

ILLINOIS MUNICIPAL RETIREMENT FUND  
MINUTES OF  
REGULAR MEETING NO. 22-11  
NOVEMBER 18, 2022



ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 22-11

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. November 18, 2022, in the Fund Office at 2221 York Road, Suite 400, Oak Brook, Illinois.

Ms. Copper presided as President/Chair and called the meeting to order.

A visual roll call determined the following were present/absent:

Present: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Absent: All present

The following people were also present at the meeting: Mark Buis and Francois Pietrese from Gabriel Roeder Smith & Company; and Ms. Rose Dean, and Mr. Ali Kazemi from Wilshire Associates.

(22-11-01) (Appreciation of Service - Kathy Goerd) Kathy Goerd joined the meeting via MS Teams where Executive Director Brian Collins recognized her for her 25 years of service at IMRF. He asked the Board to adopt the following resolution.

WHEREAS, Kathy Goerd, Organizational Excellence Officer, has faithfully served IMRF from January 1997 through September 2022, and;

WHEREAS, Kathy Goerd held positions in the Finance Department, Office Services Department, Information Services Department, and Organizational Excellence Department, first as an Imaging Analyst, then Business Analyst - Imaging/Workflow, then Office Services Analyst, then Records and Mail Processing Supervisor, and since February 2014 as the Organizational Excellence Officer, and;

WHEREAS, Kathy Goerd was the author of four award applications for the Baldrige Criteria for Performance Excellence including the Malcolm Baldrige Award in 2019, ILPEX Gold Award for "Achievement of Excellence" in 2017, ILPEX Silver Award for "Progress towards Excellence" in 2012 and 2014, and the ILPEX Bronze Award for "Commitment to Excellence" in 2009, and;

WHEREAS, Kathy Goerd, on three separate occasions, led IMRF's Triennial Strategic Planning Process, resulting in the development of dozens of associated action plans that improved processes and results for all IMRF stakeholders, and;

WHEREAS, Kathy Goerd created IMRF's Project Portfolio Management process, which for the first time gave Senior Leaders an organization-wide view of all major projects, enabling them to make better informed decisions, and;

WHEREAS, Kathy Goerdt created the first formal organization-wide Project Management Process and tools which gave internal staff the tools and skills necessary for successful project management, and;

WHEREAS, Kathy Goerdt played a foundational role in the development of many core IMRF programs and processes, such as the Strategic Planning Process, Project Portfolio Management, Enterprise-wide Project Management, IMRF's Leadership Scorecard including participation in CEM and the Cobalt Survey; the Voice of the Customer process, and developed and led the IMRF Journey of Excellence including tracking of IMRF's key approaches and development of IMRF's applications at the state and national Baldrige levels, and IMRF's internal Continuous Process Improvement Program which embeds Six Sigma improvement tools with a Plan/Do/Check/Act best practice format (sited as a global best practice by Baldrige Examiners), and;

WHEREAS, Kathy Goerdt furthered process improvement and performance excellence both in Illinois and nationwide by serving for 15 years as an Illinois Performance Excellence Senior Examiner and as a national Malcolm Baldrige National Quality Award Examiner. Additionally, she coached 40 internal IMRF staff in successful training and service as state examiners, and;

WHEREAS, during her tenure, Kathy Goerdt became a respected leader within the performance excellence community, speaking and representing IMRF before numerous stakeholder groups including the "Quest for Excellence" Baldrige Conference, the Illinois Conference on Enterprise Excellence, NASRA (National Association of State Retirement Administrators), and at the CEM Global Pension Administration Conference, and;

WHEREAS, Kathy Goerdt served on the Boards of Directors for AIIM Chicago (Association for Intelligent Information Management, ILPEX (Illinois Performance Excellence), and IMEC (Illinois Manufacturing Excellence Center), and;

THEREFORE, BET IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Kathy Goerdt for her significant contributions and service to the Illinois Municipal Retirement Fund.

It was moved by Mr. Kosiba, seconded by Mr. Kuehne to approve the above resolution that recognizes and honors Kathy Goerdt for her many years of service to the Illinois Municipal Retirement Fund.

**ALL VOTED AYE - MOTION CARRIED  
8 AYES; 0 ABSENT**

(22-11-02) (Actuarial Update/Annual Funding Policy) Mr. Mark Buis and Mr. Francois Pieterse from GRS gave an actuarial update, as well as an update on IMRF's Funding Policy. The following observations were presented: *Bad News* - Return on Fund through September was negative 17.6%. Based on assumed rate of return of 7.25%, this would result in a 24.85% asset loss for the year versus the assumption. *Good News* - under the asset smoothing method, only 20% of loss is recognized each year. As of December 31, 2021, there is approximately \$7 billion in unrecognized gains from prior years.

They then explained the hypothetical 2022 results based on -17.6% return, and the observations are as follows. Due to favorable investment performance over the prior 3 years, the average contribution rate would only increase slightly. Also, absent offsetting gains in 2023 and average contribution rate would continue to increase by approximately 1.5% of payroll. So, there would now be \$6 million in unrecognized asset losses to be phased in over 2023 to 2026 valuations. Historically, bear markets are following by some type of bounce back (positive return), so this could mitigate this pressure. Also, rates are considerably lower than 20018 and 2019. This is a perfect example of why pension plans use asset smoothing to develop the annual contribution.

GRS also reported on the "pandemic experience". In general, IMRF's experience is consistent with what have been seen across the country. There is a higher incidence of terminations (Great Resignation) with modest liability gains; a higher incidence of retirement with modest liability losses; and a high incidence of mortality that has resulted in small gains to the system (impacting older ages).

Finally, GRS explained how inflation is impacting IMRF and presented the following observations. Most experiences are predicting the surge in inflation to be short-term. Inflation could put upward pressure on wages, leading to increases in liability.

GRS reassured that there is no need to panic. IMRF is well funded and in great shape to withstand a difficult year.

After the presentation, Mr. Kosiba asked when the next Triennial Study will occur and what years it will cover. Mark explained that the next Triennial Study will be done in the Fall of 2023, and it will cover years 2020-2021-2022.

(22-11-03) (3<sup>rd</sup> Quarter Investment Performance Report) Mr. Kazemi and Ms. Dean from Wilshire presented the performance reports for 3<sup>rd</sup> quarter.

Highlights of the presentation included:

- Market value as of September 2022 is \$45.5 billion.
- IMRF total fund return for 3Q 2022: -4.60% versus the Total Fund Benchmark return of -5.66%.
- U.S. equity markets declined for the quarter as persistent high inflation and slowing economic growth continue to be a drag on performance.
- IMRF U.S. Equity Portfolio underperformed the benchmark during the quarter, returning -5.14% versus -4.78%.
- Slowing growth in Europe and China, coupled with a European energy crisis weighed on international stocks during the quarter.
- IMRF International Equity Portfolio underperformed the benchmark during the quarter, returning -9.99% versus -9.91%.
- Continued aggressive Fed tightening resulted in a challenging fixed income environment.
- IMRF Fixed Income Portfolio outperformed the benchmark during the quarter, returning -3.55% versus -3.60%.
- All asset class allocations remain within the rebalancing range in the Investment Policy.

Finally, they reassured that asset allocation is in-line with rebalancing.

(22-11-04) (Investment Reports) Ms. Angela Miller-May, CIO for IMRF, reported the following changes to asset classes for the month-to-date period ending November 16, 2022:

- Domestic Equity increased 2.45% from \$17,781 million to \$18,216 million
- International Equity increased by 9.77% from \$7,591 million to \$8,332 million
- Fixed Income increased by 2.60% from \$11,736 million to \$12,041 million
- Real Estate increased by .51% from \$4,862 million to \$4,887 million
- Alternative Investments increased by .38% from \$5,004 million to \$5,023 million
- Cash decreased by -48.64% from \$318 million to \$163 million
- The overall fund saw an increase of 2.90% going from \$47,292 million to \$48,663 million

Furthermore, the following benchmark returns were reported:

S&P 500	+2.37% (MTD)
Custom U.S. Equity Benchmark	+2.37%
93% Russell 3000 Index	
7% FTSE Global Core Infrastructure 50/50 Index (Net)	
MSCI ACWI Ex-U.S.	+10.25%
Broad International equity market benchmark	
Bloomberg Barclays Aggregate	3.02%
Broad U.S. bond market benchmark	

Ms. Miller-May reminded everyone of IMRF's Investment Philosophy which includes the following:

- IMRF is a long-term and patient investor that has exceeded its expected rate of returns over the long investment horizon.
- Asset allocation is the primary driver of long-term total fund returns and IMRF is disciplined to their Asset Allocation Targets.
- Strategic Decisions will prevail in determining asset allocation rather than tactical or short-term market timing decisions.
- Investment Structure and Rebalancing is vital in complying with asset allocation targets.
- Diversification is key across all asset classes and is the main defense against realizing losses.

Monthly Minority Manager Utilization and Brokerage reports were given as information as well.

(22-11-05) (Consent Agenda) The Chair presented an agenda consisting of a Consent Agenda. The following items remained on the Consent Agenda since no Board member asked for their removal.

Schedules - Reports from August/September/October

- (A) Schedule A - Benefit award listing of retirement, temporary disability, death benefits, and refund of employee contributions processed during the preceding calendar month under Article 7 of the Illinois Pension Code.
- Schedule B - Adjustment of Benefit Awards showing adjustments required in benefit awards and the reasons therefore.
- Schedule C - Benefit Cancellations.
- Schedule D - Expiration of Temporary Disability Benefits terminated under the provisions of Section 7-147 of the Illinois Pension Code.
- Schedule E - Expiration of Temporary Disability Benefits approved under the provisions of Section 7-147 of the Illinois Pension Code.
- Schedule F - Benefits Terminated.
- Schedule G - Administrative Benefit Denials.
- Schedule P - Administrative Denial of Application for Past Service Credit.
- Schedule R - Prior Service - New Governmental Units
- Schedule S - Prior Service Adjustments

Approval of Minutes

- (B) Regular Meeting from August 19, 2022
- (C) Executive Session from August 19, 2022
- (D) Special Meeting from October 26, 2022
- (E) Executive Session from October 26, 2022

(F) Bids

Avaya Telephony System Enhancements & Horizon Integration - Addendum  
8.0

New Ceiling Amount  
Approved Amount: \$1,155,829

Boardroom AV Refresh  
Approved Bidder: AVI-SPL, LLC  
Approved Bid: \$371,766.26

CSI Maintenance Renewal  
Sole Source: Connectivity Systems, Inc.  
Approved Bid: \$40,327.24

Digital Mail Meter System - 3-year Lease  
Approved Bidder: Pitney Bowes, inc.  
Approved Bid: \$1,332.02/month

Executive Coaching Services  
Approved Bidders and Bids: Ama La Vida Coaching (350/hour) - 3-  
years  
RJ Winston Consulting (450/hour) - 3-  
years

IBM Hardware Maintenance Renewal  
Sole Source: Sirius Computer Solutions  
Approved Bid: \$43,140

Mail Inserter System Maintenance - 3-years  
Sole Source: Pitney Bowes, Inc.  
Approved Bid: \$17,325.69/year or \$51,977.06 total

Treehouse Maintenance Renewal  
Sole Source: Treehouse Software, Inc.  
Approved Bid: \$32,970

(G) Participation of New Unit of Government and Instrumentality

Bradford Public Library District  
County: Bureau Marshall Stark  
2022 Employer Rate: 18.59%  
Effective Participation Date: December 2022  
Number of Employees: 2

Sangamon Valley Public Water District  
County: Champaign  
2022 Employer Rate: 15.38%  
Effective Participation Date: December 2022  
Number of Employees: 7

Village of Equality  
County: Gallaton  
2022 Employer rate: 7.05%  
Effective Participation Date: December 1, 2022  
Number of Employees: 4

(H) Review of September, October, and November 2022 Financial Reporting Packages

(I) Statement of Fiduciary Net Position (July & August 2022)

(J) Impact of 2022 Year-To-Date Investment Income of Employer Reserves, Funding Status and Average Employer Contribution Rate

(K) Schedule T - Report of Expenditures (September, October, and November 2022)

It was moved by Ms. Copper, seconded by Mr. Kuehne, to approve items A-K on the consent agenda.



**ALL VOTED AYE - MOTION CARRIED  
8 AYES; 0 ABSENT**

(22-11-06) (Audit Committee) The Chair of the Audit Committee reported on the Audit Committee meeting that was held on November 18, 2022, at 9:00a.m.

The Chair reported the following:

Committee approved the minutes from the May 27, 2022, meeting.

General Counsel presented the Annual Report on Compliance Activity. There were 15 complaints reported on the hotline, where 14 of the 15 complaints were external and 5 of these 14 external complaints were for member services and 2 were complaints unrelated to IMRF. One elected official hours complaint is still open and set for follow up. The 14 complaints were closed. There were 2 internal complaints received outside of the hotline where 1 of the of 2 resulted in termination due to code of conduct violation. The Code of Conduct training was completed by 100% of staff not on FMLA during Spring and Fall of 2022. Fall training included harassment training as required by law and was also completed by 100% of the Board. Quiz results were over 90% for both trainings, demonstrating a high level of comprehension.

Crowe gave a presentation of the results of the 2022 Internal Audit Work performed related to the Information System Area. There was one high risk, a few moderate risk, and several low risk.

There was also a presentation of the External Audit Service Plan by Plante Moran.

Furthermore, Chairman Stanish reported that the Audit Committee approved the following Internal Audit Charter.

It was moved by Ms. Stanish and seconded by Mr. Kuehne to accept and approve the Audit Committee Report as presented.

**ALL VOTED AYE - MOTION CARRIED  
8 AYES; 0 ABSENT**

**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

(22-11-07) (Benefit Review Committee Report) The Chair of the Benefit Review Committee reported on the Benefit Review Committee meeting that was held on November 17, 2022, at 1:00p.m.

The Committee approved the open session meeting minutes from August 18, 2022.

It was moved by Mr. Stefan and seconded by Mr. Kuehne, to accept the following recommendations of the Benefit Review Committee:

- Affirm the denial of total and permanent disability benefits for Veronica Montaya

- Affirm the denial of temporary benefits for Debbie Franks
- Affirm staff on the Leopold Roganowicz return to work appeal and assign 50% of the \$3,187.73 prepayment to the Rockford Park District
- Affirm staff on they Lynn Aladeen and Jerry Chlada non-disability appeals

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-08) (Investment Committee Meeting) The Chair of the Investment Committee reported on the Investment Committee Meeting that was held on November 17, 2022 at 9:00a.m.

The Investment Committee approved the meeting minutes from the August 18, 2022 meeting.

It was the consensus of the Investment Committee to recommend that the Board approve the following recommendations:

For Public Equity

- Authorize the following actions subject to satisfactory legal due diligence
  - o Reduction up to \$400 million of the Genesis Emerging Markets Equity Strategy
  - o Allocation up to \$400 million to Arrowstreet Emerging Markets Equity Strategy
- Authorize Staff to complete all documentation necessary to execute these recommendations

For Private Equity

- Authorize a commitment of up to \$30 million to Harpoon Ventures Fund IV, L.P., subject to satisfactory legal due diligence
- Authorize a commitment of up to €60 million to IK Fund X, L.P., subject to satisfactory legal due diligence
- Authorize a commitment of up to \$100 million to Versant Fund IX, L.P., Versant Voyageurs III, L.P., and Versant Vantage III, L.P., subject to satisfactory legal due diligence
- Authorize Staff to complete all documentation necessary to execute these recommendations

For Real Estate

- Authorize a commitment of up to \$75 million to Rockwood Fund XII, L.P., subject to satisfactory legal due diligence
- Authorize a commitment of up to \$75 million to Torchlight Debt Fund VIII, L.P., subject to satisfactory legal due diligence
- Authorize Staff to complete all documentation necessary to execute these recommendations

It was moved by Mr. Stefan, seconded by Ms. Stanish, to accept the recommendations of the Investment Committee.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-09) (Legislative Committee Report) The Chair of the Legislative Committee reported on the Legislative Committee Meeting that was held on November 17, 2022 at 12:20 p.m.

The Legislative Committee approved the meeting minutes from the January 31, 2022 meeting.

It was the consensus of the Legislative Committee to recommend the following proposals for the 2022 IMRF Board of Trustees Legislative Agenda.

- 100% employer liability option for return to work and separation of service violations
- Set training requirements for Authorized Agents
- Exempt from Accelerated Payments amounts required under federal or state law or court mandate and for increases due to regular hours after an employee had a reduction in hours
- Allow trustees to remain on the Board if their employment changes during a trustee's term of office

The committee tabled the following items until the December meeting:

- The proposal to change the election scheduled to more evenly spaced-out terms of office
- Potential DROP Plan
- 2023 Trustee Springfield Drive-Down

It was moved by Mr. Kuehne and seconded by Mr. Kosiba to approve the recommendations from the Legislative Committee.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-10) (Pension Administration Benchmarking Report) Organizational Excellence Officer, Michael Everett, presented the Pension Administration Benchmarking Report. The key takeaways from the report are:

- IMRF earned a Total Service Score of 87, versus the peer median score of 75
- IMRF is in top quartile of the CEM universe
  - Our goal is to be top decile in "overall service" score among our peer group
  - IMRF had either a perfect score or scored above peer median across all activities
  - We are among the highest service scores in CEM's universe

- IMRF's total pension administration cost of \$94 per active member and annuitant was \$32 below the peer average of \$126.
- IMRF continues to offer high service levels at a low cost to our members and employers.

(22-11-11) (2023 Compensation Plan) The Director of Human Resources reviewed the 2023 IMRF Staff Compensation Package Report with the Board.

It was moved by Mr. Kosiba and seconded by Ms. Mitchell, to approve the following recommendations:

**Insurance Package**

- Provide staff health insurance coverage through the current Blue Cross/Blue Shield HMO and PPO program, with no benefit changes, and only a 5% increase in premiums.
- Renew with Lincoln Dental Insurance High/Low PPO Dental Plan for one year with no increase in premiums.
- Continue the current split between employee-paid insurance premiums and employer-paid insurance premiums.
- Continue to offer a Supplemental Vision Insurance Plan through our contract with EyeMed. Participation in this plan is optional and is paid by the employee.
- Renew with MetLife as our Life and accidental death and dismemberment (AD&D) Insurance Provider, with no benefit changes and no premium increase.
- Continue to offer both NCPERS and MetLife as an additional provider of Voluntary Life/AD&D Insurance, with no benefit changes and no premium increase. Participation in these plans is optional and paid by the employee.

**Compensation Package**

- IMRF's triennial study that was just conducted shows that IMRF's salary ranges need to be adjusted in order to remain at the market median. Therefore, the recommendation is to approve the new salary ranges suggested by CBIZ.
- Approve bringing 19 employees to the minimum of their new salary range.
- The most recent triennial study findings show that, compared to the market, 28 IMRF jobs needs to be repositioned into a higher salary grade. Therefore, it is recommended to approve 28 positions (total of 51 employees) into new salary grades
- Approve a 3% salary adjustment for the 51 employees moving from their current salary grade to their new salary grade
- Approve a Base Salary Adjustment of 5.00% to eligible salaries as of December 31, 2022.
- Create a discretionary increase pool equal to 1.0% of December 31, 2022 staff salaries, with maximum increase of both Base Salary Adjustment and Discretionary Increase of 6.50%.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-12) (2023 Proposed Budget and Strategic Plan) The Chief Financial Officer presented a summary of the proposed 2023 Budget document for approval by the Board. He explained that the "theme" behind the budget is tying it to the Strategic Plan.

Trustee Kuehne commented that staff did a great job on the 2023 Budget. He inquired if there will be a plan to do a multi-year budget/forecast based on projections, in addition to the annual budget.

It was moved by Mr. Kuehne and seconded by Mr. Stefan, to approve the 2023 Budget and Strategic Plan as presented.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-13) (2023 Employer Contribution Rates) The Chief Financial Officer presented the 2023 Employer Contribution Rates for Board approval.

It was moved by Ms. Stanish and seconded by Mr. Miller, to approve the 2023 Employer Contribution Rates.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

(22-11-14) (Litigation Update) The following is an update of the currently pending or recently concluded litigation:

**BRANDIE EDWARDS v. IMRF (COOK COUNTY 2020 CH 6213)**

**Summary:** IMRF denied Ms. Edwards' claim for temporary disability benefits at the August Board meeting. Ms. Edwards has filed a Complaint for Administrative Review seeking the reversal of the Board decision.

**Status:** The Court partially granted IMRF's motion to dismiss without prejudice and granted the Plaintiff time to file an amended complaint. An amended complaint has not yet been filed.

**CALIFORNIAL PUBLIC EMPLOYEES' RETIREMENT SYSTEM ET AL. v. PETROBRAS-PETROLEO BRASILEIRO S.A. (MARKET ARBITRATION CHAMBER ARBITRAL PROCEEDING No 72/2016)**

**Summary:** A group of investors is seeking recovery through arbitration proceedings against Brazilian corporation, Petrobras, related to the overstatement of the corporation's assets and earnings along with potential liabilities that the corporation was exposed to as a result of a widespread bribery and kickback scheme. Once knowledge of the bribery and kickback scheme became public, the price of Petrobras securities declined significantly, causing substantial losses for investors.

**Status:** A U.S. District Court for the Southern District of New York declined to exercise jurisdiction over claims related to Petrobras shares traded in

Brazil. Therefore, these claims are pending before the Market Arbitration Chamber of the Brazilian Stock Exchange. IMRF has participated in proceedings to establish its right to a claim, but the actual calculation of individual damages for each claimant has not been addressed. The parties have recently agreed to a list of qualified experts. The experts will assist the arbitration panel in resolving questions of econometric causation and calculation of alleged damages.

**KEITH GARDNER v. BOARD OF TRUSTEES OF IMRF et al.**  
**DUPAGE COUNTY 2021 MR 1377)**

**Summary:** Gardner was a sheriff's deputy for the Kane County Sheriff's Office. He then received temporary disability benefits for a number of months. Upon evaluation of his claim for total and permanent disability benefits, IMRF received new information showing that Gardner had refused to attempt to return to work with medical accommodations offered by Kane County. Therefore, the IMRF Board retroactively terminated Gardner's temporary disability benefits rendering the question of total and permanent disability benefits moot. Gardner appealed the decision.

**Status:** The retroactive denial of temporary disability benefits to Mr. Gardner was affirmed by the Circuit Court. Mr. Gardner has filed a notice of appeal. Staff will continue to monitor this matter for the filing of the record on appeal and other requisite documents to vest the appellate court with jurisdiction.

**TAMEKA WILSON v. IMRF (IDHR 2022CR 0504)**

**Summary:** This is a charge of discrimination by a former employee through the Illinois Department of Human Rights.

**Status:** The IDHR dismissed this matter for lack of substantial evidence. The plaintiff still has a right to file a lawsuit or seek review by the Illinois Human Rights Commission.

**GORDON v. IMRF et al. (U.S. EEOC 440-2022-3068**  
**U.S. DIST. COURT FOR the NORTHERN DISTRICT OF ILL 2021 cv 6653)**

**Summary:** This is a new EEOC charge of discrimination by a current employee. Additionally, Gordon has filed a lawsuit in federal court stemming from the same allegations that were previously dismissed by the IDHR and EEOC.

**Status:** This matter is resolved and has been dismissed with prejudice.

**IMRF et al. v. PACIFICORP, et al.**  
**DOUGLAS COUNTY, OREGON 20CV37637**

**Summary:** IMRF is one of a group of landowners in Oregon bringing suit against electric company Pacificorp for the loss of timberland due to a forest fire in the Archie Creek area of Oregon believed to be caused by the company. This litigation was previously authorized by the IMRF Board of Trustees.

**Status:** As the parties exchange expert reports and additional information became available, the Plaintiffs recently amended the complaint for damages. Discussions of proper valuation and potential resolution of these claims are ongoing.

**GLENCORE PLC (UNITED KINGDOM INVESTOR GROUP ACTION)**

**Summary:** A group of investors is seeking recovery through the UK's Financial Services and Markets Act against multinational commodity trading and mining company, Glencore PLC. The claim is based on alleged misstatements and omissions concerning Glencore's operations in the Democratic Republic of Congo. Specifically, the entity failed to disclose that its business operations in the DRC were secured through possibly corrupt means. Once knowledge of the bribery and corruption scheme became public, the price of Glencore's securities declined significantly, causing substantial losses for investors.

**Status:** IMRF has opted to participate in one of the investor group actions. The action is still gathering qualified investors for the group action and pleadings have not yet been filed. The litigation of these claims will be handled by an outside English counsel.

**JACKIE HAYES v. BOARD OF TRUSTEES OF IMRF et al.**  
**(SANGAMON COUNTY 2022 MR 126)**

**Summary:** Plaintiff's claim for total and permanent disability was denied by the IMRF Board of Trustees in December 2021 with a final written decision sent to the Plaintiff in early January 2022. Plaintiff filed a claim for judicial review in March 2022, but the IMRF defendants were not served with a summons until late July 2022.

**Status:** IMRF staff has filed a motion to dismiss based on the late filing of the complaint. The motion was argued on October 24, 2022. The court granted IMRF's motion to dismiss with prejudice. The time for filing an appeal has not yet run.

(22-11-15) (Legislative Update) IMRF's Government Affairs Manager gave a report on current legislative activity.

She informed that the General Assembly scheduled its veto session for November 15-17 and November 29-December 1. So far, no committees have been scheduled and no new legislation or amendments have been introduced, so some days may be cancelled.

She further informed the 2022 elections are completed and it looks like the Democrats have retained their supermajorities in both chambers, with the House actually likely to expand their majority from 73 to 77 (71 seats constitutes a supermajority in the House). The Senate Democrats are likely to lose 1-2 seats, but they would still be 3-4 seats above the necessary 34 seats needed to maintain their status.

House Republican Leader Jim Durkin also announced that he will not seek another term as Leader. There are likely several members of that caucus who are interested in seeking election to that seat.

Finally, she reported that the virtual legislator meetings were a popular method for reaching legislators. IMRF staff met with 20 legislators and one new pension staffer. Out of this total, only one member will definitely not be returning to Springfield (Rep. Mark Luft ultimately lost his primary election). An additional two legislators have races that have not yet been called, but they remain in the lead and are likely to be ultimately

successful (Rep. Michael Happin, who is running for a seat in the Senate, and Rep. Martin McLaughlin). Meetings were suspended after the August Board meeting due to the election but will resume in the new year. We are hopeful that since there is no election in 2023, we can be even more successful and also able to schedule meetings further in advance.

(22-11-16) (Report of the Executive Director) The Executive Director highlighted the progress on strategic objectives and key strategies during the third quarter of 2022 that support IMRF's 2020-2022 Strategic Plan.

Next, the Executive Director updated the Board on the status of the Horizon Project, providing an updated timeline with an estimated "go live" in June 2023 rather than November 2022. Mr. Kosiba expressed his disappointment in the progress of the project and the previous updates provided by the Executive Director. Discussion ensued and most agreed that successful Horizon implementation was critically important and expressed support for Staff/Executive Director's approach.

The Executive Director also provided information on FOIA requests, the IMRF retiree endorsed health insurance, personnel, and the 2022 Internal Audit Plan Status through the quarter ended September 30, 2022.

(22-11-17) (Trustee Forum) The Chair reported the following Trustees requested authorization from the Board to attend the following conferences:

Tom Kuehne	Advanced Trustee Institute International Foundation of Employee Benefits February 11-15, 2023 Orlando, FL
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Natalie Copper	2023 Annual Conference International Foundation of Employee Benefits September 30 - October 5, 2023 Orlando, FL
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It was moved by Ms. Stanish and seconded by Ms. Mitchell, to approve the requests by two Board members to attend the conferences listed above.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan

Nay: None

Absent: None

**8 Ayes, 0 Nay - Motion Carried**

A list of conferences, as well as a chart listing accumulated trustee training hours, were also included as part of the Trustee Forum agenda item.

The Board also agreed to allow trustees to attend 3 out-of-state conferences and 2 in-state conferences for 2023.

(22-11-18) (Executive Session) The Chair called for a motion to go into executive session to conduct the annual performance appraisal of the Executive Director pursuant to Section 2 (c) 1 of the Open Meetings Act.



It was moved by Mr. Kuehne, seconded by Ms. Mitchell to go into Executive Session at 11:10a.m. to conduct the annual performance appraisal of the Executive Director pursuant to Section 2 (c) 1 of the Open Meetings Act.

**Roll Call Vote:**

Aye: Copper, Henry, Kosiba, Kuehne, Miller, Mitchell, Stanish, Stefan  
Nay: None  
Absent: None

**8 Ayes, 0 Nay - Motion Carried**

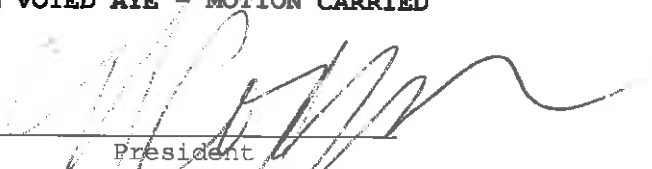
**Mr. Kosiba left the meeting at 12:15p.m.**

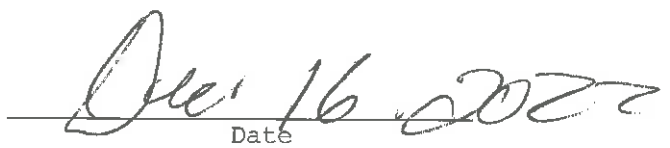
**Board returned to open session at 12:32p.m.**

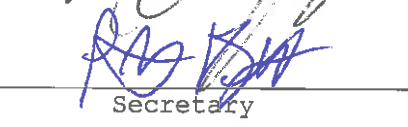
(22-11-19) (Adjournment) It was moved by Mr. Miller, seconded by Ms. Stanish to adjourn the Board Meeting at 12:32p.m., and to reconvene in the Fund offices, 2221 York Road, Suite 400, Oak Brook, IL, at 9:00am, on December 16, 2022.

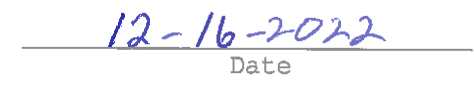
**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Date

