

AGENDA
OFFICER NOMINATING COMMITTEE MEETING
DECEMBER 9, 2011

10:00 A.M.

Via Teleconference

- A. Roll Call – Wednesday, December 7, 2011 at 11:00 a.m.

- B. Discussion (Nomination of 2012 Officers)
 - 1. President
 - 2. Vice-President
 - 3. Secretary

- C. Adjournment at _____ p.m.

Board Officers

<u>Year</u>	<u>President</u>	<u>Vice President</u>	<u>Secretary</u>
1995	Al Glienke	Chris Martin	Tom Setchell
1996	Chris Martin	Tom Setchell	Rita Miotti
1997	Tom Setchell	Rita Miotti	Marvin Shoop
1998	Rita Miotti	Marvin Shoop	Steve Sonnemaker
1999	Marvin Shoop	Heidi Baxter	Steve Sonnemaker
2000	Heidi Baxter	Steve Sonnemaker	John Novak
2001	Steve Sonnemaker	John Novak	Max Bochmann
2002	John Novak	Max Bochmann	Tom Ross
2003	Max Bochmann	Tom Ross	Martha Rademacher
2004	Tom Ross	Martha Rademacher	Sharon U. Thompson
2005	Martha Rademacher	Sharon U. Thompson	Rita Miotti (Jan-June '05) Marvin Shoop (June-Dec. '05)
2006	Sharon U. Thompson	Marvin Shoop	John Novak (Jan-Nov. '06) Max Bochmann (December '06)
2007	Marvin Shoop	Max Bochmann	Judi Voller
2008	Max Bochmann	Judi Voller (Jan-Oct. '08) Sharon Thompson (Nov-Dec. '08)	Jim Rasins (Jan-Nov. '08) Ruth Faklis (December '08)
2009	Sharon Thompson	Ruth Faklis	Martha Rademacher
2010	Ruth Faklis	Martha Rademacher	Marvin Shoop
2011	Marvin R. Shoop, Jr.	Gwen Henry	Bill Stafford

BOARD CHARTER

The Board of Trustees was established under State law to govern and administer IMRF. The Board has those powers and duties delegated to it by the Illinois General Assembly and which may be reasonably inferred from the statute or general trust law to carry out its purpose. Within this role, the Trustees have a duty as fiduciaries under the law to act solely for the benefit of members and beneficiaries (known as the Exclusive Benefit Rule).

The Board views itself as being primarily a policy-making and governance body. By operation of law, the Board shall appoint an Executive Director to manage the office and to carry out the technical administrative duties of the Fund subject to ongoing monitoring and oversight. The Board does not engage in regular day-to-day management functions at IMRF.

Each Trustee is elected for a term of five years unless appointed or elected to fill a vacancy. If elected, the term of office begins January 1st of the year following election. If appointed to fill a vacancy, the term begins as specified by the Board of Trustees. A Trustee is disqualified immediately upon termination of employment, whether or not such termination is contested, or upon any change in status which qualified the Trustee for election. A Trustee may resign upon providing written notice to the Board President or Board Vice President.

The Board shall fill vacancies as is practicable consistent with their fiduciary duties. If a vacancy occurs more than 2 years before the end of the term, and if the vacancy is filled, it is filled until the next normal election date of Trustees. If the remaining term is less than 2 years, then the position, if filled, is filled until the next normal election date.

Board officers include a President, Vice President and Secretary. They are elected by a majority vote of Trustees each December to take office January 1st for a one-year term. Officers are nominated by a Committee consisting of the Board President, Vice-President and Secretary. Additional nominations can be introduced by any trustee at the time for a vote.

Officers can be removed for any reason by a majority vote. Vacancies in an office are to be filled at the Board Meeting next after the vacancy occurs. Officers are limited to two consecutive one-year terms.

The Board has the powers and duties set forth in Sections 7-179 to 7-200 inclusive of the Illinois Pension Code, such other powers and duties provided in Articles 1, 7, 20 and 22 of the Illinois Pension Code, and such other powers as may be necessary to implement the intent of the authority found in these Sections and Articles.

The Board is empowered to:

- (1) Appoint, appraise the performance, and terminate an Executive Director who shall be in charge of the general administration of the Fund including the processing of enrollments, service applications, benefit applications, and wage reports; maintenance of data; preparation of payments to members and vendors; preparation of annual financial and member statements; and, the hiring and termination of staff.
- (2) Hire and terminate investment consultants; investment managers, master trustees, actuaries, internal and external auditors, legal counsel, fiduciary counsel and medical counsel to assist both the Board and the staff in the efficient operation of the fund.
- (3) Approve the Comprehensive Annual Financial Report, the annual budget, oversee expenses, set compensation of employees, audit accounts, and oversee the financial controls and reporting systems.
- (4) Establish an asset allocation for IMRF investment assets including approval of an investment policy, emerging manager policy, proxy voting policy and related programs such as emerging managers and minority and women business enterprises.
- (5) Establish a Strategic Plan by setting and prioritizing objectives; including the oversight of staff activities.
- (6) Develop a legislative philosophy and agenda.
- (7) Adopt assumptions and establish policies used in actuarial valuations and employer contribution rate making.

- (8) Make rules to ensure due process for members and employers; provide administrative Review of staff decisions; make rules for the orderly functioning of the Board and operation of the Fund; and, establish Committees as necessary.
- (9) Initiate, defend and settle litigation in either the capacity of a pension fund or employer.

All monies and assets of IMRF are held by the Illinois State Treasurer pursuant to a Master Trustee Agreement with a private financial institution with institutional custodial experience.

Trustees, consultants and employees of IMRF are indemnified against all damage claims and suits, including legal defense fees for negligent or wrongful acts. Indemnification does not extend to willful misconduct, gross negligence or criminal activity.

The Board may obtain insurance or self insure against loss or liability (including punitive damages) of the Trustees.

2011 Board Committees

Audit Committee

Gwen Henry, Chair
Martha Rademacher
Bill Stafford

Benefit Review Committee

Martha Rademacher, Chair
Natalie Copper
Ruth Faklis
Marvin R. Shoop, Jr.

Investment Committee

Bill Stafford, Chair
Natalie Copper
Gwen Henry
John Piechocinski
Marvin R. Shoop, Jr.
Sharon U. Thompson

Legislative Committee

Sharon U. Thompson, Chair
Natalie Copper
Ruth Faklis
Gwen Henry
John Piechocinski
Marvin R. Shoop, Jr.