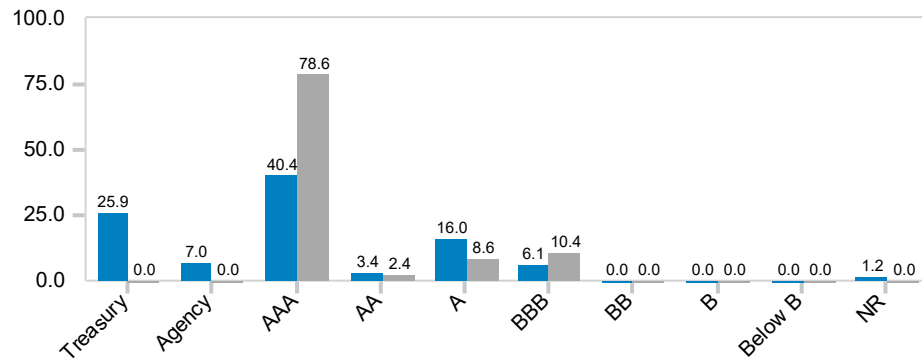
Regional Allocation As of 06/30/2019



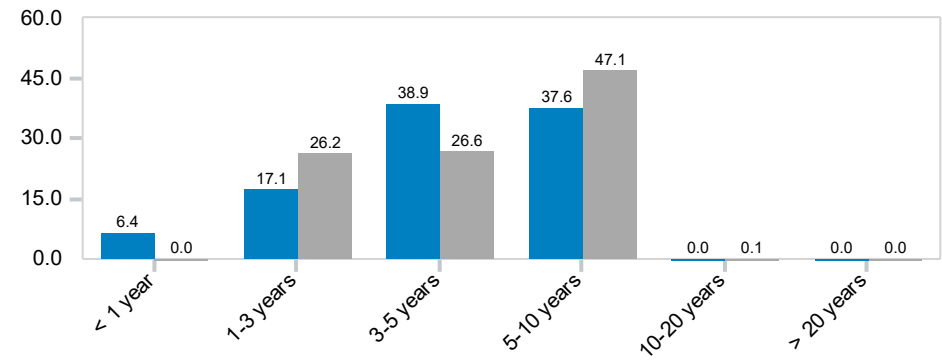
Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	4.55	4.73
Avg. Quality	Aa1	AA+
Coupon Rate (%)	2.92	2.97
Current Yield	2.82	2.87
Effective Duration	3.73	3.81

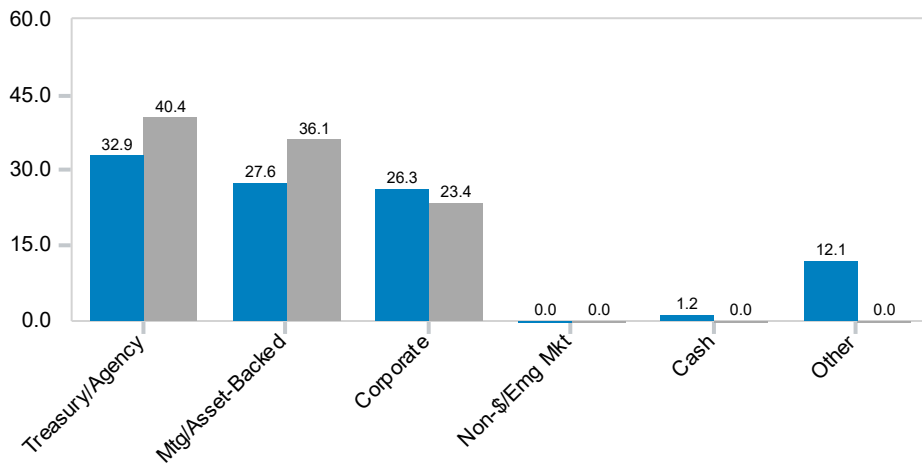
Credit Quality Distribution (%)



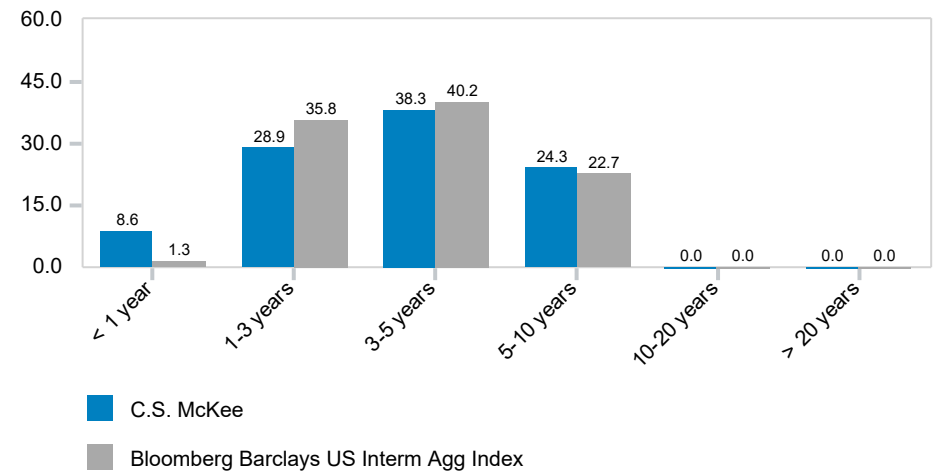
Maturity Distribution (%)



Sector Distribution (%)



Duration Distribution (%)



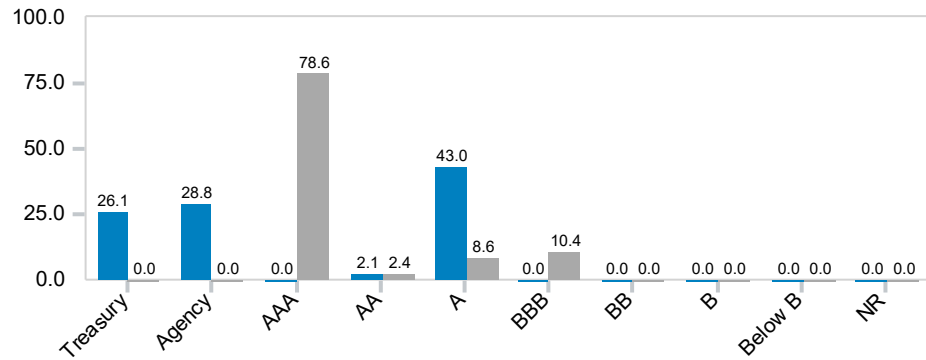
C.S. McKee

Bloomberg Barclays US Interm Agg Index

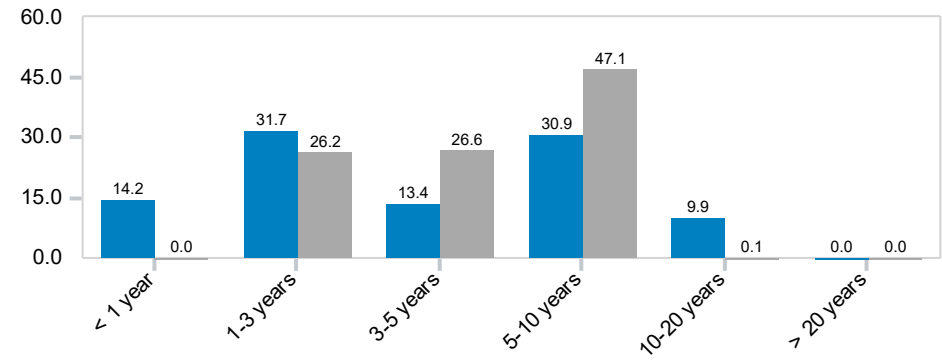
Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	5.07	4.73
Avg. Quality	AA	AA+
Coupon Rate (%)	2.52	2.97
Current Yield	2.37	2.87
Effective Duration	2.77	3.81

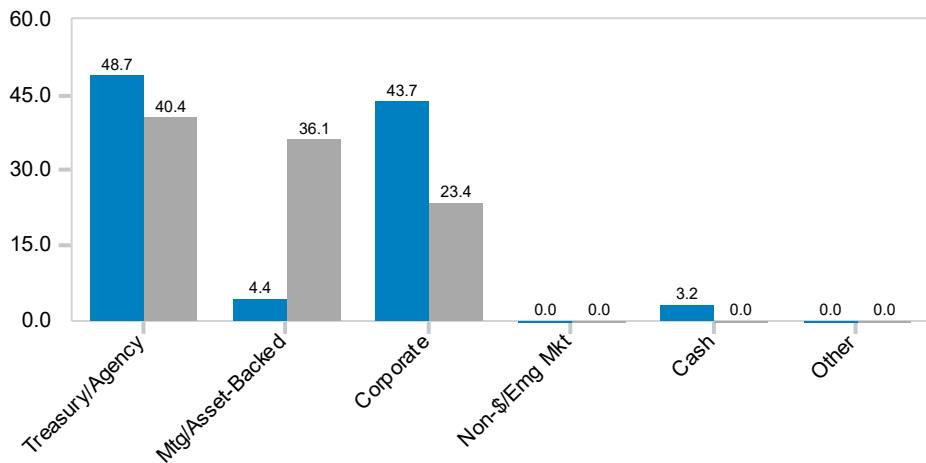
Credit Quality Distribution (%)



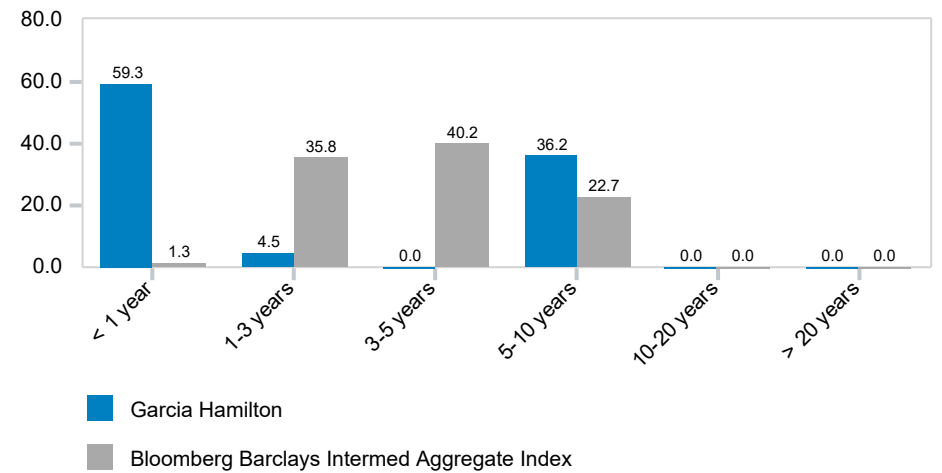
Maturity Distribution (%)



Sector Distribution (%)



Duration Distribution (%)



Garcia Hamilton

Bloomberg Barclays Intermed Aggregate Index

Comparative Performance							
	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
Fire Total Fund	5.98	18.19	18.19	8.07	6.39	7.78	7.57
Fire - Total Fund Policy	5.23	19.10	19.10	8.74	6.86	8.40	8.20
Total Domestic Equity	9.92	27.67	27.67	12.11	10.13	13.21	12.31
Russell 3000 Index	9.10	31.02	31.02	14.57	11.24	14.38	13.42
Seizert	12.43	29.89	29.89	10.61	9.13	13.02	12.21
Russell 1000 Value Index	7.41	26.54	26.54	9.68	8.29	12.20	11.80
ClearBridge (LSITX)	9.04	32.21	32.21	N/A	N/A	N/A	N/A
Russell 1000 Growth Index	10.62	36.39	36.39	20.49	14.63	16.92	15.22
T. Rowe Price (TRMCX)	7.86	19.61	19.61	6.09	7.48	11.08	10.71
Russell Midcap Value Index	6.36	27.06	27.06	8.10	7.62	12.00	12.41
Total International Equity	9.95	27.23	27.23	9.05	4.58	4.51	5.09
MSCI AC World ex USA (Net)	8.92	21.51	21.51	9.87	5.51	5.44	4.97
AF EuroPacific Growth (RERGX)	10.09	27.40	27.40	N/A	N/A	N/A	N/A
MSCI AC World ex USA (Net)	8.92	21.51	21.51	9.87	5.51	5.44	4.97
Total Domestic Fixed Income	0.34	6.35	6.35	2.80	2.34	2.00	2.96
Total Domestic Fixed Policy	0.47	6.67	6.67	3.26	2.59	2.28	3.07
C.S. McKee	0.31	6.86	6.86	3.14	2.64	2.20	N/A
Bloomberg Barclays US Interm Agg Index	0.47	6.67	6.67	3.26	2.59	2.28	3.15
Garcia Hamilton	0.38	5.86	5.86	N/A	N/A	N/A	N/A
Bloomberg Barclays Intermed Aggregate Index	0.47	6.67	6.67	3.26	2.59	2.28	3.15
Cash	0.11	0.53	0.53	0.42	0.27	0.21	0.18
90 Day U.S. Treasury Bill	0.46	2.28	2.28	1.67	1.05	0.76	0.56

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

**Village of Winnetka Fire
Total Fund
As of December 31, 2019**

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Fire Total Fund	31,448,381	0.54	170,084
Seizert Capital	5,253,601	0.55	28,895
ClearBridge (LSITX)	5,048,414	0.77	38,873
T. Rowe Price (TRMCX)	4,324,121	0.80	34,593
AF EuroPacific Growth (RERGX)	4,415,131	0.50	22,076
C.S. McKee	5,305,980	0.30	15,918
Garcia Hamilton	5,151,988	0.25	12,880
Principal Real Estate	1,531,839	1.10	16,850

Historical Hybrid Composition

Allocation Mandate	Weight (%)
Jan-1979	
Russell 3000 Index	40.00
MSCI EAFE (Net) Index	5.00
Blmbg. Barc. U.S. Government	55.00
Jul-2011	
Russell 3000 Index	45.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	50.00
Oct-2012	
Russell 3000 Index	50.00
MSCI EAFE (Net) Index	5.00
Bloomberg Barclays Intermed Aggregate Index	45.00
Oct-2013	
Russell 1000 Value Index	18.50
Russell 1000 Growth Index	18.50
Russell Midcap Value Index	15.00
MSCI AC World ex USA (Net)	12.00
Bloomberg Barclays Intermed Aggregate Index	36.00
Sep-2016	
Russell 1000 Value Index	17.00
Russell 1000 Growth Index	17.00
Russell Midcap Value Index	15.00
MSCI AC World ex USA (Net)	11.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
Bloomberg Barclays Intermed Aggregate Index	35.00
Mar-2018	
Russell 1000 Value Index	15.50
Russell 1000 Growth Index	15.50
Russell Midcap Value Index	13.00
MSCI AC World ex USA (Net)	16.00
NCREIF Fund Index-ODCE (EW) (Net)	5.00
Bloomberg Barclays Intermed Aggregate Index	35.00

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

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WINNETKA FIRE					
Affidavits of Eligibility		2019	Date Due:	7/1/2019	
Name	PR FOLDER / MAILED	Date mailed	Date emailed	Date received	NOTES:
Adams, Steve			6/3/2019	6/20/2019	
Bernhauser, Patricia			6/3/2019	6/11/2019	
Carney, Nancy			6/3/2019	8/23/2019	
Childs, Mary			6/3/2019	6/11/2019	
Colpaert, Ron			6/3/2019	6/25/2019	**Use Winnetka Affidavit for Waukegan**
Conversa, Dan			6/3/2019	6/18/2019	
Dietz, Arthur			6/3/2019	6/18/2019	
Dini, Janet			6/3/2019	6/14/2019	
Fragassi, James			6/3/2019	6/14/2019	
Gaughan, John			6/3/2019	11/18/2019	2nd Request 8/14 Due 9/11, Emailed on 11/15 due 11/22
Gherardini, Raymond			6/3/2019	6/6/2019	
Hassenauer, Steve			6/3/2019	7/2/2019	
Hughes, Mike			6/3/2019	6/6/2019	
Jackson, Debra			6/3/2019	XX	NOT A PENSIONER
Laureys, Steve			6/3/2019	6/25/2019	
Lindemann, Gary			6/3/2019	6/7/2019	
McCoy, Deirdre			6/3/2019	6/11/2019	
Minogue, Jim			6/3/2019	7/11/2019	
Nelson, John			6/3/2019	6/4/2019	
Ottlenger, James			6/3/2019	6/21/2019	
Pearson, Steve			6/3/2019	9/3/2019	2nd Request 8/14 Due 9/11
Raupp, Mark			6/3/2019	6/6/2019	
Roeder, Mike			6/3/2019	6/6/2019	
Smith, Scott			6/3/2019	6/18/2019	
Schneider, Christine			6/3/2019	6/11/2019	
Schwendau, Vada			6/3/2019	6/4/2019	
Steffens, Mary Lou			6/3/2019	XX	Passed away
Solberg, Dale			6/3/2019	6/4/2019	
Trausch, Tom			6/3/2019	6/20/2019	
Wellington, Thomas			6/3/2019	6/24/2019	
Woodruff, Leroy			6/3/2019	8/27/2019	2nd Request 8/14 Due 9/11

Certified Trustee Training

Organization: **Winnetka Firefighters' Pension Fund**

Year: **2019-2020**

John Ripka

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	IPPFA MidAmerican Conference	16	10/4/2019	YES
2					
3					
4					
5					
6					

Andrew MacArthur

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16	2019 IPPFA MidAmerican Conference	16	10/4/2019	YES
2					
3					
4					
5					
6					

Marc Fuller

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16				
2					
3					
4					
5					
6					

John Sobel

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16				
2					
3					
4					
5					
6					

Steve Pearson

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1	16				
2					
3					
4					
5					
6					

	Hours Required	Type of Training	Hours Completed	Date Completed	Cert on File
1					
2					
3					
4					
5					



ILLINOIS PROFESSIONAL FIREFIGHTERS ASSOCIATION

188 Industrial Drive, Suite 134
Elmhurst, IL 60126-1608

V 630-833-2405

F 630-833-2412

ipfa@aol.com

www.ipfaonline.org



SENATE BILL 1300

MANDATORY TRAINING PROGRAM

PUBLIC ACT 101-0610

On December 17, 2019 Governor Pritzker signed Senate Bill 1300 into law. *As part of this legislation* "...all elected and appointed trustees who were elected or appointed on or before the effective date of this amendatory Act of the 101st General Assembly shall also participate in 4 hours of training on the changes made by this amendatory Act of the of the 101st General Assembly. For trustees of funds under Article 3, this training shall be conducted at a training facility that is accredited and affiliated with a State of Illinois certified college or university. For trustees of funds under Article 4, this training may be conducted by a fund, the Department of Insurance, or both a fund and the Department of Insurance. This training is required to be completed once by each trustee required to participate."

IPFA, in cooperation with Moraine Valley Community College, and the Homewood Firefighters' Pension Fund, will be offering this training on:

Wednesday, April 1, 2020, Red Shift



9000 West College Parkway, Building M, Palos Hills, IL 60465

07:30 - Registration & continental Breakfast

08:30 - Seminar Begins

Refreshments at Break

Training Topics:

Public Act 101-0610 enactment
Might there be trailer bills?
An employer's point of view
IDOI Public Pension Point of View
How one state-wide fund operates
Formation of Transition Board & Permanent Boards
Potential staff positions on the Fire and Police Investment Boards
Investment Transition Process
Benefits Changes to Tier II participants
Changes to Tier II Maximum payrolls
Actuarial Impact of Tier II Changes
Budgeting for the Local Board's Operating Fund
Question & Answer Panel

IPFA Members: \$75.00

Non-Members: \$85.00

Walk-Ins: \$100.00

(Over for site location information)

YOUR PENSION PROTECTORS

Building M**Use the 111th Street Entrance****Parking Lots C-1 & C-2 are closest****Enter at the southeast corner of Building M**

Campus Map



Moraine Valley Community College is at the northwest corner of 111th Street & South 86th Avenue:

Westbound 95th Street exit off of the Illinois Tollway (I-294).

West on 95th Street to Roberts Road or 88th Avenue

West on 111th Street to Campus entrance

Eastbound on 111th Street from US Route 45/LaGrange Road to campus entrance.

For those who may need lodging:

DoubleTree by Hilton, 5000 West 127th Street, Alsip, IL 708-371-7300

Hampton Inn & Suites, 7010 South Harlem, Bridgeview, IL 224-513-0017

Oak Lawn Hilton, 9333 South Cicero, Oak Lawn, IL 708-425-1665

Spending Illinois Money in Illinois



ILLINOIS PROFESSIONAL FIREFIGHTERS ASSOCIATION
MORaine VALLEY COMMUNITY COLLEGE
HOMEWOOD FIREFIGHTERS' PENSION FUND
S.B. 1300 – P. A. 101-0610 TRAINING EVENT
Wednesday April 1, 2020 Red Shift 08:30 to 12:30



Moraine Valley Community College 9000 West College Parkway Palos Hills, IL 60465

TRAINING REGISTRATION FORM

(Or register on line: <https://ipfaonline.org/event/sb1300-mandatory-training/>)

Municipality, District, or Firm: _____ (please print or type) Address: _____
City: _____, IL Zip: _____ Phone: _____

TRAINING FEES: IPFA Members: \$ 75.00 Non - Members: \$ 85.00 Walk-In Registration: \$ 100.00

Avoid the walk-in surcharge – register on or before Wednesday, March 25, 2020

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

TOTAL CHECK ENCLOSED \$ _____.

Payment must accompany this Registration Form and be received in our office **on or before** Wednesday, March 25th to qualify for lower rates. Reservations received after the above date will be charged walk-in registration fee. Requests for refunds also must be received on or before Wednesday, March 25th for full fee refunds. **No refunds** 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.

S.B. 1300 – P. A. 101-0610 requires a 4 hour training program concerning changes made by the Act. This event provides those hours.

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

2020 Illinois Pension Conference



Registration for this Event is now open.

The 2020 IPPFA Illinois Pension Conference will be held at the Crowne Plaza an IHG Hotel in Springfield, IL May 6th – May 8, 2020 **8:00 a.m. - 4:00 a.m.**

The IPPFA Illinois Pension Conference is the perfect way to complete your 8-hours of pension trustee training. Highlights include dynamic speakers, informative exhibits, and many networking opportunities. For over 30 years, the IPPFA has given attendees the very best training in ethics, fiduciary responsibilities, and legal and legislative updates, all covering every aspect of pension trustee training.

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 16-hours of continuing education training to 8-hours for annual renewal. In addition to this, current pension trustees are also now required to obtain 4-hours of consolidation transition training regarding this new law. This specialized training will be offered on the last day of the conference, May 8th.

COST: IPPFA Members: \$385.00 Non IPPFA Members: \$795.00

Hotel Accommodations: [Crowne Plaza an IHG Hotel](#) in Springfield, IL.

Crowne Plaza, an IHG Hotel, is located at 3000 Dirksen Parkway, Springfield, IL 62703. The telephone number is (217) 529-7777,

The IPPFA rate is \$123.00 per night, plus current hotel room tax. Be sure to mention "IPPFA" when you call. Complimentary street level parking, internet access, and shuttle to Abraham Lincoln Capital Airport.

2020 IPPFA Trustee Training Opportunities

REGIONAL SEMINARS

WHEN: Thursday, February 13, 2020

WHERE: **NIU Outreach Campus – Hoffman Estates, IL**
5555 Trillium Blvd.
Hoffman Estates, IL
630-784-0406

TIME: 8:00 am – 4:00 pm *registration begins at 7:00 am

COST: IPPFA MEMBER: \$185.00/seminar IPPFA
NON-MEMBER: \$370.00/seminar

For more information or to register: <https://ippfa.org/education/regional-seminars/>

This regional seminar satisfies 8 hours of the required continuing pension trustee training

WHEN: Monday, March 16, 2020

WHERE: **Embassy Suites Hotel and Conference Center**
100 Conference Center Dr.
East Peoria, IL
630-784-0406

TIME: 8:00 am – 4:00 pm *registration begins at 7:00 am

COST: IPPFA MEMBER: \$185.00/seminar IPPFA
NON-MEMBER: \$370.00/seminar

For more information or to register: <https://ippfa.org/education/regional-seminars/>

This regional seminar satisfies 8 hours of the required continuing pension trustee training

WHEN: Wednesday, June 24, 2020

WHERE: **Lewis and Clark Community College**
600 Troy Rd.
Edwardsville, IL
630-784-0406

TIME: 8:00 am – 4:00 pm *registration begins at 7:00 am

COST: IPPFA MEMBER: \$185.00/seminar IPPFA
NON-MEMBER: \$370.00/seminar

For more information or to register: <https://ippfa.org/education/regional-seminars/>

This regional seminar satisfies 8 hours of the required continuing pension trustee training

WHEN: Wednesday, November 18, 2020

WHERE: **John A. Logan College**
700 Logan College Dr.
Carterville, IL
630-784-0406

TIME: 8:00 am – 4:00 pm *registration begins at 7:00 am

COST: IPPFA MEMBER: \$185.00/seminar IPPFA
NON-MEMBER: \$370.00/seminar

For more information or to register: <https://ippfa.org/education/regional-seminars/>

This regional seminar satisfies 8 hours of the required continuing pension trustee training

2020 MIDAMERICAN PENSION CONFERENCE

DATE: Wednesday, September 30 to Friday, October 2, 2020

WHERE: The Embassy Suites
1823 Artriter Court
Naperville, IL 60563

LODGING: The IPPFA room rate is \$149.00 per night, plus taxes and fees

Call the Embassy Suites Hotel directly at (630) 799-5900 to make your reservation; be sure to mention “IPPFA” when you call

REGISTRATION WILL OPEN SOMETIME IN JUNE, 2020

IPPFA ONLINE SEMINAR COURSES

WHEN: Ongoing
• Online 8 hr seminar (Recorded Spring, 2018)

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

COST: IPPFA MEMBER: \$250.00/seminar
IPPFA NON-MEMBER: \$450.00/seminar

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

WHEN: Ongoing
• Online 8 hr seminar (Recorded Spring, 2016)

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

COST: IPPFA MEMBER: \$250.00/seminar
IPPFA NON-MEMBER: \$450.00/seminar

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

IPPFA Certified Trustee Program 20-1

March 2, 2020—March 3, 2020

8:00 AM-5:00 PM

NIU Outreach Campus

1120 E. Diehl Rd., Room 167

Naperville, IL 60563

The administration of a public pension fund is a very complex task. This two-part educational program is designed to increase a trustee's basic knowledge of fiduciary responsibility, funding and actuarial concepts, medical and disability issues, the administration of pension benefits, and legal and ethical issues. Illinois statutes hold the pension fund trustee to the standard of a "prudent expert," yet give little direction on how a trustee can obtain a fundamental understanding of important legal and administrative tasks. To meet these needs, the IPPFA, an Association of Public Pension Funds, began a partnership with Northern Illinois University (NIU) in 1999 to offer the public pension funds the Certified Trustee Program.

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 of new trustee training to 16-hours. In addition to this, current pension trustees are also now required to obtain 4-hours of *consolidation transition training* regarding this new law. **This Certified Trustee Program will satisfy those 16-hours of the required new trustee training**, however, pension trustees will still need 4-hours of *consolidation transition training*.

By attending one of our Certified Trustee Programs, you are able to hear from both speakers and professionals who work in the public pension arena on a daily basis. Receive up-to-date information in the areas of legislation, ethics, the economy, and fiduciary responsibilities.

This 16-hour program is broken down into two parts. Registration begins at 7:00 am on both March 2 and 3, 2020. Please be aware that any walk-ins will be charged a \$25.00 fee, making the total registration fee \$525.00.

Space is limited, so be sure to register now (please note that a \$25.00 fee will apply, per person, if you need an IPPFA staff member to register you).

Register By

February 24, 2020

Seminar Fees

IPPFA Member Rate: \$ 500.00

IPPFA Non-Member Rate: \$1,000.00

For More Information and/or Register: <https://ippfa.org/education/trustee-program/>

Cancellation Policy

Any cancellations made **prior** to February 17, 2020 will be subjected to a \$25.00 cancellation fee.

Any cancellations made **after** February 17, 2020 may not be entitled to a refund.

IPPFA Certified Trustee Program 20-2

September 21, 2020—September 22, 2020

8:00 AM-5:00 PM

Lewis and Clark Community College

600 Troy Road

Edwardsville, IL 62025

The administration of a public pension fund is a very complex task. This two-part educational program is designed to increase a trustee's basic knowledge of fiduciary responsibility, funding and actuarial concepts, medical and disability issues, the administration of pension benefits, and legal and ethical issues. Illinois statutes hold the pension fund trustee to the standard of a "prudent expert," yet give little direction on how a trustee can obtain a fundamental understanding of important legal and administrative tasks. To meet these needs, the IPPFA, an Association of Public Pension Funds, began a partnership with Northern Illinois University (NIU) in 1999 to offer the public pension funds the Certified Trustee Program.

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 of new trustee training to 16-hours. In addition to this, current pension trustees are also now required to obtain 4-hours of *consolidation transition training* regarding this new law. **This Certified Trustee Program will satisfy those 16-hours of the required new trustee training**, however, pension trustees will still need 4-hours of *consolidation transition training*.

By attending one of our Certified Trustee Programs, you are able to hear from both speakers and professionals who work in the public pension arena on a daily basis. Receive up-to-date information in the areas of legislation, ethics, the economy, and fiduciary responsibilities.

This 16-hour program is broken down into two parts. Registration begins at 7:00 am on both March 2 and 3, 2020. Please be aware that any walk-ins will be charged a \$25.00 fee, making the total registration fee \$525.00.

Space is limited, so be sure to register now (please note that a \$25.00 fee will apply, per person, if you need an IPPFA staff member to register you).

Register By

September 14, 2020

Seminar Fees

IPPFA Member Rate: \$ 500.00

IPPFA Non-Member Rate: \$1,000.00

For More Information and/or Register: <https://ippfa.org/education/trustee-program/>

Cancellation Policy

Any cancellations made **prior** to September 7, 2020 will be subjected to a \$25.00 cancellation fee.

Any cancellations made **after** September 7, 2020 may not be entitled to a refund.

IPPFA Certified Trustee Program 20-3

September 23, 2020—September 24, 2020

8:00 AM-5:00 PM

NIU Outreach Campus

1120 E. Diehl Rd., Room 167

Naperville, IL 60563

The administration of a public pension fund is a very complex task. This two-part educational program is designed to increase a trustee's basic knowledge of fiduciary responsibility, funding and actuarial concepts, medical and disability issues, the administration of pension benefits, and legal and ethical issues. Illinois statutes hold the pension fund trustee to the standard of a "prudent expert," yet give little direction on how a trustee can obtain a fundamental understanding of important legal and administrative tasks. To meet these needs, the IPPFA, an Association of Public Pension Funds, began a partnership with Northern Illinois University (NIU) in 1999 to offer the public pension funds the Certified Trustee Program.

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 of new trustee training to 16-hours. In addition to this, current pension trustees are also now required to obtain 4-hours of *consolidation transition training* regarding this new law. **This Certified Trustee Program will satisfy those 16-hours of the required new trustee training**, however, pension trustees will still need 4-hours of *consolidation transition training*.

By attending one of our Certified Trustee Programs, you are able to hear from both speakers and professionals who work in the public pension arena on a daily basis. Receive up-to-date information in the areas of legislation, ethics, the economy, and fiduciary responsibilities.

This 16-hour program is broken down into two parts. Registration begins at 7:00 am on both March 2 and 3, 2020. Please be aware that any walk-ins will be charged a \$25.00 fee, making the total registration fee \$525.00.

Space is limited, so be sure to register now (please note that a \$25.00 fee will apply, per person, if you need an IPPFA staff member to register you).

Register By

September 16, 2020

Seminar Fees

IPPFA Member Rate: \$ 500.00

IPPFA Non-Member Rate: \$1,000.00

For More Information and/or Register: <https://ippfa.org/education/trustee-program/>

Cancellation Policy

Any cancellations made **prior** to September 9, 2020 will be subjected to a \$25.00 cancellation fee.

Any cancellations made **after** September 9, 2020 may not be entitled to a refund.

IPPFA Certified Trustee Program 20-4

October 19, 2020—October 20, 2020

8:00 AM-5:00 PM

NIU Outreach Campus

5555 Trillium Blvd., Room 104

Hoffman Estates, IL 60192

The administration of a public pension fund is a very complex task. This two-part educational program is designed to increase a trustee's basic knowledge of fiduciary responsibility, funding and actuarial concepts, medical and disability issues, the administration of pension benefits, and legal and ethical issues. Illinois statutes hold the pension fund trustee to the standard of a "prudent expert," yet give little direction on how a trustee can obtain a fundamental understanding of important legal and administrative tasks. To meet these needs, the IPPFA, an Association of Public Pension Funds, began a partnership with Northern Illinois University (NIU) in 1999 to offer the public pension funds the Certified Trustee Program.

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 of new trustee training to 16-hours. In addition to this, current pension trustees are also now required to obtain 4-hours of *consolidation transition training* regarding this new law. **This Certified Trustee Program will satisfy those 16-hours of the required new trustee training**, however, pension trustees will still need 4-hours of *consolidation transition training*.

By attending one of our Certified Trustee Programs, you are able to hear from both speakers and professionals who work in the public pension arena on a daily basis. Receive up-to-date information in the areas of legislation, ethics, the economy, and fiduciary responsibilities.

This 16-hour program is broken down into two parts. Registration begins at 7:00 am on both March 2 and 3, 2020. Please be aware that any walk-ins will be charged a \$25.00 fee, making the total registration fee \$525.00.

Space is limited, so be sure to register now (please note that a \$25.00 fee will apply, per person, if you need an IPPFA staff member to register you).

Register By

October 12, 2020

Seminar Fees

IPPFA Member Rate: \$ 500.00

IPPFA Non-Member Rate: \$1,000.00

For More Information and/or Register: <https://ippfa.org/education/trustee-program/>

Cancellation Policy

Any cancellations made **prior** to October 5, 2020 will be subjected to a \$25.00 cancellation fee.

Any cancellations made **after** October 5, 2020 may not be entitled to a refund.



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Friday May 1, 2020 Red Shift

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Avoid the walk-in surcharge – register on or before Friday, April 24, 2020

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

TOTAL CHECK ENCLOSED \$ _____.

Payment must accompany this Registration Form and be received in our office **on or before** Friday, April 24th to qualify for lower rates. Reservations received after the above date will be charged walk-in registration fee. Requests for refunds also must be received on or before Friday, April 24th for full fee refunds. **No refunds** 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 members. This seminar provides up to 8 hours of credits.

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



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<i>Fiduciary Responsibility: Duties, Responsibilities & Worse Case Scenarios (2-hours)</i>	
<u>Part One - Fiduciary Duty 101</u> Presented by Ryan R. Morton <i>In addition to general best practices, the presentation also details specific requirements of the Illinois Pension Code for fiduciaries.</i>	<u>Part Two - When What Can Go Wrong, Goes Wrong: Fiduciary Dilemmas</u> Presented by: John E. Motylinski <i>This presentation highlights examples of fiduciary breaches in Illinois, focusing on what went wrong and what the consequences were. The presentation also provides advice to avoid similar situations in your pension fund.</i>
<i>The Fundamentals of Pension Fund Administration (2 Hours)</i>	
<u>Part One - An Overview of the Legal Aspects of Pension Fund Administration</u> Presented by Carolyn Welch Clifford <i>This webinar presents an overview of the legal authority and State oversight of firefighter pension funds, as well as an introduction to fund membership and legal aspects of the control and management of the fund.</i>	<u>Part Two - The Practical Aspects of Administering a Firefighters' Pension Fund</u> Presented by Lt. J.D. Bruchsalier <i>A veteran pension fund trustee provides a firsthand account of the responsibilities for administering a pension fund, from learning your role as trustee to what has worked (and not worked) in overseeing responsibilities as a fiduciary to the fund.</i>

 Village Of Winnetka

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A

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G/L Transaction Inquiry

G/L Transaction Detail

General

Journal Number

2019-00002278



Journal Type

Journal Entry

Source

Reference

Sub Ledger

General Ledger

Originating Department

Finance

G/L Account

810-100.30 (Fire Pension Fund-Cash & Investments.BMO Harris Fire Pension)

G/L Date

08/30/2019

Transaction Description

Entry tor record B. McElroy reciprocity check

Transaction Amount

\$4,740.20

Due To/Due From

Transfer Organization

Source

Imported Transaction Type	Imported Transaction Description	Imported Transaction Amount
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Associated Journals

Export History

Approvals



Ottosen DiNolfo
Hasenbalg & Castaldo, Ltd.

1804 North Naper Boulevard, Suite 350, Naperville, IL 60563
Phone 630.682.0085 ♦ Fax 630.682.0788 ♦ www.ottosenlaw.com

February 12, 2020

Board of Trustees
Winnetka Firefighters' Pension Fund
510 Green Bay Road
Winnetka, IL 60093

RE: Engagement Letter for Legal Services

The Law Firm of OTTOSEN DINOLFO HASENBALG & CASTALDO, LTD. is pleased to confirm our understanding of the terms and objectives of our engagement, and the nature and the limitations of the legal services the Firm's attorneys will provide, for the BOARD OF TRUSTEES OF THE WINNETKA FIREFIGHTERS' PENSION FUND.

CLIENT: The client for purposes of this Agreement will be the BOARD OF TRUSTEES OF THE WINNETKA FIREFIGHTERS' PENSION FUND ("the Client.")

SCOPE: The Client does hereby retain the law firm of Ottosen DiNolfo Hasenbalg & Castaldo, Ltd. (the "Firm"), comprised of attorneys licensed to practice law in the State of Illinois, to serve as the legal counsel for the Client. While serving as legal counsel, the Firm shall represent the Client in all legal matters and shall be responsible to attend to various miscellaneous legal needs of the Client, including, but not limited to, communications with the Client and its staff, attending meetings, preparing or reviewing documents, conducting legal research, handling hearings, and representing the Client in matters before administrative agencies and courts of law. The Client may agree to expand or limit the scope of the Firm's representation of the Client in other legal matters from time to time; however, any expansion or limitation must be confirmed in writing by the Client to the Firm.

DUTIES OF THE PARTIES: The Firm agrees to provide legal services within the standard of care of attorneys practicing law within the State of Illinois. The Client agrees to be truthful with the Firm, to cooperate, to keep the Firm informed of developments affecting the representation of the Client, to abide by the terms of this Agreement, to pay the Firm's bills on time, and to keep the Firm advised of any change to its address and other contact information.

TERM: This Agreement shall be in effect until DECEMBER 31, 2020. Either the Client, or the Firm may terminate the Firm's engagement at any time for any reason with ten (10) days notice to the other; however, the Firm's right to terminate may be limited by the applicable provisions of the Illinois Rules of Professional Responsibility. In the event the Firm terminates this Agreement, the Firm will take such steps as may be reasonably practicable to protect the Client's interests. If a court or administrative agency requires permission for withdrawal, the Firm will promptly apply for that permission, and the Client will engage successor counsel to represent the Client.

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February 12, 2020
Winnetka Firefighters' Pension Fund

PERSONNEL: Carolyn Welch Clifford will be the principal attorney responsible for handling the legal services for the Client. The Firm shall have reasonable discretion to delegate portions of the legal work and responsibilities to other attorneys and/or staff employed by the Firm. In addition, if in the opinion of the Firm, it is necessary for the timely or proper handling of a matter, the Firm may on behalf of the Client, with the Client's consent, retain court reporters, expert witnesses or advisors.

FEES: The legal fees associated with the work under this Agreement will be based on the time spent on matters, including reasonable travel time. The Firm's hourly billing rates for attorneys providing the legal services provided hereunder shall be \$230 per hour. The Firm's hourly billing rates for non-attorneys providing legal services hereunder shall be \$155 per hour for administrative staff and paralegals and \$165 per hour for law clerks. The Firm may adjust these billing rates from time to time, typically on a biannual basis. The Firm will notify the Client of any such required adjustment, and Client will be responsible for paying the rates in effect following any such notice.

The minimum billing increment of time to be billed by the attorney performing services shall be one-tenth of any hour. Communications by telephone or by e-mail shall be billed at no less than three-tenths of an hour; written correspondence shall be billed at no less than five-tenths of an hour. Any fees for specific legal services that are to be provided to the Client under a flat fee or retainer arrangement shall be attached to this Agreement in **Appendix A**.

COSTS AND EXPENSES: In the course of providing legal services for the Client, the Firm may incur costs and expenses. The Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees set forth in this Agreement. Such costs and expenses may include, but are not limited to, fees fixed by law or assessed by third parties, such as public agencies (including fees imposed by the courts or administrative agencies for such items as recording or certifying documents, and filing fees); process servers; couriers, messengers, overnight delivery, and other delivery fees; witnesses and expert witnesses; IME physicians and related medical testing; court reporters; postage; document fees; and photocopying and other reproduction costs. These expenses may also include, but are not limited to, charges for electronic legal research, transcripts, and investigations. The Firm shall bill the Client for such costs as they are accrued, or forward the invoices for such services to the Client for direct payment to a third party.

BILLING: The Firm shall submit billings on a monthly basis. All billings shall be due and payable in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*).

CONFLICTS: Whenever the Firm shall report to the Client that it has a conflict of interest with respect to any matter, the Client shall either appoint a special counsel to represent the Client at its expense in connection with such matter, or waive the conflict and direct the Firm to represent the Client notwithstanding the conflict. Any waiver of a conflict, or possibility of conflict, or appearance of conflict shall be made by and with the approval of the Board. However, it shall not constitute a breach of this Agreement for the Firm to decline to represent the Client on any matter which the Firm has a conflict of interest which cannot be waived under the applicable standards of legal ethics, the Code of Professional Responsibility adopted by the Illinois Supreme



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Winnetka Firefighters' Pension Fund

Court, or rules of any court in which the matter may be pending, and which the Firm cannot eliminate or avoid at such time.

INFORMATION PROTECTION: The Firm acknowledges that, pursuant to Section 45(b) of the Illinois Personal Information Protection Act (815 ILCS 530/45(b)), it is obligated to implement and maintain reasonable security measures to protect personal information from unauthorized access, acquisition, destruction, use, modification, or disclosure.

ACKNOWLEDGEMENT: This Agreement sets out the entire agreement and understanding between the Client and the Firm with respect to the representation and supersedes and cancels any prior communications, understandings and agreements, both written and verbal, between the parties with respect to this Agreement.

Please indicate your acceptance of the above understanding and terms of this Agreement by signing below. The Firm appreciates the opportunity to provide legal services to the WINNETKA FIREFIGHTERS' PENSION FUND and looks forward to working with you.

Very truly yours,

OTTOSEN DINOLFO HASENBALG & CASTALDO, LTD.

One of its Shareholders

TERMS OF ENGAGEMENT LETTER APPROVED: This Legal Services Engagement Letter correctly sets forth the understanding of the BOARD OF TRUSTEES OF THE WINNETKA FIREFIGHTERS' PENSION FUND.

Date: _____

By: _____

Print: _____

Title: _____

PENSION POINTERS



Pension Fund Risk Assessments: What Have We Learned?

By Carolyn Welch Clifford
Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd.

Pension fund actuaries are now obligated to take additional steps for assessing and disclosing risks associated with measuring pension obligations and determining pension contributions in annual funding valuations for all pension plans. The additional disclosures required by Actuarial Standard of Practice No. 51 (ASOP 51) will help stakeholders better understand the risks inherent in measuring pension obligations and actuarially determined pension fund contributions.

The new actuarial standard of practice will identify risk factors that actuaries should be discussing with their clients, whether the client is the pension fund or the municipality or both. ASOP 51 provides the opportunity for actuaries to directly help pension funds and municipalities understand, "What if future experience is worse than those best estimate assumptions?" More specifically, it also provides the opportunity for actuaries to put in writing their professional assessment of where assumptions may need to be reevaluated. In short, the point of ASOP 51 is for actuaries to help clients understand risks facing their plans so that they can better manage them going forward.

These risk disclosures include such issues as:

- The possibility that future contributions might deviate from expected future contributions (such as when a municipality declines to make the recommended contribution to the fund);
- The likelihood that many beneficiaries will live longer than previously

About the Author: Carolyn Welch Clifford is a partner with Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd. in Naperville, Illinois. Ms. Clifford earned her B.S. and J.D. degrees from the University of Illinois in Urbana-Champaign. She serves as editor of the one of the firm's publications, *Legal Insights for Pension Boards*, and is a frequent speaker at fire service and public pension conferences in Illinois and nationally. She currently serves as the Public Safety Affinity Group chair of the National Association of Public Pension Fund Attorneys (NAPPA). Ms. Clifford concentrates her practice in the representation of Illinois firefighter and police pension funds, as well as fire and police commissions and fire protection districts. You can contact her at cclifford@ottosenbritz.com.

assumed (especially with the introduction of the new Pub-2010 Mortality Tables);

- The concern over cash flow, particularly for funds with an aging membership and large annual benefit payments; and
- Forecasting future investment returns, given the low interest rate environment and the "new normal" for the equity markets, as well as volatility and statutory constraints on investments.

These are concepts that pension funds and their sponsoring municipalities need to consider, particularly given that many funds are becoming more mature; such maturity can increase the funds' sensitivity to risk factors like investment volatility. Through these new risk disclosures, the actuarial valuation will provide a more robust understanding of the risks so that pension funds and municipalities can make better decisions on such issues as how to invest the assets and how much to contribute to the fund going forward.

In practice, ASOP 51 has notably provoked a head-on discussion about the investment return assumption for many plans. This is no surprise; the investment return assumption is the most impactful

assumption affecting the required employer contribution to the fund each year, as it is used to value the liabilities of the plan for funding purposes. As a result, it can be the most difficult assumption to adjust, given the political pressure to not increase employer contributions. This year Illinois Municipal Retirement Fund (IMRF) lowered its assumption from 7.5% to 7.25%; its actuary had recommended it be lowered to 7%. The Firemen's Annuity and Benefit Fund of Chicago lowered its previous 7.5% assumption to 6.75%. Most of the Illinois large pension systems are now assuming 7% or 6.75%. The trend in Illinois is reflective of a nationwide movement among public pension plans to lower the investment return assumption.

For those Illinois firefighter and police pension funds still assuming 7% or greater, actuaries have uniformly recommended that their assumption be reevaluated. This recommendation has been accompanied by notations that the ideal assumption for the investment return is one that has at least a 50% chance of being achieved over the long term, and that setting this assumption with conservatism allows some margin for unfavorable market

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Pension Pointers

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returns in the future. Given the realigned investment return assumptions by the actuary of the Illinois Department of Insurance (DOI) two years ago (which are now all 6.5% or lower), funds that have not lowered their assumption may find their recommended contribution number from their private actuary to be *lower* than the statutory *minimum* contribution number generated by the DOI. This creates a fiduciary dilemma for pension fund trustees in making their annual contribution request to the municipality.

Several actuaries are also now providing a measurement of liquidity ratio for pension funds, which is the ratio of the market value of assets divided by benefit payments. From an ideal standpoint, a pension fund that has a ratio of annual benefit payments that is less than its investment return assumption

is in good financial standing. This is because the investment returns each year cover the benefit payments being made, without the fund having to dip into the contributions being made by the employer and employees or, worse yet, having to sell assets. However, a pension fund that has a ratio of annual benefit payments that is greater than its investment return assumption will experience additional risk, such as cash flow and benefit payment risks, as more and more of the annual contributions and invested assets are being used to make benefit payments.

While ASOP 51 provides an opportunity for actuaries to provide guidance on risk reduction or management, it is up to the stakeholders to respond to those risks, by taking whatever steps or measures are available to reduce those risks. This is easier said than done, however, given the constitutional and statutory constraints on Illinois' public pension plans. For Illinois

firefighter and police fund fiduciaries, the power to manage risk is limited, particularly given the municipalities' responsibility to provide the proper level of funding that is beyond the pension fund trustees' control.

For many pension fund trustees and municipal officials, the ASOP 51 disclosures will be eye opening and will show just how vulnerable their plans are to such traumas as investment underperformance, changes in mortality and underfunding. Nevertheless, it will be incumbent on all stakeholders to carefully study the new risk disclosures and consider the implications for the future of their funds. The task – and the challenge – for stakeholders will be to develop strategies to reduce the levels of risks revealed. ■

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New Laws Affecting Public Pension Funds

To say that the Illinois General Assembly has been busy lately would be an understatement. In the first year of the 101st General Assembly alone, the legislature has placed 637 bills on the Governor's desk. To date, only seven have been vetoed. And of the 621 bills that have become law, seven warrant special attention by public pension funds and their board members.

P.A. 101-0610 (Senate Bill 1300): Consolidation

After months of study, Governor Pritzker's Pension Consolidation Feasibility Task Force issued a report recommending the partial consolidation of downstate police and firefighters' pension funds. Mere weeks later, Senate Bill 1300 was passed by each chamber of the General Assembly within a span of three days. On December 18, 2019, the bill was signed into law by Governor Pritzker. P.A. 101-0610 orders the partial consolidation of the 649 firefighter and police pension funds into two new statewide investment funds (named "Consolidated Funds"). The Consolidated Funds will have their own governing boards comprised of representatives of management, retired members, and active participants. The Consolidated Funds will control how assets are invested and conduct actuarial valuations for each local pension fund. To effectuate this, each affected pension fund must transfer its assets and investment authority to the Consolidated Funds no later than June 30, 2022. However, the local pension funds will continue to exist to decide applications for membership, refunds, retirement benefits, survivor benefits, and disability benefits. The Act also halves trustee training requirements. Now, trustees only need to undergo 16 hours of initial training, followed by 8 hours of continuing education. However, the Act also requires all trustees to take 4 hours of additional training on the impact of consolidation. Furthermore, P.A. 101-0610 augments the benefits available to Tier 2 members. Specifically, it changes the way the final average salary is computed and provides increased cost of living increases.

P.A. 101-0522 (Senate Bill 37): Secondary Employment Reporting

Senate Bill 37 was quite controversial, at least up until the last week of the spring legislative session. As originally formulated, Senate Bill 37 would have required "secondary employers"—those that employ part-time firefighters who are also full-time firefighters with a "primary" fire department—to make a contribution to the primary employer's pension fund. Similarly, it would have required moonlighting firefighters to make an additional contribution to their primary firefighters' pension funds, even though they would not receive additional creditable service. At one point, it looked as if this version of Senate Bill 37 was destined to pass both chambers of the legislature. However, that changed in dramatic fashion when a late-breaking amendment removed the bill's monetary components. This version of Senate Bill 37, now codified as Public Act 101-0522, ultimately passed and was approved by the Governor on August 23, 2019. The new Act keeps the familiar distinction between "primary" and "secondary" employers, but mostly establishes reporting requirements. The Act defines "primary employers" as those who have established a pension fund under Article 4 of the Illinois Pension Code and employ a full-time firefighter. Secondary employers are municipalities that have at least 5,000 residents that employ, on a part-time basis, a full-time firefighter of a primary employer (also known as "secondary employee firefighters"). Within thirty days of the end of its fiscal year, a secondary employer is required to prepare a report for each secondary employee. This report must include a list of all hours worked by the secondary employee and the corresponding compensation paid to them in the prior fiscal year. The secondary employer must then send the report to the primary employer's pension fund each year. Additionally, if an employee suffers any injury, illness, or exposure while on duty with the secondary employer, the secondary employer's fire chief must report the exposure to the primary employer's pension fund within 96 hours. Such a report must be in accordance with Chapters 4, 13, and 14 of the NFPA 1500 Standard on Fire Department Occupational Safety, Health, and Wellness Program.

P.A. 101-0546 (Senate Bill 1264): Modifications to the Unclaimed Property Act

All too commonly, firefighters or police officers separate from their employment but leave their pension contributions behind. Sometimes this is intentional, but other times it is not. Public Act 101-0546 changes the way pension funds treat this type of presumptively abandoned money. Beginning in 2020, police and fire pension funds must file a report with the Illinois State Treasurer by November 1. The report must include a list of members that cannot be located and provided benefits, as well as their last known address, Social Security Number, and the amount of money the pension fund is holding for them. This report must cover the preceding period from July 1st to June 30th. The burden associated with this report will vary depending upon a pension fund's size and age, so pension funds with many wayward members are encouraged to start compiling this information early. Aside from the reporting requirements, Public Act 101-0546 also requires that pension funds take extra measures to contact beneficiaries. Pension funds should first attempt to contact the missing member through mail, telephone, and email by using the contact information they have on file. If that fails, the new law requires funds to ask the municipality search its records for any other contact information. Furthermore, if the pension fund is holding more than \$1,000 in trust for a non-responsive member, pension funds must undertake additional search efforts by using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services. The Act expressly warns that this "may involve charges" to the pension fund, but it is required nonetheless. However, most importantly, the new Act does *not* require pension funds to turn over unclaimed benefits to the State Treasurer—as is the case normally when governments are in possession of unclaimed property.

Public Act 101-0434 (Senate Bill 1712): FOIA Exception for a Public Body's Financial Information

Has your pension fund ever received a Freedom of Information Act (FOIA) request for sensitive financial information? Public Act 101-0434 (effective August 23, 2019) was passed to ensure public bodies do not have to reveal such data and subject themselves to potential identity theft. To that end, the new law amends FOIA to allow public bodies to withhold sensitive information, including credit card numbers; debit card numbers; bank account numbers; Federal Employer Identification Numbers; security code numbers; and passwords. Most significantly, the new FOIA amendment also exempts from disclosure any "similar account information, the disclosure of which could result in identity theft or impression or defrauding of a governmental entity or a person." Accordingly, P.A. 101-0434 will be a useful tool in combating overbroad FOIA requests, although it remains to be seen what exactly will fall within the definition of "similar account information."

Public Act 101-0473 (House Bill 2460): Illinois Sustainable Investing Act

On January 1, 2020, the Illinois Sustainable Investing Act became effective. This legislation was an outcome of a recognition by the General Assembly that public agencies and governments (including pension funds) have a duty to recognize and evaluate "factors relevant to the environmental impact, social impact, and governance of investments," particularly because such "sustainability factors" are "indicative of the overall performance of an investment and are strong indicators of its long-term value." Accordingly, the Act requires local governments to consider these factors when it makes investments. The Act carries out this goal by providing that each local government should develop, publish, and implement "sustainable investment policies." Such policies must include a statement "material, relevant, and decision-useful sustainability factors" such as "(1) corporate governance and leadership factors; (2) environmental factors; (3) social capital factors; (4) human capital factors; and (5) business model and innovation factors." Thankfully, as it pertains to pension funds, a fund may meet this requirement by incorporating the listed sustainability factors into its pre-existing investment policy statement. However, the Act stresses that any amended investment policy must be filed with the Department of Insurance within thirty days of its adoption.

P.A. 101-0375 House Bill 2766): Illinois First Responders Suicide Prevention Act

Fire and police pension funds have recently experienced a surge in duty and non-duty disability pension applications due to psychological conditions. In enacting the First Responders Suicide Prevention Act, the General Assembly recognized that first responders' mental health requires additional support. In a nutshell, the Act provides that first responders (including law enforcement officers and firefighters) may refer their peers for mental health services through an employee assistance or peer counseling program. In the event that these programs are not directly available through the employer, the Act provides that the first responder may seek help from any available mental health assistance program. The Act also establishes robust confidentiality provisions. Indeed, any oral or written information communicated during such mental health sessions cannot be used in any judicial hearing, arbitration, or other adjudicatory proceeding. The Act further amends FOIA to exempt communications, notes, records, and reports arising out of a peer support counseling session. Furthermore, even the names and "all identify information" relating to an employee seeking such help may now be withheld under FOIA.

P.A. 101-0474 (House Bill 2502): Transfer of Creditable Service from the Firemen's Annuity and Benefit Fund of Chicago

Does your Article 4 firefighter's pension fund have members who previously worked for the City of Chicago? Public Act 101-0474 allows eligible members of an Article 4 pension fund to transfer their creditable service earned while working for as a firefighter for the City of Chicago. Importantly, though, the window to make such a transfer closes on February 23, 2020. The General Assembly made as its chief goal to ensure that the Article 4 pension funds receiving the creditable service from Chicago should not result in an increase to their unfunded liability. So, to effectuate a transfer of creditable service from Chicago, the Chicago Firemen's Annuity and Benefit Fund must first make a payment to the Article 4 fund that is the product of: (1) the amount of employee contributions to the Chicago Fund; (2) the corresponding contributions by the City of Chicago; and (3) any interest paid by the applicant to reinstate service. But there may be a difference between the amount paid by the Chicago Fund and the sum needed for the Article 4 fund to avoid experiencing an increase in its unfunded liability. Thus, a member must make an additional payment to his or her Article 4 pension fund that may be spread out over five years. This additional payment will vary depending on "the appropriate actuarial assumptions, including without limitation the firefighter's service, age, and salary history; the level of funding of the Article 4 fund; and any other factors that the Article 4 fund determines to be relevant."



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Illinois Firefighters and Police Officers Pension Investment Consolidation Law: An Overview

Prepared by Ottosen DiNolfo Hasenbalg & Castaldo, Ltd.
January 2020

After months of study by Governor Pritzker's Pension Consolidation Feasibility Task Force and a week of high drama as the proposed bill made its way from the House to the Senate, the Illinois General Assembly has approved the consolidation of the 649 firefighter and police pension funds into two new statewide investment funds. The House and Senate both approved Senate Bill 1300 by large margins, and Governor Pritzker signed it on December 18, 2019. Public Act 101-0610 became effective **January 1, 2020**.

Below is a summary of the key aspects of the new law that creates the new **Police Officers' Pension Investment Fund (Article 22B of the Illinois Pension Code)** and the new **Firefighters' Pension Investment Fund (Article 22C of the Illinois Pension Code)**, as well as improves the Tier 2 members' benefits.

Statutory Citation	Provision	Brief Summary	Observations and Issues
20 ILCS 3501/801-10(c)	Definition of "public purpose project" in the Illinois Finance Authority Act	Includes provision of working capital or costs incurred and other expenditures, including expenditures for management, investment, or working capital costs incurred in connection with the reform consolidation or implementation of the transition process under new Articles 22B and 22C of the Illinois Pension Code.	The Illinois Finance Authority is authorized to lend up to \$7.5 million to each of the two new Investment Funds. (see 40 ILCS 5/22B-120 and 22C-120)
20 ILCS 3501/801-40(o) and (z)	Loans to the new Investment Funds	Provides the Illinois Finance Authority the power to make loans to the new Police Officers' Pension Investment Fund and the new Firefighters' Pension Investment Fund.	
40 ILCS 5/1-101.6 new	Definition of "transferor pension fund"	Means any Article 3 or 4 pension fund.	

40 ILCS 5/1-109.3	Training requirements for pension trustees	Initial trustee certification training now 16 hours (<i>formerly 32 hours</i>), and includes only five (5) (<i>formerly, six (6)</i>) components: - Fiduciary duties and liabilities with respect to the administration and payment of pension benefits (<i>formerly, Article 1 responsibilities more broadly</i>). - Adjudication of pension claims. - Trustee ethics. - Illinois Open Meetings Act. - Illinois Freedom of Information Act. Note that basic accounting and actuarial training no longer required to be included. Trustees who complete Open Meetings Act training under Section 1.05 of the Open Meetings Act (5 ILCS 120/1.05) are not required to participate in Open Meetings Act training in the initial 16-hour training program. Currently serving trustees must also participate in four (4) hours of training on the changes made by the consolidation law: - For Article 3 trustees: These four hours of training shall be conducted at a facility accredited or affiliated with a college or university. - For Article 4 trustees: These four hours of training may be conducted by a fund or the DOI. Annual training requirement is now eight (8) hours (<i>formerly 16 hours</i>).	Police pension trustees must obtain the four-hour training through one of two programs currently offered through a college or university facility, IPPFA or IPPAC. Firefighter pension trustees have options to obtaining the four-hour training through a fund or the DOI.
40 ILCS 5/1-113.12	Investments	Upon the transfer of assets, from a transferor fund to the Article 22B or 22C fund, the transferor fund shall no longer exercise any investment authority with respect to the assets; Sections 1-113.1 through 1-113.10 will no longer apply to the assets once transferred.	Vendor contracts will need to be modified or terminated.
40 ILCS 5/1A-102	Definition of "Consolidated Fund" Definition of "Transition Period"	"Consolidated Fund" means the Police Officers' Pension Investment Fund and the Firefighters' Pension Investment Fund. The period set forth in new Sections 22B-120 and 22C-120 regarding Article 3 and 4 funds.	The transition period is thirty (30) months (January 1, 2020 to July 1, 2022).

40 ILCS 5/1A-104	Examinations and Investigations by the Illinois Department of Insurance, Public Pension Division (DOI)	DOI will periodically examine and investigate Article 3 and 4 funds prior to the conclusion of the transition period; after the conclusion of the transition period, DOI may accept and rely upon audit or examination of fund by a CPA retained by the Consolidated Fund. Consolidated Fund may now examine or investigate the Article 3 and 4 funds, in addition to or instead of, the DOI.	
40 ILCS 5/1A-109	DOI Annual Statements	Upon the conclusion of the transition period, the Consolidated Fund shall furnish directly to the DOI information regarding the financial balance sheet as of the close of the fiscal year and details on investment transactions during the fiscal year.	Vendor contracts may need renegotiation once the annual statements no longer require investment information from the individual funds.
40 ILCS 5/1A-111	Actuarial Statements	After the conclusion of the transition period, each actuarial statement shall be prepared by a qualified actuary retained by the Consolidated Fund. Prior to the conclusion of the transition period, actuarial statements may be prepared using the method for calculating the actuarially required contribution for the fund that was in effect prior to the new consolidation law. After the conclusion of the transition period when the Consolidated Fund's actuary prepares the actuarial statement, if a change occurs in an assumption that increases or decreases the actuarially required contribution for the fund, that change shall be implemented in equal annual amounts over the three-year period beginning in the fiscal year of the fund in which such change first occurs. The actuarially required contribution shall determine the annual required employer contribution.	Use of the word "may" suggest that there will continue to be flexibility to use actuarial assumptions and actuarial methodology that exceeds the "statutory minimum" approach of 90% funding by 2040 using projected unit credit (PUC) until the conclusion of the transition period Notably, the Act did not modify the intercept provisions under Sections 3-125 and 4-118 (40 ILCS 5/3-125 and 4-118).

40 ILCS 5/1A-112	Fees	After the conclusion of the transition period, the annual compliance fee shall be \$8,000 for all funds and shall be paid to the Consolidated Fund <i>(formerly two basis points of the fund's total assets up to a maximum of \$8000)</i> .	
40 ILCS 5/1A-113	Penalties	After the transition period, certain penalties shall no longer apply to Article 3 and 4 funds, nor the Consolidated Funds.	
40 ILCS 5/3-111 40 ILCS 5/4-109	Retirement Pension for Tier 2 members	"Final average salary" now means the greater of (i) the average monthly salary obtained by dividing the total salary of the police officer or firefighter during the 48 <i>(formerly, 96)</i> consecutive months of service within the last 60 <i>(formerly, 120)</i> months of service in which the total salary was the highest by the number of months of service in that period; or (2) the average monthly salary obtained by dividing the total salary of the police officer or firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period <i>(new)</i>. The salary cap for pensionable salary (\$106,800) is now annually increased by the lesser of (1) 3% of that amount, including all previous adjustments, or (2) the annual unadjusted percentage increase <i>(previously, one half)</i> (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments. There shall be no retroactive adjustment of any employee contributions.	
40 ILCS 5/3-112 40 ILCS 5/4-114	Survivors' Pension for Tier 2 members	Survivors of Tier 2 members shall be entitled to a benefit in an amount that is equal to the greater of <i>(new)</i> (1) 54% of the police officer's or firefighter's monthly salary at the date of death <i>(new)</i>, or (2) 66 2/3% of the police officer's or firefighter's earned pension at the date of death. If there is a surviving spouse, 12% of monthly salary shall be granted to the guardian of any minor children until age 18. Upon death of surviving spouse leaving minor children, or upon death of police officer or firefighter leaving minor children by no surviving spouse, 20% of monthly salary shall be granted to the guardian of each such child until age 18. Total pension provided shall not exceed 75% of the monthly salary of the deceased police officer or firefighter under the following circumstances:	

		(1) When paid to the survivor of a police officer or firefighter who has attained 20 or more years of service credit and who receives or is eligible to receive a retirement pension; (2) When paid to the survivor of a police officer or firefighter who dies as a result of illness or accident; (3) When paid to the survivor of a police officer or firefighter who dies from any cause while in receipt of a disability pension; or (4) when paid to a survivor of a deferred pensioner (<i>new</i>). The law specifically provides that these changes apply without regard to whether the deceased police officer or firefighter was in service on or after the effective date of the new law.	The new law provides survivor benefits to at least two surviving spouses of Tier 2 firefighters who otherwise would have received only refunds of contributions under prior law.
40 ILCS 5/3-124.3 new 40 ILCS 5/4-117.2 new	Exclusive authority of the fund over benefit decisions	This new provision provides that Article 3 and 4 funds will retain the exclusive authority to adjudicate and award disability, retirement, and survivor benefits, as well as issue refunds. Furthermore, it provides that the exclusive method of judicial review of any final administrative decision of the fund will under the Illinois Administrative Review Law. Finally, the Consolidated Fund will have no authority to control, alter, or modify, or the ability to review or intervene in, the proceedings or decision of the fund.	The prior version of the bill that had passed out of the House Committee had included four additional words: <i>“A third party, including”</i> which would have foreclosed an employer’s opportunity to seek to intervene in or appeal of pension application process.
40 ILCS 5/3-125 40 ILCS 5/4-118	Financing	Assets of the Article 3 and 4 funds now include all moneys received from the Consolidated Fund (investment returns).	No changes on the methodology of determining the employer’s annual contribution have occurred at this time.

40 ILCS 5/3-132 40 ILCS 5/4-123	Control and Management of Article 3 and 4 Funds	The local Boards of Trustees will only retain investment authority until it is terminated by the transfer of assets to the Consolidated Fund.	Fiduciary responsibility for the investment of assets will shift to the Consolidated Funds at this time, as well.
40 ILCS 5/3-132.1 new 40 ILCS 5/4-123.2 new	Transfer of Investment Authority to Consolidated Funds <i>Maintenance of interest-bearing local account for benefit payments and expenses</i>	As soon as practicable after the effective date of the new law, but no later than thirty (30) months after the effective date, each transferor pension fund shall transfer to the Consolidated Funds all of their securities for which commitments have been made, and all funds, assets, or moneys representing permanent or temporary investments, or cash reserves. Upon the transfer, the transferor pension fund shall not manage or control the assets and shall no longer exercise any investment authority. However, the Article 3 and 4 funds may continue to maintain an interest-bearing account for purposes of benefit payments and other reasonable expenses after the end of the transition period. Furthermore, Article 3 and 4 funds are encouraged to consider a local bank or financial institution to provide such accounts and related financial services.	Thirty (30) months after the effective date of January 1, 2020, is July 1, 2022. The Illinois banking community had expressed concern during the consolidation discussions that local banks would be adversely affected by any consolidation of assets.

ARTICLE 22B – THE POLICE OFFICERS’ PENSION INVESTMENT FUND
ARTICLE 22C – THE FIREFIGHTERS’ PENSION INVESTMENT FUND

Statutory Citation	Provision	Brief Summary	Observations and Issues
40 ILCS 5/22B-101 new 40 ILCS 5/22C-101 new	Establishes the Police Officers’ Pension Investment Fund and the Firefighters’ Pension Investment Fund	New Consolidated Funds have the authority to manage the reserves, funds, assets, securities, properties, and moneys of the police and firefighter pension funds pursuant to Articles 3 and 4 of the Illinois Pension Code.	
40 ILCS 5/22B-102 new 40 ILCS 5/22C-102 new 40 ILCS 5/22B-103 new 40 ILCS 5/22C-103 new 40 ILCS 5/22B-104 new 40 ILCS 5/22C-104 new 40 ILCS 5/22B-105 new 40 ILCS 5/22C-105 new 40 ILCS 5/22B-106 new 40 ILCS 5/22C-106 new 40 ILCS 5/22B-107 new 40 ILCS 5/22C-107 new 40 ILCS 5/22B-108 new 40 ILCS 5/22C-108 new 40 ILCS 5/22B-112 new 40 ILCS 5/22C-112 new	Definitions	“Fund” means the new Consolidated Fund. “Transferor pension fund” means the Article 3 and 4 pension funds. “Participating pension fund” means an Article 3 or 4 pension fund that has transferred its assets to the Consolidated Fund. “Pension fund assets” means the reserves, funds, assets, securities, and moneys of the transferor pension fund. “Invest” means to acquire, invest, reinvest, exchange, or retain pension fund assets of the transferor pension funds and to sell and manage the reserves, funds, securities, moneys, or assets of the transferor pension fund. “Investment advisor” means any person or business entity that provides investment advice to the Consolidated Fund Board on a personalized basis and with an understanding of the policies and goals of the Board. It does not include any person or business entity that provides statistical or general market research data available for purchase or use by others. “Transition period” means the period immediately following the effective date of the new law during which pension fund assets, and the responsibility for custody and control of those assets, will be transferred from the transferor pension funds to the Consolidated Fund Board.	The transition period is thirty (30) months, from January 1, 2020 to July 1, 2022.

40 ILCS 5/22B-113 new 40 ILCS 5/22C-113 new		“Illinois Municipal League” means the unincorporated, nonprofit, nonpolitical association of Illinois cities, villages, and incorporated towns.	
40 ILCS 5/22B-114 new 40 ILCS 5/22C-114 new	Purpose, Establishment and Governance	The Consolidated Funds are established to consolidate the transferor pension funds and to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring more money is available to fund pension benefits for the beneficiaries of the transferor pension funds. The transition board and permanent board trustees shall be fiduciaries for the participants and beneficiaries of the participating pension funds and shall discharge their duties with respect to the retirement system or pension fund solely in the interest of the participants and beneficiaries. Further, the transition board trustees and permanent board trustees, acting prudently and as fiduciaries, shall take all reasonable steps to ensure that all of the transferor pension funds are treated equitably and that the financial condition of one participating pension fund, including, but not limited to, pension benefit funding levels and ratios, will have no effect on the financial condition of any other transferor pension fund.	
40 ILCS 5/22B-115 new 40 ILCS 5/22C-115 new	Board of Trustees of the Consolidated Funds <i>Transition Board</i>	No later than one month after the effective date of the new law, the Governor shall appoint, by and with the advice and consent of the Senate, a transition board of trustees consisting of nine (9) members: - Three (3) members representing municipalities [police fund] / municipalities and fire protection districts [fire fund] who are mayors, presidents, chief executive officers, chief financial officers, or other officers, executives, or department heads of municipalities [police fund] / municipalities and fire protection districts [fire fund] and appointed from among candidates recommended by the Illinois Municipal League. - Three (3) members representing participants and who are participants, two (2) of whom shall be appointed from among candidates recommended by a statewide fraternal organization representing more than 20,000 active and retired police officers in the State of Illinois, and one (1) of whom shall be appointed from among candidates recommended by a benevolent association representing sworn police officers in the State of Illinois [police fund] / the statewide labor organization representing firefighters employed by at least 85 municipalities that is affiliated with the Illinois State Federation of Labor [fire fund].	The transition boards are appointed by the Governor.

	<i>Transition Board Chairperson</i> <i>Permanent Board of Trustees of the Consolidated Funds</i>	- Two (2) members representing beneficiaries and who are beneficiaries, one (1) of whom shall be appointed from among candidates recommended by a statewide fraternal organization [police fund]. - One (1) member representing beneficiaries who is a beneficiary and appointed from among the candidates recommended by the statewide labor organization [fire fund]. - One (1) member recommended by the Illinois Municipal League. - One (1) member recommended by the statewide labor organization [fire fund]. The transition board members shall serve until the initial permanent board members are elected and qualified. The transition board of trustees shall select the chairperson of the transition board of trustees from among the trustees for the duration of the transition board's tenure. The permanent board of trustees shall consist of nine (9) members: - Three (3) members representing municipalities [police fund] / municipalities and fire protection districts [fire fund] who are mayors, presidents, chief executive officers, chief financial officers, or other officers, executives, or department heads of municipalities [police fund] / municipalities and fire protection districts [fire fund] and appointed from among candidates recommended by the Illinois Municipal League. - Three (3) members who are participants of participating pension funds and are elected by the participants of participating pension funds. - Two (2) members who are beneficiaries of participating pension funds and are elected by the beneficiaries of participating pension funds [police fund]. - One (1) member who is a beneficiary of a participating pension fund and is elected by the beneficiaries of participating pension fund [fire fund].	
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	<i>Chairperson of the Board of Trustees</i>	The permanent board of trustees shall select the chairperson of the permanent board of trustees from among the trustees for a term of two (2) years. The holder of the office of chairperson shall alternate between a person elected or appointed as a municipal representative and a participant/beneficiary representative.	
	<i>No trustee salary</i>	Trustees shall "qualify" by taking an oath of office before the Secretary of State, stating that he or she will diligently and honestly administer the affairs of the board and will not violate or knowingly permit the violation of any provision of the new Article 22B or Article 22C.	
	<i>Time off to conduct business of the Fund</i>	Trustee shall receive no salary for service. Trustees shall be reimbursed for travel expenses incurred while on business for the board.	
	<i>Conflicts of interest</i>	The municipal employer of a police officer or firefighter who is an elected or appointed member of the board reasonable time off with compensation to conduct official business related to his or her position on the board, including time for travel. The board shall notify the employer in advance of the dates, times, and locations of this official business. The Fund shall timely reimburse the employer for the reasonable costs incurred that are due to the police officer's or firefighter's absence. No trustee shall have any interest in the brokerage fee, commission, or other profit or gain arising out of any investment directed by the board. However, this does not preclude ownership by any board member of any minority interest in any common stock or any corporate obligation in which an investment is directed by the board. Any member of the transition board may also be elected or appointed as a member of the permanent board.	Adoption of a strongly worded ethics code applicable to the board of trustees and staff of the Consolidated Fund should be one of the first orders of business of the new boards.

40 ILCS 5/22B-116 new 40 ILCS 5/22C-116 new	Conduct and administration of elections; terms of office <i>Nominations</i> <i>Ballots</i> <i>Option for electronic elections</i>	The transition board shall administer the initial elections and the permanent board shall administer all subsequent elections. The boards will develop and implement such procedures as it determines to be appropriate for the conduct of the elections. For purposes of obtaining information necessary to conduct elections, participating pension funds shall cooperate with the Fund. All nominations for election shall be by petition as follows: - For trustees to be elected by the mayors and presidents of municipalities [police fund] / municipalities or fire protection districts [fire fund] that have participating pension funds, by at least twenty (20) such mayors and presidents. - For trustees to be elected by participants, by at least 400 participants. - For trustees to be elected by beneficiaries, by at least 100 beneficiaries. A separate ballot shall be used for each class of trustee. The Board shall prepare and send ballots and ballot envelopes to the participants and beneficiaries eligible to vote in accordance with rules adopted by the board. Ballots shall continue the names of all candidates in alphabetical order. The ballot envelope shall have on the outside a form of certificate stating that the person voting the ballot is a participant or beneficiary entitled to vote. Upon receipt of the ballot, the participants and beneficiaries shall vote and place it in ballot envelope, seal the envelope, execute the certificate thereon, and return the ballot to the Fund. The board shall set a final date for ballot return and a date for counting the ballots. The candidate or candidates receiving the highest number of votes in each class of trustee shall be elected. In the case of a tie vote, the winner shall be determined by procedures developed by the Illinois Department of Insurance. The Board may instead adopt rules to provide for elections to be carried out solely via the internet or phone.	
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	<i>Twelve (12) month deadline to seat permanent board</i> <i>Four-year terms for elected members, with first board member terms staggered</i> <i>Vacancies</i>	Initial election for permanent trustees shall be held and the permanent board seated no later than twelve (12) months after the effective date of the law. Elected trustees shall serve for terms of four (4) years commencing on the first business day of the first month after election. However, the initial elected trustee terms will be staggered, with some trustees serving two (2) year terms and some trustees serving four (4) year terms. For the police board, the Governor-appointed trustee shall serve a two-year term, commencing on the first business day of the first month after the election of the elected trustees. For the fire board, the Governor-appointed trustees shall serve four-year terms, commencing on the first business day of the first month after the election of the elected trustees. If a member of the board who was elected as a municipal or fire protection district representative ceases to serve for a municipality or fire protection district, he or she is no longer eligible to serve on the board, and his or her position shall be deemed vacant. However, a member of the board who was elected by participants who ceases to be a participant may service the remainder of his or her elected term. If the vacancy occurs with an unexpired term of more than six months, an election shall be held to fill the unexpired term. If there is less than six months left on the term, the vacancy shall be filled by appointment by the board for the unexpired term. Vacancies among the appointed trustees shall be filled for unexpired terms by appointment in same manner as for original appointments.	
40 ILCS 5/22B-117 new	Meetings of the Board <i>Quarterly meetings</i> <i>Quorum</i>	The transition board and the permanent board shall each meet at least quarterly and otherwise upon written request of either the Chairperson or three (3) other members. Executive Director and personnel of the Board shall prepare agendas and materials and required postings for meetings of the board. Six (6) members of the board shall constitute a quorum.	

	<i>Voting requirements</i>	All actions taken by the transition board and the permanent board require a vote of at least five (5) trustees, except the following shall require a vote of at least six (6) trustees: - Adoption of actuarial assumptions - Selection of the chief investment officer, fiduciary counsel, or a consultant - Adoption of rules for the conduct of election of trustees - Adoption of asset allocation policies and investment policies	“Supermajority” vote (at least six trustees) required on certain decisions.
40 ILCS 5/22B-118 new 40 ILCS 5/22C-118 new	Operation and Administration of the Fund <i>Executive Director</i> <i>Custodians</i> <i>Legal Counsel, auditors, investment advisors and other consultants</i> <i>Separate accounts</i> <i>Personnel of Fund</i>	The operation and administration of the Fund shall be managed by an executive director. As soon as practicable, but no later than two (2) months after the transition board is appointed, the transition board shall appoint an interim executive director who shall serve until a permanent executive director is appointed by the board, with such appointment to be made no later than six (6) months after the end of the transition period. The board may appoint one or more custodians to facilitate the transfer of pension fund assets during the transition period, and subsequently to provide custodial and related fiduciary services on behalf of the board. The board may also appoint external legal counsel and an independent auditing firm and may appoint investment advisors and other consultants as it determines to be appropriate. With approval of the board, the executive director may retain other consultants, advisors, fiduciaries, and service providers as may be desirable. The board shall separately calculate account balances for each participating pension fund. The operations and financial condition of each participating pension fund account shall not affect the account balance of any other participating pension fund. Further, investment returns earned by the Fund shall be allocated and distributed pro rata among each participating pension fund account in accordance with the value of the pension fund assets attributable to each fund. With the approval of the board, the executive director may employ personnel, professional or clerical, as may be desirable and fix their compensation.	

	<i>Budget</i> <i>Transfer of moneys as required to participating pension funds as required</i>	The board shall annually adopt a budget to support its operations and administration. The board shall apply money derived from the pension fund assets to pay the costs and expenses incurred in the operation of the Fund. The board shall from time to time transfer moneys and other assets to the participating pension funds as required for the participating pension funds to pay expenses, benefits, and other required payments to beneficiaries in the amounts and at the times prescribed in this Code. The board may provide for the indemnification of its members and its officers, advisors, or employees. An office for meetings of the board for its administrative personnel shall be established at any suitable place within the State as may be selected by the board. The board shall secure a blanket fidelity bond in a sum of not less than \$1 million to cover the board, the executive director, and all other employees of the board.	
40 ILCS 5/22B-119 new 40 ILCS 5/22C-119 new	Adoption of Rules	The board shall adopt rules as in its judgment are desirable to implement and properly administer Article 22B or 22C that are not inconsistent with the Illinois Pension Code. Rules shall specifically provide for the following: - Implementation of the transition process. - Process by which the participating pension funds may request transfer of funds. - Process for transfer in, receipt for, and investment of pension assets received by the Fund after the transition period from the participating pension funds. - Process by which contributions from municipalities for the benefit of the participating pension funds may, but are not required to, be directly transferred to the Fund. - Compensation and benefits for its employees.	Board rules will determine several important issues, such as how participating pension funds request transfer of funds and where municipal contributions will be made in the future.
40 ILCS 5/22B-120 new 40 ILCS 5/22C-120 new	Transition Period; transition of securities, assets and investment functions	The transition period will commence on the effective date of the new law, and it ends as determined by the board, consistent with and in the application of its fiduciary responsibilities, but in no event later than 30 months thereafter [July 1, 2022]. The board may retain the services of custodians, investment consultants, and other professional services it deems prudent to implement the transition of assets.	

		The permanent board will not be bound by any contract or agreement regarding custodians, investment consultants, or other professional services entered into by the transition board.	
	<i>Audit of transferor pension fund assets</i>	As soon as practical after the effective date of the new law, the board – in cooperation with the DOI – shall audit the investment assets of each transferor pension fund to determine a certified investment asset list for each transferor pension fund. The audit shall be performed by a CPA engaged by the board, and the board shall be responsible for the payment of the costs and expenses associated with the audit.	
	<i>Certified investment asset list to transferor pension fund</i>	Upon completion of the audit for any transferor pension fund, the board and the DOI shall provide the certified investment asset list to that transferor pension fund. Upon determination of the certified investment asset list, the board shall within ten (10) business days – or as soon thereafter as may be practicable – initiate the transfer of assets from that transferor pension fund.	Upon completion of the audit for a transferor pension fund, transfer of assets will be initiated within ten (10) business days, or as soon as practicable.
	<i>Moratorium on trading of investments</i>	To maintain the accuracy of the certified investment asset list, the transferor pension fund shall not purchase or sell any of its pension assets thereafter.	
	<i>Notice to transferor pension fund in writing of intent to assume fiduciary control and transfer date</i>	When the Consolidated Fund is prepared to receive the pension fund assets from any transferor pension fund, the executive director shall notify in writing the board of trustees of that transferor pension fund of the Consolidated Fund’s intent to assume fiduciary control of those pension fund assets, and the date at which it will assume such control and that the transferor pension fund will cease to exercise fiduciary responsibility. This letter shall be transmitted no less than 30 days prior to the transfer date, with a copy to the DOI. Upon receipt of the letter, the transferor pension fund shall promptly notify its custodian, as well as any and all entities with fiduciary control of any portion of the pension assets. Transferor pension funds shall have sole fiduciary and statutory responsibility for the management of its assets until the start of business on the transfer date. At the start of business on the transfer date, the statutory and fiduciary responsibility for the investment of assets shall shift exclusively to the Consolidated Fund and it shall promptly and prudently transfer all such assets to the board and terminate the relationship with the custodian of that transferor pension fund. The Consolidated Fund shall provide a receipt for the transfer to the transferor pension fund within 30 days of the transfer date.	Communication regarding the transfer of assets must occur no less than thirty (30) days prior to the transfer. Custodial contracts shall be terminated after transfer of assets.

		“Transfer date” means the date at which the Consolidated Fund will assume fiduciary control of the transferor pension fund’s assets and the transferor pension fund will cease to exercise fiduciary responsibility. Within 90 days after the end of the transition period or as soon thereafter as may be practicable as determined by the board, the Consolidated Fund and DOI shall cooperate in transferring to the Fund all pension fund assets remaining in the custody of the transferor pension funds. <i>Rules for transition process</i> The board shall adopt rules to implement the transition process, including: - Transfer of pension fund assets of the transferor pension funds. - Assumption of fiduciary control of such assets by the Consolidated Fund. - Termination of relationships with local custodians. <i>Audit of Consolidation Fund after transition period</i> Within six (6) months after the end of the transition period or as soon thereafter as may be practicable as determined by the board, the books, records, accounts, and securities of the Fund shall be audited by a CPA selected by the board. This audit shall include, but is not limited to, the following: - Full description of the investments acquired, showing average costs. - Full description of the securities sold or exchanged, showing average proceeds or other conditions of an exchange. - Gains or losses realized during the period. - Income from investments. - Administrative expenses incurred by the board. This audit report shall be published on the Consolidated Fund’s official website and filed with the DOI. <i>Loan from Illinois Finance Authority</i> Funding for the payment of the ordinary and regular costs associated with the implementation of this transition process, the Illinois Finance Authority is authorized to the Consolidated Fund up to \$7.5 million. The loan shall be repaid by the Fund with an interest rate tied to the Federal Funds Rate or an equivalent market established variable rate. The Fund and the Illinois Finance Authority will enter into a loan agreement with specified terms which shall be made public.	Consolidated boards will adopt rules to implement the transition process. The Consolidated Funds may each borrow up to \$7.5 million for costs associated with the transition process.
40 ILCS 5/22B-121 new 40 ILCS 5/22C-121 new	Management and direction of investments	The board shall have the authority to manage the pension fund assets of the transferor pension funds for the purpose of obtaining a total return on investments for the long term.	

	<i>Assets to be maintained separate from State treasury</i> <i>Investment advisory services</i>	The authority to manage pension fund assets and the liability shall begin when there has been a physical transfer of the assets to the Consolidated Fund and placed in the custody of the Fund's custodians. The assets shall be maintained in accounts held outside the State treasury. The board may not delegate its management functions, but it may – but is not required to – arrange to compensate for personalized investment advisory service for any or all investments under its control with: - Any national or state bank or trust company authorized to do a trust business and domiciled in Illinois. - Other financial institutions organized under the laws of Illinois. - An investment advisor who is qualified under the federal Investment Advisers Act of 1940 and is registered under the Illinois Securities Law of 1953. The board may also subscribe to general investment research services available for purchase or use by others. The board shall also have the authority to compensate for accounting services. The board may directly invest assets in public market investments, private investments, real estate investments, or other investments authorized by the Illinois Pension Code.	No pension fund assets will be comingled with other state assets.
40 ILCS 5/22B-122 new 40 ILCS 5/22C-122 new	Investment authority <i>Applicable investment authority under Illinois Pension Code</i>	The Consolidated Fund shall have the authority to invest funds, subject to the requirements restrictions set for in Sections 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and 1-115 of the Illinois Pension Code. The Fund shall not be subject to any of the limitations applicable to investments of assets by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 or 4 of the Illinois Pension Code. For purposes of Article 1 of the Illinois Pension Code, the Consolidated Funds shall not be deemed to be a retirement system, pension fund, or investment board whose investments are restricted by Section 1-113.2 of the Illinois Pension Code.	The Consolidated Funds will have the expanded authority to invest like other state pension systems.

		The Fund shall be subject to the provisions of Section 1-109.1, including but not limited to: - Utilization of emerging investment managers. - Increasing racial, ethnic, and gender diversity of its fiduciaries. - Utilization of businesses owned by minorities, women and persons with disabilities. - Utilization of minority broker-dealers. - Utilization of minority investment managers. - Applicable reporting requirements.	
	<i>Bank compliance with Public Funds Investment Act</i>	Banks and savings and loan associations who receive investment funds must comply with the requirements in Section 6 of the Public Funds Investment Act (30 ILCS 235/6) ("Report of financial institutions"). The limitations set forth in Section 6 of the Public Funds Investment Act shall be applicable only at the time of investment and shall not require the liquidation of any investment at any time.	
	<i>Investments held in name of the Consolidated Fund</i>	The Fund shall have the authority to enter into agreements and to execute such documents as it determines to be necessary to complete any investment transaction. All investments shall be clearly held and accounted for to indicate ownership by the Fund. The Fund may direct the registration of securities in its own name or in the name of a nominee created for the express purpose of registration of securities by a bank. Investments shall be carried at cost or at a value determined in accordance with generally accepted accounting principles and accounting procedures approved by the Fund.	
40 ILCS 5/22B-123 new 40 ILCS 5/22C-123 new	Custodian	The assets transferred to or otherwise acquired by the Fund shall be placed in the custody of a custodian, subject to the order of the Fund. Each custodian shall furnish a corporate surety bond of such amount as the board designate, which bond shall indemnify the Fund, the board, and the officers and employees of the Fund against any loss that may result from any action or failure to act by the custodian or any of the custodian's agents.	
40 ILCS 5/22B-124 new 40 ILCS 5/22C-124 new	Accounting for pension fund assets	In the management of the pension fund assets of the transferor pension funds, the Consolidate Fund shall:	

		- Carry all assets at fair market value, except the board may elect to place such value on any investment conditionally; the amount of any later realization of such asset in cash that is in excess of or is less than the amount so credited shall be credited or charged to the account maintained for the transferor pension fund that made the transfer. - Shall keep proper books of account that shall reflect at all times the value of all investments held by the Fund. - Shall charge all distributions made by the Fund to or for a transferor pension fund to the account maintained for that fund.	Is this provision referencing annuities, where a death benefit may be involved and where liquidation would be imprudent?
40 ILCS 5/22B-125 40 ILCS 5/22C-125	Audits and reports <i>Quarterly reports</i> <i>Fiscal Year</i>	At least annually, the Consolidated Fund shall be audited by a CPA selected by the board and conducted in accordance with GASB. The audit opinion shall be published as a part of the annual report of the Fund, which shall be submitted to the transferor pension funds and the DOI. For the quarterly periods ending September 30, December 31, and March 31, the Fund shall submit to the participating pension funds and to the DOI a report containing the following information: - Full description of the investments acquired, showing average costs - Full description of the securities sold or exchanged, showing average proceeds or other conditions of an exchange - Gains or losses realized during the period - Income from investments - Administrative expenses The fiscal year shall be from July 1 to June 30.	The Consolidated Funds' fiscal year will be July 1 to June 30. Quarterly reports will be presumably issued in October, January, and April. Article 3 and 4 funds will likely need to adjust their fiscal years to align with the Consolidated Funds for auditing purposes.

	<i>Annual Report</i>	An annual report shall be prepared by the Fund for submission to the participating pension funds and to the DOI within six (6) months after the closed of each fiscal year. The report shall contain full information concerning the results of investment operations of the Fund and include (besides the items noted above): - Listing of the investments held by the Fund at the end of the year, showing their book values and market values and their income yields on market values. - Comments on the pertinent factors affecting such investments. - Review of policies maintained by the Fund and any changes that occurred during the year. - Copy of the audited financial statements for the year. - Recommendations for possible changes in Article 22B and 22C or otherwise governing the operations of the Fund. - Listing of the names of securities brokers and dealers dealt with during the year showing the total amount of commissions received by each on transactions with the Fund.	Annual report will be issued after the end of the fiscal year (after July 1st) and submitted to the Article 3 and 4 funds, as well as the DOI.
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