



**Illinois Firefighters'  
Pension Investment Fund**

**User Guide to Monthly Account Statements**

## **I. Background/Overview**

In addition to its responsibility of investing the assets of Participating Pension Funds, the Illinois Firefighters' Pension Investment Fund is responsible for providing monthly account statements to all Participating Pension Funds monthly. Monthly account statements include both month to date and calendar year to date information and are available to designated account representatives via the Northern Trust Passport site by the 15<sup>th</sup> business day each month.

All monthly account statements will include Beginning NAV (Net Asset Value) Contributions and Withdrawals, Income and Expenses (allocated to Participating Pension Funds based on percentage ownership for the period), Ownership Percentage, Rate of Return and Ending NAV. An explanation of these line items is provided in this guide. These monthly account statements are specific only to cash and investments held at FPIF.

## **II. Beginning NAVs**

- a. Beginning NAV** – Carried forward from prior period ending NAV (Net Asset Value)
- b. Contributions** – Cash contributions received from the Participating Pension Fund plus interest earned on contributions
- c. Withdrawals** – Cash withdrawals made by the Participating Pension Fund via the Global Cash Movement (GCM)
- d. Net Time Weighted Activity** – Net cash flows by Participating Pension Fund adjusted for time
- e. Allocation Balance** – Beginning NAV plus/minus Net Time Weighted Activity
- f. Allocation Percent** – Participating Pension Fund's percent ownership at beginning of statement period adjusted for time weighted cash activity for the month (allocation percent is used to allocate monthly income and expenses)

### **III. Income & Expenses**

- a. Unrealized Gain/Loss** – Market value appreciation/depreciation of all investments held at month end
- b. Realized Gain/Loss** – Result of sales of investments during the reporting period
- c. Dividend Income** – Investment income related to equities, real estate, private equity and infrastructure
- d. Interest Income** – Investment income related to fixed income, private debt, cash and cash equivalents
- e. Derivative Income** – Investment income received from derivative assets
- f. Private Equity/Real Estate Income Earned** – Income received from Private Equity and Real Estate assets
- g. Other Income** – No current activity
- h. Administrator Fee** – IFA loan repayment related to FPIF Operating Expenses incurred prior to June 30, 2022
- i. Other Fees & Expenses** – FPIF Home Office Expenses beginning July 1, 2022 allocated to Participating Pension Funds based on percentage ownership. FPIF Home Office Expenses are made up of three major categories: Personnel, Professional Services and Operations
- j. Swap/Derivative Fees** – Transactions and other fees to trade and maintain derivative positions
- k. Other Expenses** – Transaction fees
- l. Management Fee** – Investment Management Fees paid directly out of the portfolio
- m. Performance Fee** – Fees paid to Investment Advisors based on excess returns relative to a benchmark

n. **Net Income** – Equal to the combination of all income and expense activity

**IV. Ending NAV**

a. **Ending NAV** – Market value for the Participating Pension Fund at month end.  
Ending NAV is equal to beginning NAV + contributions – withdrawals + net income

**V. Rates of Return**

a. **Return on Invested Capital** – The Money Weighted Rate of Return of the Participating Pension Fund's assets invested at FPIF

b. **Return on Total Assets** – The Money Weighted Rate of Return of the Participating Pension Fund's assets held at FPIF, including cash received but not yet invested per FPIF's cash management policy