

ILLINOIS MUNICIPAL RETIREMENT FUND  
MINUTES OF  
REGULAR MEETING NO. 13-12  
DECEMBER 20, 2013



ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 13-12

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m., December 20, 2013, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

Mr. Stafford presided as Chair and called the meeting to order.

Ms. Enright called the roll:

Present: Henry, Kuehne, Piechocinski, Stafford, Stulir, Thompson, Copper

Absent: None

Mr. Ball from Callan Associates, Mr. Moss from Seyfarth Shaw LLP., Ms. Cullins from Hewitt EnnisKnupp and a representative from Loop Capital were also present.

(13-12-01) (Investment Manager Activities - Callan and Associates) Mr. Ball gave the following report to the Board on the activities of IMRF's investment managers:

November 30, 2013



**Illinois Municipal  
Retirement Fund  
Monthly Performance Report**

**Investment Measurement Service  
Monthly Review**

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The following report was prepared by Callan Associates Inc. ("CAI") using information from sources that include the following: fund trustee(s); fund custodian(s); investment manager(s); CAI computer software; CAI investment manager and fund sponsor database; third party data vendors; and other outside sources as directed by the client. CAI assumes no responsibility for the accuracy or completeness of the information provided, or methodologies employed, by any information providers external to CAI. Reasonable care has been taken to assure the accuracy of the CAI database and computer software. In preparing the following report, CAI has not reviewed the risks of individual security holdings or the compliance/non-compliance of individual security holdings with investment policies and guidelines of a fund sponsor, nor has it assumed any responsibility to do so. Copyright 2013 by Callan Associates Inc.

Major Market Returns

Returns  
for Periods Ended November 30, 2013

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	2.92	30.05	31.63	17.79	18.65	8.29
Russell:1000 Index	2.81	29.61	30.96	17.78	18.33	8.00
Russell:Midcap Index	1.66	30.87	33.81	17.34	22.67	10.22
Russell:2000 Index	4.01	36.14	40.99	17.89	20.97	9.08
MSCI:ACWI x US (Net)	0.17	14.28	18.24	7.50	13.87	8.26
MSCI:EAFE US\$	0.77	20.97	24.84	10.46	13.42	7.56
MSCI:Emer Markets	(1.45)	(0.84)	4.02	1.03	17.24	12.47
Barclays:Aggregate Index	(0.37)	(1.47)	(1.61)	3.09	5.33	4.71
NFI-ODCE Val Gross	1.17	13.05	13.92	13.92	2.72	7.16
NAREIT Equity Index	(5.19)	2.23	6.06	11.01	20.03	8.77

U.S. equities showed continued strength in November with the DJ U.S. Total Stock Market Index gaining 2.9% while international equities lagged (ACWI ex-US: 0.2%). Beginning in June, the bond market has experienced volatility with monthly performance alternating between positive and negative returns. The BC Aggregate posted a loss of 0.4% in November following a gain of 0.8% in October.

Minutes from the late October Fed meeting indicated that, depending on the consistency and strength of economic data, tapering of the quantitative easing program could occur within the next few months. The Fed has asserted that interest rates will be kept near zero well into the future and policy focus is shifting from bond buying to interest rate guidance. The labor market improved in November with 203,000 jobs created and 455,000 workers entering the workforce (over half the number of workers who left the workforce last month). The unemployment rate inched down to 7.0%, its lowest level since 2008. The latest estimate for third quarter GDP was revised upward from 2.8% to 3.6%. The revision was primarily due to an increase in private inventory investment that was larger than previously expected.

\*Due to a lag in the reporting of NCREIF Property Index returns, the monthly return shown is deduced from the most recent quarterly return. This monthly return, when compounded over three months, equates to the quarterly return.

U.S. Equity Overview

Returns

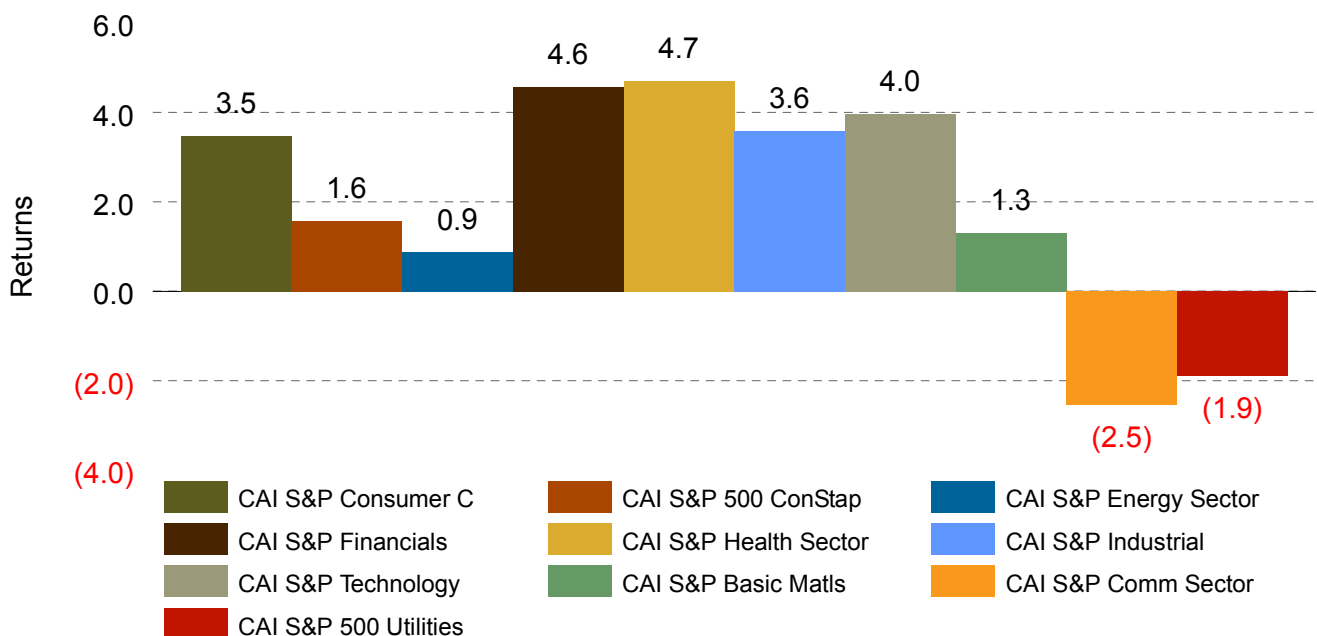
for Periods Ended November 30, 2013

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	2.92	30.05	31.63	17.79	18.65	8.29
Russell:1000 Index	2.81	29.61	30.96	17.78	18.33	8.00
Russell:1000 Growth	2.82	29.78	29.74	17.44	20.14	7.89
Russell:1000 Value	2.79	29.25	31.92	18.05	16.40	7.96
Russell:Midcap Index	1.66	30.87	33.81	17.34	22.67	10.22
Russell:2000 Index	4.01	36.14	40.99	17.89	20.97	9.08
Russell:2000 Growth	4.11	40.43	44.47	18.90	23.38	9.23
Russell:2000 Value	3.90	32.03	37.60	16.85	18.61	8.79

The rally in U.S. stocks that began in September rolled into November with the DJ U.S. TSM Index up 2.9% for the month and 31.6% over the trailing twelve months. Health Care and Financials led all other sectors rising 4.7% and 4.6%, respectively. Telecom and Utilities lagged all other sectors losing 2.5% and 1.9%, respectively.

In the small cap space growth outpaced value (Russell 2000 Growth: 4.1%; Russell 2000 Value: 3.9%). Over the last year, small cap stocks (Russell 2000 Index) have led large cap stocks (Russell 1000) by 10.0%.

S&P 500 Sector Returns for Month Ended November 30, 2013



**Returns**

**for Periods Ended November 30, 2013**

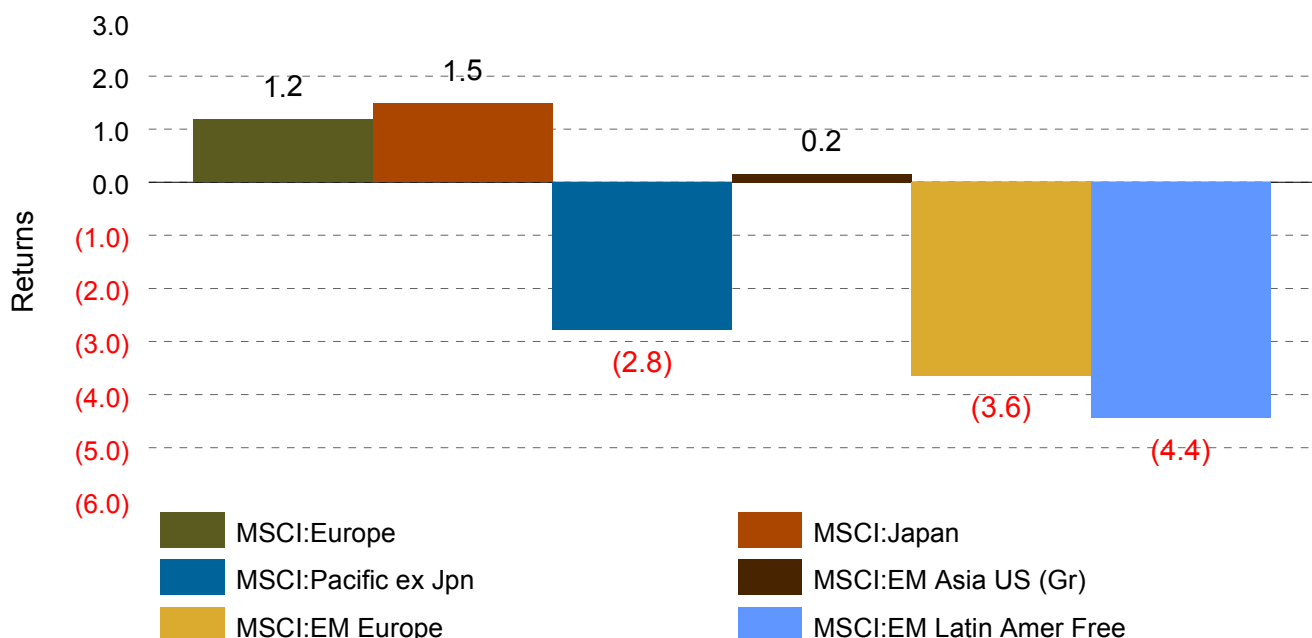
Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:ACWI x US (Net)	0.17	14.28	18.24	7.50	13.87	8.26
MSCI:ACWI ex US Gr	0.35	14.67	17.85	7.53	14.41	8.29
MSCI:ACWI ex US Val	0.03	14.78	19.62	8.42	14.32	9.13
MSCI:EAFE US\$	0.77	20.97	24.84	10.46	13.42	7.56
MSCI:EAFE Hedged	1.28	21.67	25.44	7.33	8.38	4.03
MSCI:Emer Markets	(1.45)	(0.84)	4.02	1.03	17.24	12.47
MSCI:ACWI SC ex US	(0.26)	17.67	22.42	7.72	20.11	10.55

International equities lagged U.S. equities in November, rising 0.2%. Small caps (MSCI ACWI ex-U.S. Small Cap (Net): -0.3%) trailed the broader market. The dollar appreciated against a basket of foreign currencies during the month, resulting in U.S. dollar returns (+0.8%) trailing hedged returns (+1.3%).

Major international regional performance was mixed. Japan and Europe were bright points (1.5% and 1.2%, respectively). Emerging markets in Latin America and Europe lagged all other regions (-4.4% and -3.6%, respectively).

Emerging markets fell 1.5% in November reversing the positive trend over the last two months and pushing the year-to-date performance back into the red (-0.8%). Over the last ten years, emerging markets outpaced domestic and international equities by 4.4% and 4.2%, respectively.

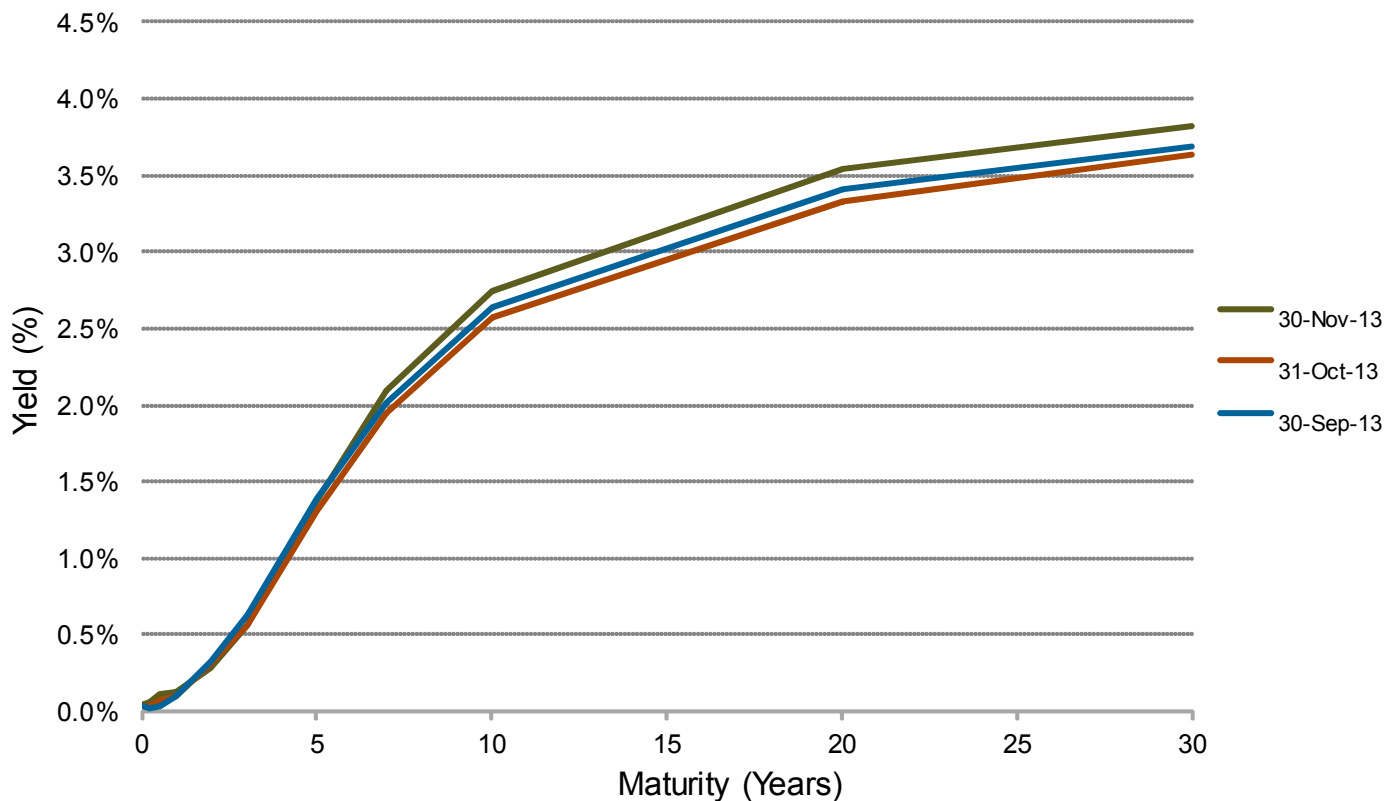
**Regional Returns for Month Ended November 30, 2013**



**Returns**  
**for Periods Ended November 30, 2013**

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Barclays:Aggregate Index	(0.37)	(1.47)	(1.61)	3.09	5.33	4.71
Barclays:Govt Index	(0.29)	(1.74)	(2.14)	2.45	3.13	4.33
Barclays:Credit	(0.27)	(1.77)	(1.85)	4.84	9.26	5.38
Barclays:Mortgage Idx	(0.62)	(0.95)	(0.81)	2.40	4.14	4.77
Barclays:US TIPS Index	(1.09)	(7.25)	(7.85)	3.52	6.97	5.11
ML:High Yield CP Idx	0.45	6.79	8.47	9.43	20.08	8.57
3 Month T-Bill	0.01	0.06	0.08	0.10	0.12	1.68

**Treasury Yield Curve**



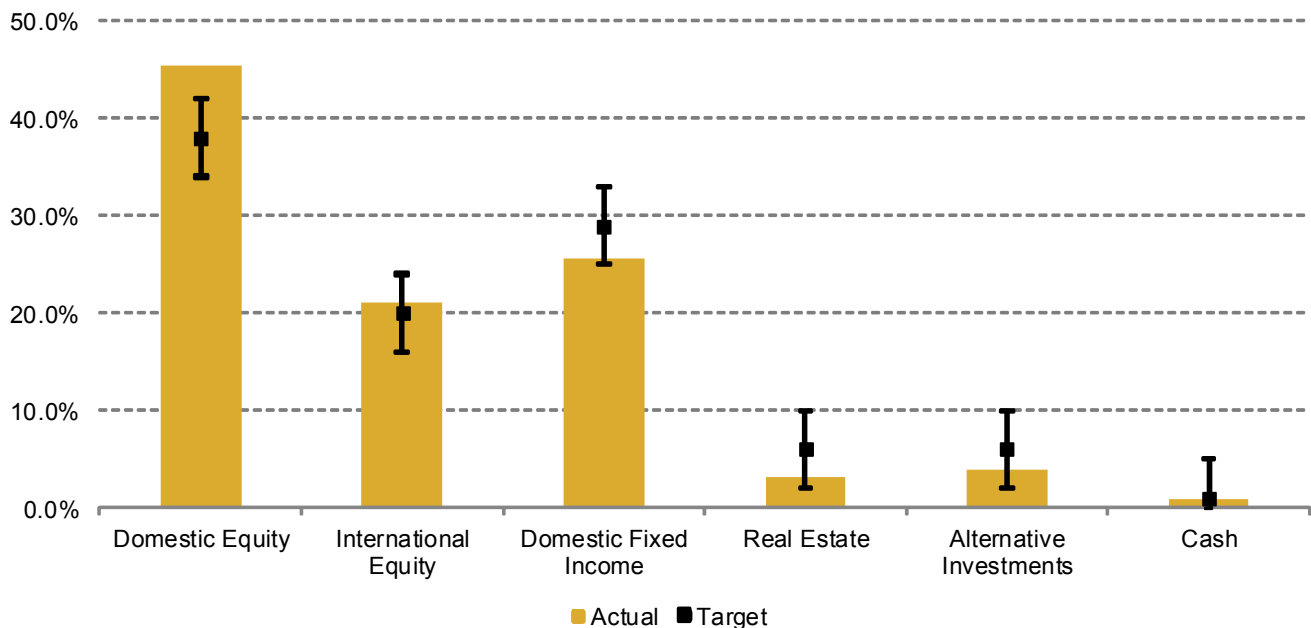
The yield curve rose slightly in November. The impact from rising yields, especially on the long end of the curve, drove performance negative for the month. The Barclays Aggregate Bond Index fell 0.4% and remains negative for the last year (-1.6%). High yield credit endured as the only strong performer in a down market for bonds, rising 0.5% in November and 8.5% over the trailing twelve months. TIPS lagged all other major sectors, falling 1.1% for the month and 7.9% over the last year.



**Total Fund**

Total Fund assets at the end of November were \$32.54 billion, up from \$32.15 billion at the end of October. The Fund rose 1.67% for the month, outperforming the benchmark return by 52 basis points. Domestic equity, international equity and domestic fixed income beat their respective benchmarks. Over the last year, the fund is up 20.11% exceeding the benchmark by 4.09%.

Current policy states that when the actual allocations of the asset classes differ by more than four percentage points from their policy targets, a recommendation for rebalancing will be made to the Board of Trustees. As of November 30, domestic equity exceeded its target allocation by 7.4%. All other asset classes were within the allowable range. The Chief Investment Officer and Consultant do not recommend any changes to the asset allocation at this time.



**U.S. Equity**

Large Cap: In aggregate, the Fund's large cap managers gained 3.43%, leading the Russell 1000 Index by 0.62%. Growth portfolios collectively returned 3.29%, outperforming their benchmark by 47 basis points for the month. Holland was the best performing active manager with a return of 4.03%. Value outperformed growth with a return of 3.92% and outperformed the Russell 1000 Value Index by 113 basis points. LSV was the best performing manager in the group with a return of 4.35%. The Large Cap Active Core segment gained 3.41%, beating the Dow Jones U.S. Total Stock Market Index's return of 2.92%.

Small Cap: The Small Cap portfolio advanced 4.16%, outperforming the Russell 2000 Index by 0.15%. Small Cap Growth and Value returned 4.12% and 3.89%, respectively. Pyramis was the best performing small cap growth manager and Dimensional Fund Advisors was the best in value. The Micro Cap segment returned 4.74% in November. Ativo was the top performer in the micro-cap segment, increasing 7.53% for the month.

**International Equity**

Large Cap: The IMRF international equity composite lagged its U.S. equity counterpart. IMRF's International Large Cap managers rose 0.77%. This return was 60 basis points ahead of the MSCI ACWI ex-U.S. Index. International Large Cap Growth gained 0.65% with William Blair performing best (+1.21%). International Large Cap Value returned 0.51% for the month. Brandes (+0.76%) led all other value managers. The Large Cap Active Core Group grew 1.13% in November with Arrowstreet providing the strongest performance (+1.53%).

International Small Cap and Emerging Markets: The International Small Cap managers lost 0.23%, but outperformed the ACWI Small Cap ex-U.S. Index by 3 basis points. The emerging markets portfolio, managed by Genesis, fell 2.44% during November, underperforming the MSCI Emerging Markets Index by 99 basis points.

**Domestic Fixed Income**

The total fixed income portfolio returned -0.27% (ahead of the BC Aggregate Index return of -0.37%) as yields rose from the prior month. The high yield segment was the best performer, rising 0.39%.

Active Core: The active core fixed income component fell 0.19%, outperforming the BC Aggregate Index by 18 basis points.

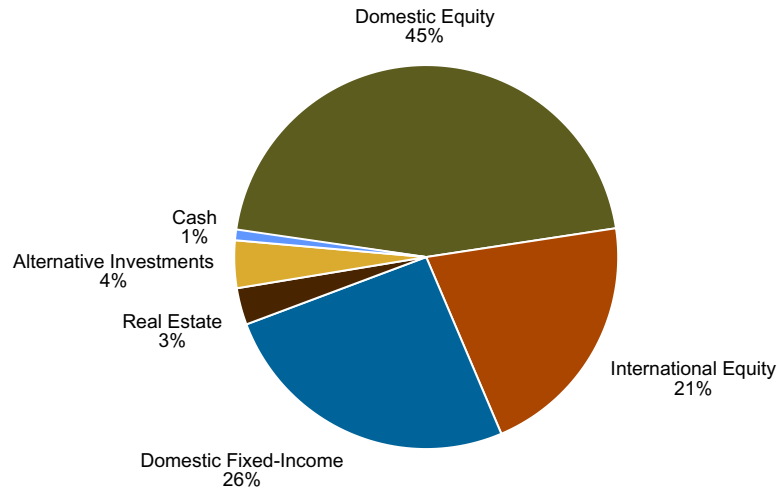
Core Plus: The core plus managers returned -0.41%, trailing the Barclays Aggregate Index by 4 basis points. LM Capital outperformed the other managers, only falling 0.12%.

High Yield: The high yield component gained 0.39% in November, trailing the ML High Yield Cash Pay Index (+0.45%). Pyramis outperformed McKay Shields returning 0.44% and 0.34%, respectively.

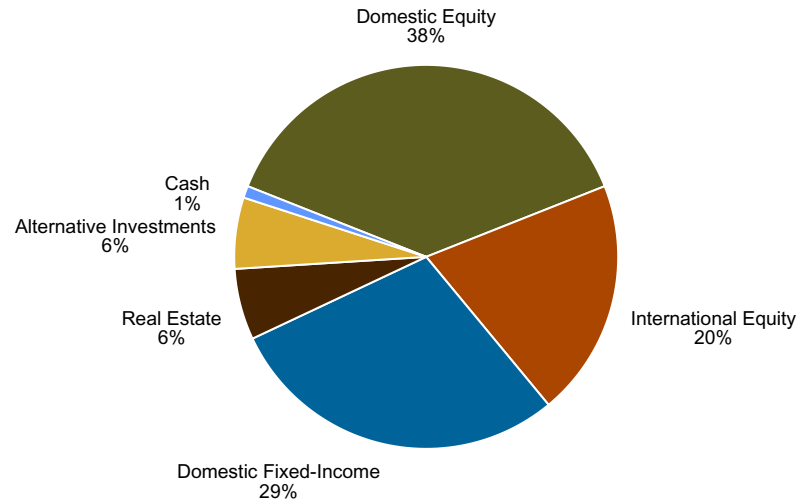
## Actual vs Target Asset Allocation

The first chart below shows the Fund's asset allocation as of November 30, 2013. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

### Actual Asset Allocation



### Target Asset Allocation



Asset Class	\$Millions Actual	Percent Actual	Percent Target	Percent Difference	\$Millions Difference
Domestic Equity	14,784	45.4%	38.0%	7.4%	2,420
International Equity	6,818	21.0%	20.0%	1.0%	311
Domestic Fixed-Income	8,369	25.7%	29.0%	(3.3%)	(1,066)
Real Estate	996	3.1%	6.0%	(2.9%)	(956)
Alternative Investments	1,286	4.0%	6.0%	(2.0%)	(667)
Cash	282	0.9%	1.0%	(0.1%)	(43)
<b>Total</b>	<b>32,536</b>	<b>100.0%</b>	<b>100.0%</b>		

\* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of November 30, 2013, with the distribution as of October 31, 2013.

### Asset Distribution Across Investment Managers

	November 30, 2013		October 31, 2013	
	Market Value	Percent	Market Value	Percent
<b>Domestic Equity</b>	<b>\$14,783,759,065</b>	<b>45.44%</b>	<b>\$14,266,642,731</b>	<b>44.37%</b>
<b>Large Cap Growth</b>				
BlackRock LCG	542,660,131	1.67%	524,646,400	1.63%
Holland	987,009,144	3.03%	948,818,263	2.95%
NTGI S&P 500 Growth Idx	921,247,812	2.83%	892,153,374	2.77%
Sands	1,161,476,579	3.57%	1,129,037,634	3.51%
Vision	149,801,355	0.46%	148,084,282	0.46%
<b>Large Cap Value</b>				
Dodge & Cox	1,004,061,751	3.09%	963,365,514	3.00%
BMO	1,034,742,011	3.18%	994,533,295	3.09%
LSV	1,048,933,427	3.22%	1,005,252,856	3.13%
NTGI S&P 500 Value Idx	783,064,416	2.41%	761,545,961	2.37%
<b>Large Cap Core</b>				
Piedmont	-	-	431	0.00%
Progress	387,957,268	1.19%	375,153,746	1.17%
NTGI MarketCap Index	2,691,826,220	8.27%	2,615,478,293	8.13%
<b>Small Cap Growth</b>				
Fortaleza	44,388,360	0.14%	43,529,232	0.14%
Frontier	724,476,686	2.23%	698,041,257	2.17%
Pyramis	753,936,637	2.32%	720,918,421	2.24%
<b>Small Cap Value</b>				
Channing	160,706,682	0.49%	155,968,055	0.49%
Dimensional Small Cap Value	655,239,232	2.01%	623,946,580	1.94%
Inv. Counselors of Maryland	713,204,120	2.19%	692,425,066	2.15%
Lombardia	156,136,319	0.48%	149,806,387	0.47%
<b>Micro Cap</b>				
Ariel	95,398,757	0.29%	91,831,125	0.29%
Ativo	47,560,687	0.15%	44,248,524	0.14%
Dimensional Micro Cap	288,291,955	0.89%	273,538,590	0.85%
Wall Street	431,639,518	1.33%	414,319,444	1.29%
<b>International Equity</b>	<b>\$6,818,494,602</b>	<b>20.96%</b>	<b>\$6,786,968,507</b>	<b>21.11%</b>
<b>International Large Cap Growth</b>				
EARNEST Partners	538,795,918	1.66%	538,525,532	1.67%
McKinley	44,914	0.00%	44,846	0.00%
William Blair	581,894,018	1.79%	574,929,437	1.79%
<b>International Large Cap Value</b>				
Brandes	513,294,810	1.58%	509,427,354	1.58%
Lombardia	33,097,850	0.10%	33,129,687	0.10%
Mondrian	483,390,649	1.49%	482,093,692	1.50%
Lazard	94,564,234	0.29%	94,043,846	0.29%
<b>International Large Cap Core</b>				
Arrowstreet	508,567,612	1.56%	500,912,039	1.56%
Brown	256,172,632	0.79%	253,249,961	0.79%
GlobeFlex	494,961,748	1.52%	491,464,703	1.53%
NTGI MSCI EAFE Index	2,404,852,465	7.39%	2,386,715,201	7.42%
<b>International Small Cap</b>				
Franklin Templeton	182,494,146	0.56%	184,106,320	0.57%
William Blair	219,585,760	0.67%	218,898,916	0.68%

Mondrian and Lombardia were funded 3/20/2012, Lazard was funded 3/21/2012.

Franklin Templeton Intl SC was funded 07/27/2011. BlackRock LCG was funded 07/12/2011. Vision was funded 06/17/2011.

## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of November 30, 2013, with the distribution as of October 31, 2013.

### Asset Distribution Across Investment Managers

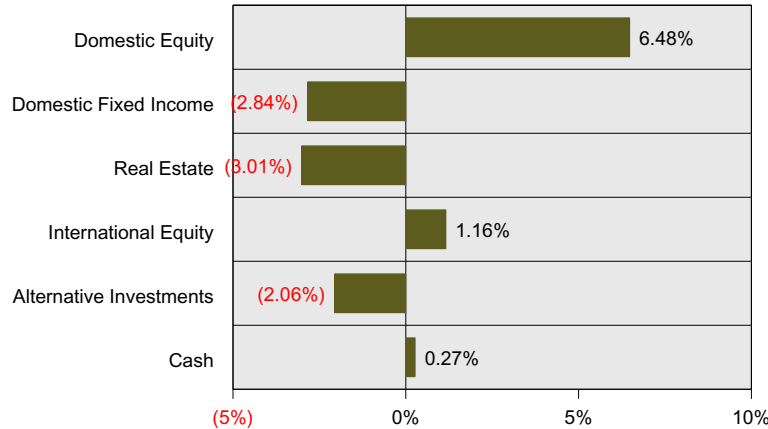
	November 30, 2013		October 31, 2013	
	Market Value	Percent	Market Value	Percent
<b>Emerging Markets</b>				
Genesis	506,777,844	1.56%	519,426,972	1.62%
<b>Domestic Fixed-Income</b>	<b>\$8,369,446,026</b>	<b>25.72%</b>	<b>\$8,392,309,570</b>	<b>26.10%</b>
<b>Domestic Fixed Core</b>				
EARNEST Partners	532,306,241	1.64%	533,181,960	1.66%
Piedmont	526,288,855	1.62%	527,464,700	1.64%
BlackRock Enhanced	8,854	0.00%	4,073	0.00%
<b>Passive Core</b>				
BlackRock US Debt	950,551,415	2.92%	954,246,961	2.97%
NTGI BC Aggregate Index	1,385,651,100	4.26%	1,390,975,827	4.33%
<b>Domestic Fixed Core Plus</b>				
BlackRock Core Plus	709,796,522	2.18%	712,166,070	2.21%
LM Capital	829,579,826	2.55%	830,597,035	2.58%
Progress Fixed Income	428,571,544	1.32%	429,313,384	1.34%
Taplin, Canida, & Habacht	814,940,661	2.50%	818,126,382	2.54%
Western	1,093,603,957	3.36%	1,102,382,715	3.43%
<b>High Yield</b>				
MacKay Shields	538,613,758	1.66%	536,781,097	1.67%
Pyramis High Yield	559,533,293	1.72%	557,069,366	1.73%
<b>Real Estate</b>	<b>\$996,438,792</b>	<b>3.06%</b>	<b>\$931,604,907</b>	<b>2.90%</b>
<b>Real Estate Core</b>				
TA Buckhead Ind. Prop.	245,156,812	0.75%	245,156,812	0.76%
Cornerstone Patriot	106,919,280	0.33%	104,711,120	0.33%
INVESCO Core RE	95,017,129	0.29%	95,017,129	0.30%
AEW Core Property Trust	48,212,337	0.15%	48,212,337	0.15%
<b>Real Estate Non-Core</b>				
Franklin Templeton EMREFF	37,857,848	0.12%	36,125,626	0.11%
Olympus Real Estate Fund II	330,536	0.00%	330,536	0.00%
Security Capital	54,864,230	0.17%	54,421,032	0.17%
Dune II	42,094,395	0.13%	39,313,398	0.12%
Non-Core Real Estate Funds*	224,909,737	0.69%	170,476,259	0.53%
Rockwood Fund VIII	39,264,465	0.12%	35,527,773	0.11%
Almanac ARS V	50,982,401	0.16%	50,982,401	0.16%
TA Fund IX	50,829,621	0.16%	51,330,484	0.16%
<b>Alternative Investments</b>	<b>\$1,285,628,005</b>	<b>3.95%</b>	<b>\$1,244,300,501</b>	<b>3.87%</b>
<b>Absolute Return</b>				
Aurora	522,037,408	1.60%	522,037,408	1.62%
Mesirow	2,315,255	0.01%	2,332,505	0.01%
<b>Private Equity</b>				
Abbott	286,808,462	0.88%	290,948,771	0.90%
Muller & Monroe ILPEFF	12,382,316	0.04%	12,382,316	0.04%
Muller & Monroe MPEFF	16,751,709	0.05%	16,542,472	0.05%
Pantheon	172,587,581	0.53%	172,424,838	0.54%
Private Equity Fund - Domestic	71,323,149	0.22%	26,964,010	0.08%
<b>Agriculture</b>				
Cozad/Westchester	134,415,561	0.41%	133,661,617	0.42%
<b>Timberland</b>				
Forest Investment Assoc.	67,006,564	0.21%	67,006,564	0.21%
<b>Cash</b>	<b>\$282,004,699</b>	<b>0.87%</b>	<b>\$532,348,236</b>	<b>1.66%</b>
<b>Total Fund</b>	<b>\$32,535,771,188</b>	<b>100.0%</b>	<b>\$32,154,174,453</b>	<b>100.0%</b>

\*Non-Core Real Estate Funds funded since September 2011.

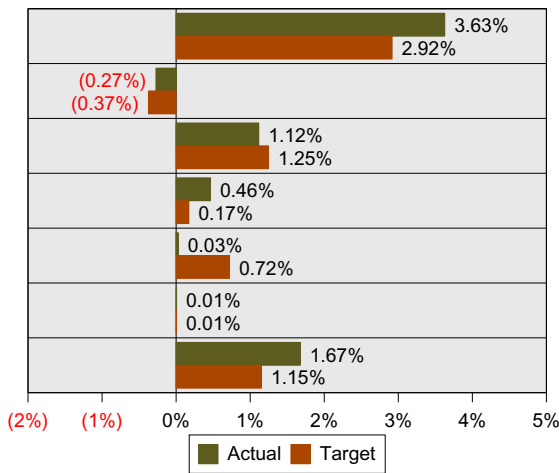
## Monthly Total Fund Relative Attribution - November 30, 2013

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

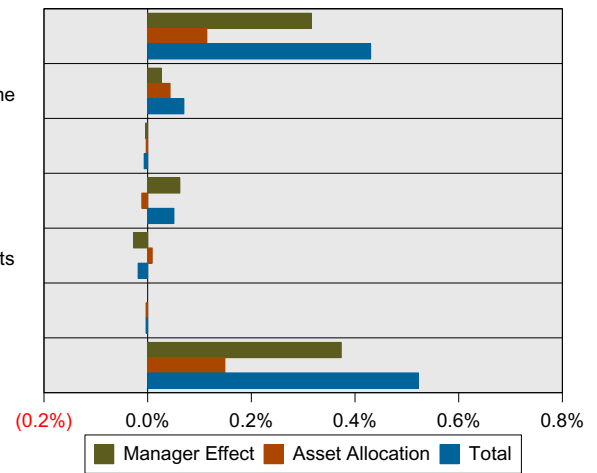
### Asset Class Under or Overweighting



### Actual vs Target Returns



### Relative Attribution by Asset Class



### Relative Attribution Effects for Month ended November 30, 2013

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	44%	38%	3.63%	2.92%	0.32%	0.11%	0.43%
Domestic Fixed Income	26%	29%	(0.27%)	(0.37%)	0.03%	0.04%	0.07%
Real Estate	3%	6%	1.12%	1.25%	(0.00%)	(0.00%)	(0.01%)
International Equity	21%	20%	0.46%	0.17%	0.06%	(0.01%)	0.05%
Alternative Investments	4%	6%	0.03%	0.72%	(0.03%)	0.01%	(0.02%)
Cash	1%	1%	0.01%	0.01%	0.00%	(0.00%)	(0.00%)
<b>Total</b>			<b>1.67%</b>	<b>1.15%</b>	<b>0.37%</b>	<b>0.15%</b>	<b>0.52%</b>

\* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

## Asset Class Returns

The table below details the rates of return for the fund's asset class composites over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Domestic Equity (12/31/81)	3.63%	12.66%	33.82%	36.20%
DJ U.S. Total Stock Market Index	2.92%	11.23%	30.05%	31.63%
Domestic Equity - Net (12/31/04)	3.58%	12.59%	33.51%	35.89%
International Equity (08/31/86)	0.46%	11.81%	18.79%	22.75%
MSCI ACWI x US (Net)	0.17%	11.06%	14.28%	18.24%
International Equity - Net (12/31/04)	0.39%	11.71%	18.43%	22.38%
Domestic Fixed-Income (12/31/81)	(0.27%)	1.92%	(0.28%)	(0.14%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
Domestic Fixed-Inc. - Net (12/31/04)	(0.30%)	1.88%	(0.44%)	(0.30%)
Real Estate (04/30/85)	1.12%	3.37%	9.28%	9.55%
Blended Benchmark**	1.25%	3.79%	13.95%	15.00%
Real Estate - Net (12/31/04)	1.12%	3.37%	9.28%	9.55%
Alternative Investments (01/31/86)	0.03%	1.87%	8.49%	10.02%
Alternatives Custom Benchmark***	0.72%	2.18%	8.22%	9.00%
Alternative Investments - Net (12/31/04)	(0.02%)	1.78%	8.30%	9.83%
Absolute Return (12/31/01)	0.00%	3.05%	5.47%	5.89%
HFR Fund-of-Funds Index	1.01%	3.66%	7.47%	8.75%
Private Equity (01/31/86)	(0.04%)	1.39%	10.14%	10.96%
Alternatives Custom Benchmark***	0.72%	2.18%	8.22%	9.00%
Agriculture (09/30/97)	0.56%	(2.03%)	14.90%	26.48%
Blended Benchmark**	1.25%	3.79%	13.95%	15.00%
Timberland (09/30/92)	(0.25%)	4.45%	9.14%	7.37%
Blended Benchmark**	1.25%	3.79%	13.95%	15.00%
<b>Total Fund (12/31/81)</b>	<b>1.67%</b>	<b>8.68%</b>	<b>18.31%</b>	<b>20.11%</b>
Total Fund Benchmark	1.15%	7.19%	14.63%	16.02%
Total Fund - Net (12/31/04)	1.63%	8.62%	18.05%	19.84%

\* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

\*\* The Blended Benchmark is currently ODCE Value Weigh Index+1%. Returns between January 1, 2007 and December 31, 2012 reflect NPI+1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%.

Given that ODCE returns are updated quarterly, an approximation of the Index is used in the monthly reports.

\*\*\* The Alternatives Custom Benchmark is based on an annualized rate of return of 9.0%. Prior to July 1, 2010 the Benchmark was based on an annual return of 12.0%. Prior to 2004, the Benchmark was based on an annual return of 13.0%. Prior to 2003, it was based on an annual return of 15.0%.

## Asset Class Returns

The table below details the rates of return for the fund's asset class composites over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Equity (12/31/81)	18.51%	20.04%	9.02%	11.83%
DJ U.S. Total Stock Market Index	17.79%	18.65%	8.29%	11.35%
Domestic Equity - Net (12/31/04)	18.22%	19.75%	-	7.67%
International Equity (08/31/86)	10.10%	15.84%	9.05%	8.45%
MSCI ACWI x US (Net)	7.50%	13.87%	8.26%	-
International Equity - Net (12/31/04)	9.77%	15.50%	-	6.51%
Domestic Fixed-Income (12/31/81)	4.65%	8.46%	5.66%	8.98%
BC Aggregate Index	3.09%	5.33%	4.71%	8.35%
Domestic Fixed-Inc. - Net (12/31/04)	4.48%	8.30%	-	5.39%
Real Estate (04/30/85)	11.72%	2.05%	5.94%	4.51%
Blended Benchmark**	14.17%	6.47%	7.01%	7.58%
Real Estate - Net (12/31/04)	11.59%	1.98%	-	5.43%
Alternative Investments (01/31/86)	7.13%	5.57%	8.19%	10.83%
Alternatives Custom Benchmark***	9.00%	9.94%	10.97%	13.48%
Alternative Investments - Net (12/31/04)	6.92%	5.30%	-	7.47%
Absolute Return (12/31/01)	3.04%	5.41%	4.27%	4.64%
HFR Fund-of-Funds Index	2.76%	4.27%	3.40%	3.82%
Private Equity (01/31/86)	9.42%	5.52%	11.24%	12.92%
Alternatives Custom Benchmark***	9.00%	9.94%	10.97%	13.48%
Agriculture (09/30/97)	15.59%	9.50%	10.21%	7.08%
Blended Benchmark**	14.17%	6.47%	7.01%	7.06%
Timberland (09/30/92)	3.95%	2.37%	4.36%	8.78%
Blended Benchmark**	14.17%	6.47%	7.01%	7.19%
<b>Total Fund (12/31/81)</b>	<b>11.87%</b>	<b>14.45%</b>	<b>8.35%</b>	<b>10.32%</b>
Total Fund Benchmark	10.71%	12.66%	7.58%	-
Total Fund - Net (12/31/04)	11.63%	14.21%	-	7.28%

\* Current Month Target = 38.0% US Total Stock Market Idx, 29.0% Barclays Aggregate Index, 20.0% MSCI ACWI x US (Net), 6.0% NFI-ODCE Value Weight Gr+1.0%, 6.0% 9% Annually and 1.0% 3-month Treasury Bill.

\*\* The Blended Benchmark is currently ODCE Value Weigh Index+1%. Returns between January 1, 2007 and December 31, 2012 reflect NPI+1%. Returns prior to January 1, 2007, reflect those of the Consumer Price Index +5%.

Given that ODCE returns are updated quarterly, an approximation of the Index is used in the monthly reports.

\*\*\* The Alternatives Custom Benchmark is based on an annualized rate of return of 9.0%. Prior to July 1, 2010 the Benchmark was based on an annual return of 12.0%. Prior to 2004, the Benchmark was based on an annual return of 13.0%. Prior to 2003, it was based on an annual return of 15.0%.



## Large Cap Equity Returns

The table below details the rates of return for the fund's large cap growth and large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Large Cap Equity (12/31/81)</b>	<b>3.43%</b>	<b>12.31%</b>	<b>31.82%</b>	<b>33.46%</b>
Russell 1000 Index	2.81%	11.07%	29.61%	30.96%
<b>Large Cap Growth (12/31/81)</b>	<b>3.29%</b>	<b>13.83%</b>	<b>31.41%</b>	<b>31.69%</b>
BlackRock LCG (07/31/11)	3.47%	13.95%	27.39%	27.45%
LCG Blended Benchmark*	2.82%	12.15%	29.78%	29.74%
Russell 1000 Growth Index	2.82%	12.15%	29.78%	29.74%
BlackRock LCG - Net (07/31/11)	3.42%	13.88%	27.05%	27.11%
Holland (10/31/94)	4.03%	11.19%	29.08%	30.43%
LCG Blended Benchmark*	2.82%	12.15%	29.78%	29.74%
Russell 1000 Growth Index	2.82%	12.15%	29.78%	29.74%
Holland - Net (12/31/04)	4.03%	11.14%	28.82%	30.17%
NTGI S&P 500 Growth Idx (07/31/01)	3.26%	12.28%	29.26%	29.09%
S&P/Citi 500 Growth Index	3.26%	12.30%	29.26%	29.08%
NTGI S&P 500 Growth Idx - Net (12/31/04)	3.26%	12.28%	29.25%	29.08%
Sands (10/31/03)	2.87%	18.28%	39.46%	39.22%
LCG Blended Benchmark*	2.82%	12.15%	29.78%	29.74%
Russell 1000 Growth Index	2.82%	12.15%	29.78%	29.74%
Sands - Net (12/31/04)	2.82%	18.22%	39.22%	38.98%
Vision (06/30/11)	1.16%	7.98%	22.98%	23.21%
LCG Blended Benchmark*	2.82%	12.15%	29.78%	29.74%
Russell 1000 Growth Index	2.82%	12.15%	29.78%	29.74%
Vision - Net (06/30/11)	1.10%	7.91%	22.40%	22.63%
<b>Large Cap Value (09/30/82)</b>	<b>3.92%</b>	<b>11.82%</b>	<b>33.57%</b>	<b>36.69%</b>
Dodge & Cox (08/31/03)	4.23%	12.97%	36.12%	39.46%
LCV Blended Benchmark**	2.79%	9.98%	29.25%	31.92%
Russell 1000 Value Index	2.79%	9.98%	29.25%	31.92%
Dodge & Cox - Net (12/31/04)	4.23%	12.93%	35.87%	39.21%
BMO (01/31/01)	4.04%	11.86%	31.93%	33.70%
LCV Blended Benchmark**	2.79%	9.98%	29.25%	31.92%
Russell 1000 Value Index	2.79%	9.98%	29.25%	31.92%
BMO - Net (12/31/04)	3.99%	11.80%	31.65%	33.41%
LSV (01/31/03)	4.35%	12.10%	37.09%	41.24%
LCV Blended Benchmark**	2.79%	9.98%	29.25%	31.92%
Russell 1000 Value Index	2.79%	9.98%	29.25%	31.92%
LSV - Net (12/31/04)	4.28%	12.03%	36.76%	40.90%
NTGI S&P 500 Value Idx (07/31/99)	2.83%	9.99%	28.74%	31.96%
S&P/Citi 500 Value Index	2.82%	9.97%	28.96%	31.76%
NTGI S&P 500 Value Idx - Net (12/31/04)	2.83%	9.99%	28.73%	31.95%

\* The LCG Blended Benchmark is currently the Russell 1000 Growth Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Growth Index.

\*\* The LCV Blended Benchmark is currently the Russell 1000 Value Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Value Index.

## Large Cap Equity Returns

The table below details the rates of return for the fund's large cap growth and large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Large Cap Equity (12/31/81)</b>	<b>18.33%</b>	<b>18.98%</b>	<b>8.42%</b>	<b>11.27%</b>
Russell 1000 Index	17.78%	18.33%	8.00%	11.53%
<b>Large Cap Growth (12/31/81)</b>	<b>17.91%</b>	<b>20.74%</b>	<b>8.57%</b>	<b>11.77%</b>
BlackRock LCG (07/31/11)	-	-	-	12.71%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	17.32%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	17.32%
BlackRock LCG - Net (07/31/11)	-	-	-	12.41%
Holland (10/31/94)	17.16%	20.03%	8.49%	10.32%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	9.51%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	8.64%
Holland - Net (12/31/04)	16.87%	19.70%	-	7.43%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	7.94%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	8.12%
NTGI S&P 500 Growth Idx (07/31/01)	17.74%	18.93%	7.88%	5.45%
S&P/Citi 500 Growth Index	17.72%	18.88%	7.86%	5.41%
NTGI S&P 500 Growth Idx - Net (12/31/04)	17.73%	18.92%	-	7.56%
S&P/Citi 500 Growth Index	17.72%	18.88%	7.86%	7.96%
Sands (10/31/03)	22.61%	31.68%	12.32%	12.43%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	8.26%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	8.45%
Sands - Net (12/31/04)	22.35%	31.36%	-	10.51%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	7.94%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	8.12%
Vision (06/30/11)	-	-	-	14.12%
LCG Blended Benchmark*	17.44%	20.14%	7.83%	16.19%
Russell 1000 Growth Index	17.44%	20.14%	7.89%	16.19%
Vision - Net (06/30/11)	-	-	-	13.55%
<b>Large Cap Value (09/30/82)</b>	<b>19.50%</b>	<b>17.76%</b>	<b>8.56%</b>	<b>10.46%</b>
Dodge & Cox (08/31/03)	20.28%	19.92%	8.94%	9.53%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	8.32%
Russell 1000 Value Index	18.05%	16.40%	7.96%	8.51%
Dodge & Cox - Net (12/31/04)	20.04%	19.67%	-	6.81%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	6.58%
Russell 1000 Value Index	18.05%	16.40%	7.96%	6.73%
BMO (01/31/01)	19.16%	17.11%	9.40%	7.61%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	4.80%
Russell 1000 Value Index	18.05%	16.40%	7.96%	5.92%
BMO - Net (12/31/04)	18.89%	16.84%	-	7.56%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	6.58%
Russell 1000 Value Index	18.05%	16.40%	7.96%	6.73%
LSV (01/31/03)	20.77%	19.28%	9.81%	11.39%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	9.23%
Russell 1000 Value Index	18.05%	16.40%	7.96%	9.28%
LSV - Net (12/31/04)	20.46%	18.96%	-	7.70%
LCV Blended Benchmark**	18.05%	16.40%	7.76%	6.58%
Russell 1000 Value Index	18.05%	16.40%	7.96%	6.73%
NTGI S&P 500 Value Idx (07/31/99)	17.86%	16.37%	7.50%	4.44%
S&P/Citi 500 Value Index	17.80%	16.29%	7.45%	4.42%
NTGI S&P 500 Value Idx - Net (12/31/04)	17.86%	16.36%	-	5.91%
S&P/Citi 500 Value Index	17.80%	16.29%	7.45%	6.24%

\* The LCG Blended Benchmark is currently the Russell 1000 Growth Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Growth Index.

\*\* The LCV Blended Benchmark is currently the Russell 1000 Value Index. Returns prior to January 1, 2006, reflect those of the S&P 500/Citigroup Value Index.

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## Large Cap Equity Returns

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The table below details the rates of return for the fund's large cap core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	<b>Last Month</b>	<b>Last 3 Months</b>	<b>Year to Date</b>	<b>Last 12 Months</b>
<b>Large Cap Active Core (12/31/04)</b>	<b>3.41%</b>	<b>10.31%</b>	<b>29.80%</b>	<b>31.19%</b>
Progress (01/31/05)	3.41%	10.85%	31.35%	33.07%
DJ U.S. Total Stock Market Index	2.92%	11.23%	30.05%	31.63%
Progress - Net (01/31/05)	3.19%	10.61%	30.50%	32.21%
<b>Large Cap Passive Core (12/31/84)</b>	<b>2.92%</b>	<b>11.26%</b>	<b>30.16%</b>	<b>31.78%</b>
NTGI MarketCap Idx (01/31/85)	2.92%	11.26%	30.16%	31.78%
DJ U.S. Total Stock Market Index	2.92%	11.23%	30.05%	31.63%
NTGI MarketCap Idx - Net (12/31/04)	2.92%	11.26%	30.15%	31.77%

## Large Cap Equity Returns

The table below details the rates of return for the fund's large cap core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	<b>Last 36 Months</b>	<b>Last 60 Months</b>	<b>Last 120 Months</b>	<b>Since Inception</b>
<b>Large Cap Active Core (12/31/04)</b>	<b>16.57%</b>	<b>17.70%</b>	<b>-</b>	<b>7.13%</b>
Progress (01/31/05)	16.94%	17.92%	-	7.31%
DJ U.S. Total Stock Market Index	17.79%	18.65%	8.29%	7.38%
Progress - Net (01/31/05)	16.22%	17.21%	-	6.67%
<b>Large Cap Passive Core (12/31/84)</b>	<b>17.86%</b>	<b>18.82%</b>	<b>8.17%</b>	<b>11.15%</b>
NTGI MarketCap Idx (01/31/85)	17.86%	18.85%	8.18%	11.19%
DJ U.S. Total Stock Market Index	17.79%	18.65%	8.29%	11.15%
NTGI MarketCap Idx - Net (12/31/04)	17.85%	18.84%	-	7.19%
DJ U.S. Total Stock Market Index	17.79%	18.65%	8.29%	7.73%

## Small Cap Equity Returns

The table below details the rates of return for the fund's small cap growth, small cap value, and micro cap managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Small Cap Equity (06/30/88)</b>	<b>4.16%</b>	<b>13.62%</b>	<b>39.83%</b>	<b>44.66%</b>
Russell 2000 Index	4.01%	13.42%	36.14%	40.99%
<b>Small Cap Growth (06/30/88)</b>	<b>4.12%</b>	<b>12.57%</b>	<b>38.75%</b>	<b>42.98%</b>
Fortaleza (11/30/06)	1.97%	8.53%	30.73%	32.97%
Russell 2000 Growth Index	4.11%	13.38%	40.43%	44.47%
Fortaleza - Net (11/30/06)	1.97%	8.40%	30.10%	32.34%
Frontier (07/31/88)	3.79%	12.55%	39.56%	44.00%
Russell 2000 Growth Index	4.11%	13.38%	40.43%	44.47%
Frontier - Net (12/31/04)	3.79%	12.41%	38.91%	43.32%
Pyramis (07/31/88)	4.58%	12.83%	38.47%	42.64%
Russell 2000 Growth Index	4.11%	13.38%	40.43%	44.47%
Pyramis - Net (12/31/04)	4.49%	12.74%	37.92%	42.07%
<b>Small Cap Value (08/31/89)</b>	<b>3.89%</b>	<b>13.85%</b>	<b>36.37%</b>	<b>41.74%</b>
Channing (06/30/11)	3.04%	13.94%	36.94%	42.60%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
Channing - Net (06/30/11)	2.94%	13.84%	36.07%	41.70%
DFA Small Cap Value (01/31/96)	5.02%	14.59%	39.22%	44.55%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
DFA Small Cap Value - Net (12/31/04)	4.89%	14.46%	38.57%	43.88%
Inv. Counselors of Maryland (04/30/99)	3.00%	13.24%	33.30%	38.93%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
Inv. Couns. of Maryland - Net (12/31/04)	2.91%	13.14%	32.81%	38.43%
Lombardia (05/31/11)	4.23%	13.48%	38.65%	42.71%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
Lombardia - Net (05/31/11)	4.23%	13.30%	37.76%	41.79%
<b>Micro Cap (06/30/84)</b>	<b>4.74%</b>	<b>15.06%</b>	<b>48.98%</b>	<b>53.84%</b>
Ariel (10/31/10)	3.88%	16.64%	45.55%	52.27%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
Russell 2000 Index	4.01%	13.42%	36.14%	40.99%
Russell Microcap Index	6.04%	15.12%	42.47%	47.09%
Ariel - Net (10/31/10)	3.88%	16.42%	44.42%	51.09%
Ativo (09/30/10)	7.53%	17.55%	56.29%	60.42%
Russell 2000 Growth Index	4.11%	13.38%	40.43%	44.47%
Russell 2000 Index	4.01%	13.42%	36.14%	40.99%
Russell Microcap Index	6.04%	15.12%	42.47%	47.09%
Ativo - Net (09/30/10)	7.35%	17.35%	55.16%	59.26%
DFA Micro Cap (07/31/87)	5.39%	16.42%	42.07%	47.56%
Russell 2000 Value Index	3.90%	13.47%	32.03%	37.60%
Russell 2000 Index	4.01%	13.42%	36.14%	40.99%
DFA Micro Cap - Net (12/31/04)	5.27%	16.29%	41.41%	46.87%
Wall Street (07/31/90)	4.19%	13.57%	53.98%	57.98%
Russell 2000 Growth Index	4.11%	13.38%	40.43%	44.47%
Russell 2000 Index	4.01%	13.42%	36.14%	40.99%
Wall Street - Net (12/31/04)	4.01%	13.36%	52.88%	56.85%

## Small Cap Equity Returns

The table below details the rates of return for the fund's small cap growth, small cap value, and micro cap managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Small Cap Equity (06/30/88)</b>	<b>18.94%</b>	<b>24.35%</b>	<b>11.92%</b>	<b>13.15%</b>
Russell 2000 Index	17.89%	20.97%	9.08%	10.14%
<b>Small Cap Growth (06/30/88)</b>	<b>17.69%</b>	<b>23.97%</b>	<b>11.86%</b>	<b>13.76%</b>
Fortaleza (11/30/06)	17.93%	20.87%	-	7.23%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	8.84%
Fortaleza - Net (11/30/06)	17.31%	20.26%	-	6.70%
Frontier (07/31/88)	17.20%	24.98%	10.95%	13.83%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	8.09%
Frontier - Net (12/31/04)	16.52%	24.09%	-	10.10%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	9.06%
Pyramis (07/31/88)	18.06%	24.58%	13.40%	14.36%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	8.09%
Pyramis - Net (12/31/04)	17.45%	23.92%	-	11.66%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	9.06%
<b>Small Cap Value (08/31/89)</b>	<b>18.96%</b>	<b>23.10%</b>	<b>11.15%</b>	<b>12.82%</b>
Channing (06/30/11)	-	-	-	19.29%
Russell 2000 Value Index	16.85%	18.61%	8.79%	15.59%
Channing - Net (06/30/11)	-	-	-	18.44%
DFA Small Cap Value (01/31/96)	20.15%	25.11%	11.71%	13.76%
Russell 2000 Value Index	16.85%	18.61%	8.79%	10.50%
DFA Small Cap Value - Net (12/31/04)	19.58%	24.52%	-	8.89%
Russell 2000 Value Index	16.85%	18.61%	8.79%	7.25%
Inv. Counselors of Maryland (04/30/99)	17.90%	21.84%	10.73%	13.08%
Russell 2000 Value Index	16.85%	18.61%	8.79%	10.68%
Inv. Couns. of Maryland - Net (12/31/04)	17.44%	21.28%	-	8.71%
Russell 2000 Value Index	16.85%	18.61%	8.79%	7.25%
Lombardia (05/31/11)	-	-	-	15.72%
Russell 2000 Value Index	16.85%	18.61%	8.79%	13.90%
Lombardia - Net (05/31/11)	-	-	-	14.99%
<b>Micro Cap (06/30/84)</b>	<b>21.01%</b>	<b>26.65%</b>	<b>10.52%</b>	<b>12.90%</b>
Ariel (10/31/10)	22.01%	-	-	21.10%
Russell 2000 Value Index	16.85%	18.61%	8.79%	17.31%
Russell 2000 Index	17.89%	20.97%	9.08%	18.67%
Russell Microcap Index	19.12%	21.59%	7.03%	19.89%
Ariel - Net (10/31/10)	21.03%	-	-	20.15%
Ativo (09/30/10)	19.77%	-	-	21.46%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	21.02%
Russell 2000 Index	17.89%	20.97%	9.08%	19.64%
Russell Microcap Index	19.12%	21.59%	7.03%	21.41%
Ativo - Net (09/30/10)	18.83%	-	-	20.56%
DFA Micro Cap (07/31/87)	21.06%	24.01%	10.21%	11.99%
Russell 2000 Value Index	16.85%	18.61%	8.79%	10.69%
Russell 2000 Index	17.89%	20.97%	9.08%	9.22%
DFA Micro Cap - Net (12/31/04)	20.48%	23.42%	-	8.32%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	9.06%
Russell 2000 Index	17.89%	20.97%	9.08%	8.21%
Wall Street (07/31/90)	20.92%	28.66%	11.06%	15.21%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	7.97%
Russell 2000 Index	17.89%	20.97%	9.08%	10.05%
Wall Street - Net (12/31/04)	20.01%	27.70%	-	9.02%
Russell 2000 Growth Index	18.90%	23.38%	9.23%	9.06%
Russell 2000 Index	17.89%	20.97%	9.08%	8.21%

## International Equity Returns

The table below details the rates of return for the fund's international large cap growth and international large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Intl Large Cap Equity (08/31/86)</b>	<b>0.77%</b>	<b>12.15%</b>	<b>20.16%</b>	<b>24.13%</b>
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
<b>Intl Large Cap Growth (08/31/02)</b>	<b>0.65%</b>	<b>11.67%</b>	<b>15.21%</b>	<b>18.87%</b>
EARNEST Partners (09/30/04)	0.05%	11.12%	12.22%	16.57%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Growth	0.35%	10.45%	14.67%	17.85%
EARNEST Partners - Net (12/31/04)	0.00%	11.07%	12.00%	16.34%
William Blair (09/30/02)	1.21%	12.19%	18.13%	21.08%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Growth	0.35%	10.45%	14.67%	17.85%
William Blair - Net (12/31/04)	1.12%	12.09%	17.70%	20.64%
<b>Intl Large Cap Value (09/30/95)</b>	<b>0.51%</b>	<b>12.90%</b>	<b>21.53%</b>	<b>25.90%</b>
Brandes (12/31/95)	0.76%	13.64%	27.73%	32.98%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Value	0.03%	11.78%	14.78%	19.62%
Brandes - Net (12/31/04)	0.71%	13.58%	27.47%	32.71%
Lombardia (3/31/12)	(0.10%)	14.88%	29.35%	36.24%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Value	0.03%	11.78%	14.78%	19.62%
Lombardia - Net (3/31/12)	(0.23%)	14.73%	28.77%	35.63%
Mondrian (3/31/12)	0.27%	12.12%	15.84%	19.46%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Value	0.03%	11.78%	14.78%	19.62%
Mondrian - Net (3/31/12)	0.15%	11.98%	15.26%	18.86%
Lazard (3/31/12)	0.55%	12.31%	17.64%	21.53%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
MSCI ACWI ex-US Value	0.03%	11.78%	14.78%	19.62%
Lazard - Net (3/31/12)	0.50%	12.25%	16.33%	20.17%

## International Equity Returns

The table below details the rates of return for the fund's international large cap growth and international large cap value managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Intl Large Cap Equity (08/31/86)</b>	<b>10.52%</b>	<b>15.44%</b>	<b>8.58%</b>	<b>8.46%</b>
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	-
<b>Intl Large Cap Growth (08/31/02)</b>	<b>9.59%</b>	<b>16.60%</b>	<b>9.19%</b>	<b>10.42%</b>
EARNEST Partners (09/30/04)	8.64%	18.44%	-	12.98%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	7.92%
MSCI ACWI ex-US Growth	7.53%	14.41%	8.29%	8.38%
EARNEST Partners - Net (12/31/04)	8.16%	17.88%	-	10.67%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	6.57%
MSCI ACWI ex-US Growth	7.53%	14.41%	8.29%	7.07%
William Blair (09/30/02)	10.97%	18.89%	9.61%	10.88%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	9.46%
MSCI ACWI ex-US Growth	7.53%	14.41%	8.29%	9.34%
William Blair - Net (12/31/04)	10.55%	18.44%	-	7.33%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	6.57%
MSCI ACWI ex-US Growth	7.53%	14.41%	8.29%	7.07%
<b>Intl Large Cap Value (09/30/95)</b>	<b>9.54%</b>	<b>12.00%</b>	<b>7.67%</b>	<b>10.29%</b>
Brandes (12/31/95)	10.84%	12.80%	8.05%	10.55%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	5.90%
MSCI ACWI ex-US Value	8.42%	14.32%	9.13%	-
Brandes - Net (12/31/04)	10.59%	12.51%	-	5.07%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	6.57%
MSCI ACWI ex-US Value	8.42%	14.32%	9.13%	6.97%
Lombardia (3/31/12)	-	-	-	23.74%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	11.58%
MSCI ACWI ex-US Value	8.42%	14.32%	9.13%	12.60%
Lombardia - Net (3/31/12)	-	-	-	23.17%
Mondrian (3/31/12)	-	-	-	11.64%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	11.58%
MSCI ACWI ex-US Value	8.42%	14.32%	9.13%	12.60%
Mondrian - Net (3/31/12)	-	-	-	11.12%
Lazard (3/31/12)	-	-	-	15.96%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	11.58%
MSCI ACWI ex-US Value	8.42%	14.32%	9.13%	12.60%
Lazard - Net (3/31/12)	-	-	-	15.10%



## International Equity Returns

The table below details the rates of return for the fund's international large cap core, international small cap, and emerging markets managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Intl Large Cap Active Core (01/31/08)</b>	<b>1.13%</b>	<b>12.42%</b>	<b>21.26%</b>	<b>25.25%</b>
Arrowstreet (02/29/08)	1.53%	14.32%	22.29%	27.26%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
Arrowstreet - Net (02/29/08)	1.42%	14.20%	21.73%	26.68%
Brown (09/30/04)	1.15%	10.56%	27.23%	30.41%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
Brown - Net (12/31/04)	0.35%	9.69%	26.00%	29.15%
GlobeFlex (02/28/06)	0.71%	11.49%	17.40%	20.82%
MSCI ACWI ex-US Index	0.17%	11.06%	14.28%	18.24%
GlobeFlex - Net (02/28/06)	0.61%	11.38%	16.93%	20.33%
<b>Intl Large Cap Pass. Core (12/31/99)</b>	<b>0.76%</b>	<b>11.89%</b>	<b>21.41%</b>	<b>25.31%</b>
NTGI MSCI EAFE Idx (01/31/00)	0.76%	11.89%	21.41%	25.31%
MSCI EAFE Index	0.77%	11.85%	20.97%	24.84%
NTGI EAFE Idx - Net (12/31/04)	0.76%	11.89%	20.31%	24.17%
<b>International Small Cap (11/30/05)</b>	<b>(0.23%)</b>	<b>10.59%</b>	<b>24.04%</b>	<b>27.57%</b>
Franklin Templeton (07/31/11)	(0.88%)	9.80%	21.74%	25.52%
ACWI Small Cap ex US	(0.26%)	11.05%	17.67%	22.42%
Franklin Templeton - Net (07/31/11)	(0.88%)	9.61%	20.87%	24.62%
William Blair (08/31/10)	0.31%	11.27%	26.02%	29.33%
ACWI Small Cap ex US	(0.26%)	11.05%	17.67%	22.42%
Intl SC Blended Benchmark	(0.26%)	11.05%	17.67%	22.42%
William Blair - Net (08/31/10)	0.13%	11.06%	25.07%	28.35%
<b>Emerging Markets (01/31/92)</b>	<b>(2.44%)</b>	<b>8.85%</b>	<b>1.84%</b>	<b>5.93%</b>
Genesis (04/30/04)	(2.44%)	8.85%	1.84%	5.93%
MSCI Emerging Markets Index	(1.45%)	10.10%	(0.84%)	4.02%
Genesis - Net (12/31/04)	(2.44%)	8.79%	1.30%	5.31%

Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011.

Intl SC Blended Benchmark consists of the S&P Developed Ex-U.S. Small Cap Index through May 31, 2011 and the MSCI ACWI Ex-U.S. Small Cap Index thereafter.

## International Equity Returns

The table below details the rates of return for the fund's international large cap core, international small cap, and emerging markets managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Intl Large Cap Active Core (01/31/08)</b>	<b>11.81%</b>	<b>18.32%</b>	<b>-</b>	<b>4.04%</b>
Arrowstreet (02/29/08)	11.95%	18.41%	-	4.17%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	1.53%
Arrowstreet - Net (02/29/08)	11.42%	17.85%	-	3.69%
Brown (09/30/04)	12.68%	18.54%	-	9.62%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	7.92%
Brown - Net (12/31/04)	11.99%	17.93%	-	7.15%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	6.57%
GlobeFlex (02/28/06)	11.16%	16.02%	-	4.67%
MSCI ACWI ex-US Index	7.50%	13.87%	8.26%	4.03%
GlobeFlex - Net (02/28/06)	10.68%	15.54%	-	4.21%
<b>Intl Large Cap Pass. Core (12/31/99)</b>	<b>10.92%</b>	<b>13.91%</b>	<b>7.96%</b>	<b>3.37%</b>
NTGI MSCI EAFE Idx (01/31/00)	10.92%	13.89%	7.95%	3.39%
MSCI EAFE Index	10.46%	13.42%	7.56%	3.00%
NTGI EAFE Idx - Net (12/31/04)	10.58%	13.67%	-	5.62%
MSCI EAFE Index	10.46%	13.42%	7.56%	5.85%
<b>International Small Cap (11/30/05)</b>	<b>12.71%</b>	<b>17.11%</b>	<b>-</b>	<b>4.64%</b>
Franklin Templeton (07/31/11)	-	-	-	9.01%
ACWI Small Cap ex US	7.72%	20.11%	10.55%	4.96%
Franklin Templeton - Net (07/31/11)	-	-	-	8.26%
William Blair (08/31/10)	13.71%	-	-	17.24%
ACWI Small Cap ex US	7.72%	20.11%	10.55%	11.29%
Intl SC Blended Benchmark	9.15%	17.50%	9.68%	12.35%
William Blair - Net (08/31/10)	12.82%	-	-	14.59%
<b>Emerging Markets (01/31/92)</b>	<b>4.25%</b>	<b>22.21%</b>	<b>15.56%</b>	<b>10.17%</b>
Genesis (04/30/04)	4.25%	22.21%	-	14.41%
MSCI Emerging Markets Index	1.03%	17.24%	12.47%	11.04%
Genesis - Net (12/31/04)	3.63%	21.47%	-	12.42%
MSCI Emerging Markets Index	1.03%	17.24%	12.47%	10.78%

Brown and GlobeFlex moved to International Large Cap Active Core April 1, 2011.

Intl SC Blended Benchmark consists of the S&P Developed Ex-U.S. Small Cap Index through May 31, 2011 and the MSCI ACWI Ex-U.S. Small Cap Index thereafter.

## Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Dom. Fixed Active Core (03/31/01)</b>	<b>(0.19%)</b>	<b>1.51%</b>	<b>(1.10%)</b>	<b>(1.32%)</b>
EARNEST Partners (04/30/05)	(0.16%)	1.29%	(1.18%)	(1.50%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
EARNEST Partners - Net (04/30/05)	(0.22%)	1.24%	(1.39%)	(1.71%)
Piedmont (05/31/05)	(0.22%)	1.74%	(1.02%)	(1.13%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
Piedmont - Net (05/31/05)	(0.22%)	1.70%	(1.23%)	(1.33%)
<b>Dom. Fixed Passive Core (12/31/89)</b>	<b>(0.38%)</b>	<b>1.36%</b>	<b>(1.63%)</b>	<b>(1.79%)</b>
BlackRock US Debt (08/31/13)	(0.39%)	1.37%	-	-
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
BlackRock US Debt - Net (08/31/13)	(0.39%)	1.37%	-	-
NTGI BC Agg. Index (01/31/90)	(0.38%)	1.36%	(1.55%)	(1.71%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
NTGI BC Agg. Index - Net (12/31/04)	(0.38%)	1.35%	(1.56%)	(1.72%)

## Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Dom. Fixed Active Core (03/31/01)</b>	<b>4.04%</b>	<b>6.97%</b>	<b>4.63%</b>	<b>4.97%</b>
EARNEST Partners (04/30/05)	4.01%	6.58%	-	5.27%
BC Aggregate Index	3.09%	5.33%	4.71%	4.88%
EARNEST Partners - Net (04/30/05)	3.80%	6.37%	-	5.06%
Piedmont (05/31/05)	4.02%	6.82%	-	4.88%
BC Aggregate Index	3.09%	5.33%	4.71%	4.76%
Piedmont - Net (05/31/05)	3.84%	6.63%	-	4.67%
<b>Dom. Fixed Passive Core (12/31/89)</b>	<b>3.05%</b>	<b>5.42%</b>	<b>4.65%</b>	<b>6.54%</b>
BlackRock US Debt (08/31/13)	-	-	-	0.80%
BC Aggregate Index	3.09%	5.33%	4.71%	0.86%
BlackRock US Debt - Net (08/31/13)	-	-	-	0.80%
NTGI BC Agg. Index (01/31/90)	3.08%	5.44%	4.66%	6.57%
BC Aggregate Index	3.09%	5.33%	4.71%	6.56%
NTGI BC Agg. Index - Net (12/31/04)	3.07%	5.43%	-	4.57%

## Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core plus and high yield managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last Month	Last 3 Months	Year to Date	Last 12 Months
<b>Domestic Fixed Core Plus (12/31/81)</b>	<b>(0.41%)</b>	<b>1.88%</b>	<b>(0.97%)</b>	<b>(0.90%)</b>
BlackRock Core Plus (03/31/07)	(0.33%)	1.65%	(0.83%)	(0.97%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
BlackRock Core Plus - Net (03/31/07)	(0.35%)	1.61%	(1.11%)	(1.24%)
LM Capital (04/30/05)	(0.12%)	2.29%	(0.83%)	(0.74%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
LM Capital - Net (04/30/05)	(0.16%)	2.25%	(0.99%)	(0.89%)
Progress Fixed Income (12/31/05)	(0.17%)	1.68%	(0.29%)	(0.32%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
Progress Fixed Inc. - Net (12/31/05)	(0.26%)	1.59%	(0.65%)	(0.68%)
Taplin, Canida, Habacht (04/30/05)	(0.39%)	2.13%	(1.57%)	(1.34%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
Taplin, Canida, Hab. - Net (04/30/05)	(0.42%)	2.09%	(1.70%)	(1.48%)
Western (10/31/01)	(0.80%)	1.61%	(0.97%)	(0.88%)
BC Aggregate Index	(0.37%)	1.38%	(1.47%)	(1.61%)
Western - Net (12/31/04)	(0.83%)	1.53%	(1.11%)	(1.03%)
<b>High Yield (03/31/86)</b>	<b>0.39%</b>	<b>3.71%</b>	<b>5.93%</b>	<b>7.50%</b>
MackKay Shields (10/31/00)	0.34%	3.46%	6.51%	7.77%
ML High Yield Cash Pay Index	0.45%	3.96%	6.79%	8.47%
MackKay Shields - Net (12/31/04)	0.26%	3.28%	6.15%	7.40%
Pyramis (07/31/86)	0.44%	3.96%	5.37%	7.25%
ML High Yield Cash Pay Index	0.45%	3.96%	6.79%	8.47%
Pyramis - Net (12/31/04)	0.44%	3.84%	5.02%	6.90%

Taplin, Canida, & Habacht moved to Core Plus October 1, 2010.

## Domestic Fixed-Income Returns

The table below details the rates of return for the fund's domestic fixed core plus and high yield managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended November 30, 2013

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
<b>Domestic Fixed Core Plus (12/31/81)</b>	<b>4.52%</b>	<b>8.70%</b>	<b>5.39%</b>	<b>8.78%</b>
BlackRock Core Plus (03/31/07)	4.08%	7.72%	-	5.48%
BC Aggregate Index	3.09%	5.33%	4.71%	4.96%
BlackRock Core Plus - Net (03/31/07)	3.93%	7.59%	-	5.38%
LM Capital (04/30/05)	4.46%	8.07%	-	5.72%
BC Aggregate Index	3.09%	5.33%	4.71%	4.88%
LM Capital - Net (04/30/05)	4.29%	7.90%	-	5.55%
Progress Fixed Income (12/31/05)	3.99%	6.85%	-	5.81%
BC Aggregate Index	3.09%	5.33%	4.71%	5.04%
Progress Fixed Inc. - Net (12/31/05)	3.62%	6.48%	-	5.47%
Taplin, Canida, Habacht (04/30/05)	4.92%	7.70%	-	5.36%
BC Aggregate Index	3.09%	5.33%	4.71%	4.88%
Taplin, Canida, Hab. - Net (04/30/05)	4.78%	7.57%	-	5.26%
Western (10/31/01)	4.76%	10.20%	5.69%	6.11%
BC Aggregate Index	3.09%	5.33%	4.71%	4.96%
Western - Net (12/31/04)	4.61%	10.05%	-	5.17%
BC Aggregate Index	3.09%	5.33%	4.71%	4.74%
<b>High Yield (03/31/86)</b>	<b>9.29%</b>	<b>19.00%</b>	<b>9.06%</b>	<b>10.24%</b>
Mackay Shields (10/31/00)	9.73%	17.19%	8.83%	9.91%
ML High Yield Cash Pay Index	9.43%	20.08%	8.57%	8.29%
Mackay Shields - Net (12/31/04)	9.33%	16.77%	-	7.57%
ML High Yield Cash Pay Index	9.43%	20.08%	8.57%	8.23%
Pyramis (07/31/86)	8.87%	20.96%	9.31%	10.00%
ML High Yield Cash Pay Index	9.43%	20.08%	8.57%	8.88%
Pyramis - Net (12/31/04)	8.41%	20.50%	-	8.29%
ML High Yield Cash Pay Index	9.43%	20.08%	8.57%	8.23%

Taplin, Canida, & Habacht moved to Core Plus October 1, 2010.

## Manager Summary

### Five Best Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Outperformance (in % points)	Since Inception Outperformance (in % points)	
Ativo	15.87	0.44	(09/30/10)
Lombardia	15.07	12.16	(03/31/12)
Wall Street	13.56	7.24	(07/31/90)
Ariel	13.51	3.79	(10/31/10)
Brandes	13.45	4.65	(12/31/95)

### Five Worst Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Underperformance (in % points)	Since Inception Underperformance (in % points)	
Piedmont	-11.27	-5.42	(05/31/11)
Fortaleza	-9.70	-1.61	(11/30/06)
Vision	-6.80	-2.07	(06/30/11)
BlackRock LCG	-2.39	-4.61	(07/31/11)
EARNEST	-2.06	5.06	(09/30/04)

### Five Highest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Ativo	56.29	21.46	(09/30/10)
Wall Street	53.98	15.21	(07/31/90)
Ariel	45.55	21.10	(10/31/10)
DFA	42.07	11.99	(07/31/87)
Frontier	39.56	13.83	(07/31/88)

### Five Lowest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Taplin, Canida, Habacht	-1.57	5.36	(04/30/05)
NT Barclays Agg	-1.55	6.57	(01/31/90)
EARNEST FI	-1.18	5.27	(04/30/05)
Piedmont Fixed Income	-1.02	4.88	(05/31/05)
Western	-0.97	6.11	(10/31/01)

Returns are shown gross of investment management fees.

Excludes Real Estate and Alternative Investments portfolios.

(13-12-02) (Approval of 2013 Diversity Report) The Chief Investment Officer presented the 2013 Annual Diversity Report to the Board for review, noting under Public Act 96-006, IMRF is required to submit an annual report to the Governor and General Assembly.

It was moved by Ms. Henry, seconded by Ms. Thompson, to approve the submission of the 2013 Annual Diversity Report to the Governor and General Assembly.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-03) (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.

#### Approval of Minutes

Regular Meeting #13-11-22

#### Schedules - Dated December 20, 2013

- 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 - Total and Permanent Disability Benefit Awards recommended by the Fund's medical consultants as provided by Section 7-150 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

#### Participation of New Units of Government

Barrington Countryside Fire Protection District  
County: Cook, Lake and McHenry  
2014 Rate: 6.24%  
Effective Participation Date: January 1, 2014  
Number of Participating Employees: 1



West Suburban Special Recreation Assoc. 06806  
County: Cook  
2014 Rate: 14.55%  
Effective Participation Date: January 1, 2014  
Number of Participating Employees: 15

Bids

Microsoft Software Licenses  
Approved Bidder: En Pointe Technologies  
Approved Bid: \$595,858.92

Rightfax Enterprise Server  
Approved Bidder: Advantage Technolgies  
Approved Bid: \$56,612.26

It was moved by Ms. Thompson, seconded by Ms. Copper, to approve the items on the Consent Agenda.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-04) (Financial Reports) The Chair presented the following financial reports for approval.

- Review of December Financial Reporting Package
- October Interim Financial Statements
- Impact of 2013 Year-To-Date Investment Income on Employer Reserves, Funding Status and Average Employer Contribution Rates
- Schedule T - Report of Expenditures

It was moved by Ms. Henry, seconded by Ms. Copper, to approve the Financial Reports as presented.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-05) (Certification of Results of Executive Trustee Election) The Legislative Liaison presented the results of the recent Executive Trustee Election.

5 Year Term, commencing January 1, 2014 - One to be Elected

	<u>Votes Received</u>
Sue Stanish	682
David C. Miller	543
Write-In Candidates	3
Spoiled Ballots	10

It was moved by Ms. Thompson, seconded by Ms. Henry, to certify the results of the 2013 Executive Trustee Election acknowledging the election of Sue Stanish (5-Year Term).

Vote: Unanimous Voice Vote  
Absent: None

(13-12-06) (Election of 2014 Board Officers) The Nominating Committee recommended the Board approve the following Trustees for Board Offices: Natalie Copper for the Office of President of the Board, John Piechocinski for the Office of Vice President of the Board, and Thomas Kuehne for the Office of Secretary of the Board commencing January 1, 2014.

It was moved by Ms. Henry, seconded by Ms. Thompson, to approve the recommendations of the Nominating Committee.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-07) (Appointment to Ethics Commission) General Counsel noted it was in order for the Board to appoint a Board Member to the IMRF Ethics Commission for 2014.

The IMRF Ethics Commission is a three-person body established to investigate, conduct hearings and issue recommendations for disciplinary actions regarding violations of the IMRF Ethics Policy. The Commission is comprised of the Board President and the IMRF Internal Audit Manager, along with a third rotating member to be appointed by the Board each year.

General Counsel also requested that a conflict substitute for the third member be appointed for 2014.

It was moved by Ms. Henry, seconded by Ms. Thompson, that Mr. Kuehne be appointed as the third member of the IMRF Ethics Commission and Ms. Stanish be appointed as his conflict substitute of the IMRF Ethics Commission for 2014.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-08) (Appointment of Consultants) The Executive Director stated it was in order to appoint the following firms to assist the Fund in 2014:

- Gabriel, Roeder, Smith & Co., Actuary (Brian Murphy)
- Drs. Noel Rao and Dolly Devara - Rehabilitation Medicine, Medical Consultant/Physical Medicine
- Rachelle Miller, M.D., Medical Consultant/Psychiatry
- Seyfarth Shaw, LLP, Fiduciary Counsel (Larry Moss)

It was moved by Mr. Piechocinski, seconded by Mr. Kuehne, to retain the above firms for calendar year 2013.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-09) (Report of the Benefit Review Committee) The Chair of the Benefit Review Committee reported on the meeting held on December 19, 2013.

It was moved by Ms. Copper, seconded by Ms. Henry, to accept the following recommendations of the Benefit Review Committee:

- To uphold staff's latest determination to deny the application for total and permanent disability benefits filed by Patricia Burger.
- To uphold staff's determinations that the Committee does not have the ability to declare P.A. 91-0685 unconstitutional, that Kathleen Konicki does not qualify to convert her service to Original ECO, and that this matter was not time-barred pursuant to IMRF rules.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-10) (Report of the Legislative Committee) The Chair of the Legislative Committee presented a report on the Committee Meeting that was held on December 20, 2013.

He reported the Committee discussed a legislative proposal that would exclude the surviving spouse from eligibility of the surviving spouse pension if the annuitant member and spouse divorce after retirement.

It was the consensus of the Committee to table the proposal until the next Legislative Committee Meeting. Furthermore, the Committee requested staff prepare information indicating how this issue is handled by other pension systems.

It was moved by Ms. Copper, seconded by Ms. Henry, to approve the recommendation of the Legislative Committee.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-11) (Report of the Policy Review Committee) The Chair of the Policy Review Committee presented a report on the Committee Meeting that was held on December 20, 2013.

He reported it was the consensus of the Policy Review Committee to recommend the Board approve the new contents and format for the new Policy Manual.

It was moved by Ms. Thompson, seconded by Ms. Henry, to approve the recommendation of the Policy Review Committee.

Vote: Unanimous Voice Vote  
Absent: None

(13-12-12) (Legislative Update) The Legislative Liaison reported on current legislative activity, noting the General Assembly convened for a special session on December 3, 2013 to discuss pension reform.

She reported that during this session, legislation regarding benefits for current and retired members of the state systems (except for Judges), along with some benefits for future members of other systems, including IMRF, passed both houses and has been signed into law by the Governor (Public Act 98-0599), effective June 1, 2014.

Questions and discussion followed.

(13-12-13) (Litigation Update) The following is an update of the currently pending litigation:

**VRAKAS, et al. v. COUNTY OF WILL, et al.**

**Summary:** Fifty-eight (58) full-time correctional deputies, sergeants and lieutenants have sued Will County seeking a determination that they were "sheriff's law enforcement employees" with respect to their pre-December 1, 2005 enrollments, as such, in IMRF. Just as in the *Stevens* case, IMRF has been named as a "necessary party" to the lawsuit so that any judgment can be properly enforced.

**Status:** On February 7, 2013, the parties appeared before the Court where the County indicated that it had changed its mind and was no longer interested in settling the case. The Plaintiffs have filed a motion to enforce the settlement agreement. The settlement agreement was set aside by the Court. The County has now hired a private law firm as a special assistant state's attorney to represent them. There is a trial date set in February.

**IN RE TRIBUNE CO, ET AL. , THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF TRIBUNE CO, ET AL. VS. FITZSIMONS, ET AL.**

**Summary:** The unsecured creditors in the Tribune bankruptcy have sued investors who sold their Tribune stock at the time of the buyout. The plaintiff's theory is that the buyout was fraudulent and therefore a portion of those stockholders' proceeds from the stock sale was due to the fraud and should be returned to the Tribune's bankruptcy estate.

**Status:** IMRF has joined with other public plans and is using a shared counsel (Ice Miller LLP). The Defendants filed a motion to dismiss a portion of this lawsuit and the motion was granted. The dismissed plaintiff's filed an appeal of the judge's decision to dismiss, which will be fast-tracked.

**LEHMAN BROS. SPECIAL FINANCING, INC. V. BANK OF AMERICA NATIONAL ASSOC., ET AL.**

**Summary:** This case was filed in the Lehman Bros. Bankruptcy matter. IMRF owned a bond, purchased by one of the Progress managers, for which we were paid in full at the time Lehman became insolvent. In this case, certain of the parties in the Lehman bankruptcy are attempting to recoup the proceeds of our bond, as well as others.

**Status:** The first stage in a bankruptcy court adversary proceeding of this type is mediation. Our case has been assigned to a mediator and we are waiting for the date for the mediation to be set.

**VILLAGE OF OAK BROOK V. THOMAS SHEAHAN, ET. AL. (13 MR 942) DUPAGE CO.**

**Summary:** This is an administrative review action challenging the Board's decision upholding the granting of MEABF and Deerfield credit transfers to Thomas Sheahan, the former police chief of Oak Brook and deny the Village's request to recalculate their liability excluding the service credits transferred from MEABF and Deerfield. The Village is also seeking a declaratory judgment that Section 8-226.7 is unconstitutional special legislation.

**Status:** Case was filed on June 6, 2013. On October 3, 2013, the judge set a briefing schedule on the issue of whether all proper parties have been named. IMRF's brief is due November 1, 2013 and a hearing is set for January 7, 2014.

**MICHELLE MITTS-HARRIS V. IMRF AND BRENDA LINDSEY (13CH23076) COOK COUNTY.**

**Summary:** Decedent's wife is suing IMRF and his named beneficiary requesting the judge issue a temporary restraining order and an injunction issue preventing IMRF from paying out a benefit pursuant to a 6.11 form which she claims is fraudulent.

**Status:** Case was filed on October 10, 2013 with a hearing set for November 7, 2013 on the injunction. The parties were back in court on November 22, 2013. The judge ordered payment to the named beneficiary, finding that the provisions of the Marriage and Dissolution of Marriage Act providing that pensions were marital property would not apply to death proceeds when a decedent had a named person other than his wife as his primary beneficiary. The judge failed to find any fraud when the decedent misrepresented the name and marital status of the beneficiary on a prior form, as such had been corrected prior to the decedent's death.

**MATTHEW FECORATTA V. IMRF (13CH24473) COOK COUNTY**

**Summary:** This is an administrative review action appealing the final administrative decision to deny Plaintiff's claim for disability benefits based on his failure to provide requested documents. His case was permanently closed according to IMRF procedures.

**Status:** Case was filed on October 30, 2013. IMRF has filed an answer and appearance.

(13-12-14) (Return to Work Communications) The Legislative Liaison gave a presentation on IMRF's communications to its members regarding the impact of the return to work statute change, Public Act 98-0389, which became effective August 16, 2013.

She stated IMRF's communications are divided into four groups: employer notifications; active/inactive member notifications; retired member notifications; and, general communications.

Questions and discussion followed.

(13-12-14) (IMRF Logo) IMRF's Communications Manager discussed the feasibility of changing the IMRF logo to facilitate IMRF's communications efforts.

He reported a survey of trustees selected three logo designs that were prepared by IMRF's brand research consultant, Sikich, as more favored than the others, but did not select any single one.

The Communications Manager stated to assist in selecting a new logo design, if any, staff will survey a portion of IMRF's membership as to how they perceive our current logo and Sikich's alternative logo designs. Staff will present the results at the January Board Meeting.

Discussion followed.

(13-12-15) (Report of Executive Director)

**Representation of IMRF**

The Executive Director reviewed the meetings and conferences that he attended, as a representative of IMRF, since his November report.

(13-12-16) (Trustee Forum) The Chair reported the following Trustees requested authorization from the Board to attend the following conference:

William Stafford            "12<sup>th</sup> Annual Pensions and Capital Stewardship"  
Harvard Law School  
May 7-9, 2014  
Cambridge, MA

Natalie Copper            "3<sup>rd</sup> Annual West Coast Compass Conference"  
RFK Compass  
March 6-7, 2014  
Half Moon Bay, CA

John Piechocinski        "3<sup>rd</sup> Annual West Coast Compass Conference"  
RFK Compass  
March 6-7, 2014  
Half Moon Bay, CA

It was moved by Mr. Piechocinski, seconded by Ms. Thompson, to approve the above Trustee requests.

Vote:    Unanimous Voice Vote  
Absent: None

(13-12-17) (Appreciation of Service - Mark F. Nannini) Members of the Board of Trustees honored Mark F. Nannini who stepped down from the IMRF Board, October 25, 2013, with the following resolution:

Resolution of Appreciation

WHEREAS, Mark F. Nannini has served as an IMRF Executive Trustee from January 2012 through October 2013, and;

WHEREAS, during his tenure as an Executive Trustee, Mark F. Nannini served as a member of the Audit Committee including one term as Chair, a member of the Investment Committee including one term as Chair and one term as Vice Chair, and the Legislative Committee, and;

WHEREAS, Mark F. Nannini demonstrated a strong personal commitment to IMRF members and employers by supporting legislative changes including requiring IMRF to amortize its unfunded liabilities according to generally accepted accounting practices, allowing pre-retirement withdrawals of Voluntary Additional Contributions only to the extent permitted by the Internal Revenue Service, and opposing legislation that creates temporary transfer windows between IMRF and other public pension funds, and;

WHEREAS, during his time as an Executive Trustee, Mark F. Nannini supported many improvements to IMRF including approving five Strategic Objectives and Key Strategies for the 2014-2016 Strategic Plan; adopting a comprehensive funding policy that is consistent with actuarial best practices, supports IMRF's 100% funding goal, maintains intergenerational equity, and minimizes disruptions to employers; supporting IMRF's participation in the Illinois Performance Excellence resulting in a Silver award; and supporting the modernization of IMRF's enterprise pension administration system, and;

WHEREAS, as an Executive Trustee, Mark F. Nannini has served honorably as a member of the IMRF Board of Trustees and has exhibited true concern for all IMRF members, employers, and staff, and;

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Mark F. Nannini for his contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

It was moved by Mr. Piechocinski, seconded by Ms. Copper to adopt the resolution.

The motion was approved by acclamation.





(13-12-18) (Appreciation of Service - Richard DeCleene; Linda Horrell; Cindy Lambin; Debbie McNulty; Tom Raitt) Members of the Board of Trustees honored IMRF staff members Richard DeCleene; Linda Horrell; Cindy Lambin; Debbie McNulty; and Tom Raitt who will be retiring from IMRF, effective January 1, 2014 with the following resolutions:

Resolution of Appreciation

WHEREAS, Chief Financial Officer Richard DeCleene has faithfully served IMRF from December 2000 through December 2013, and;

WHEREAS, during Richard DeCleene's tenure, IMRF has received 13 Certificates of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report from the Government Finance Officers Association, and;

WHEREAS, Richard DeCleene successfully oversaw the creation of the Popular Annual Financial Report to Members, thereby making information on IMRF's financial health more accessible to members and the general public, and;

WHEREAS, Richard DeCleene demonstrated a strong personal commitment to IMRF members and employers by supporting the implementation of programs to amortize IMRF's unfunded liabilities according to generally accepted accounting practices, and adopting a comprehensive funding policy that is consistent with actuarial best practices, supports IMRF's 100% funding goal, and maintains intergenerational equity and minimizes disruptions to employers, and;

WHEREAS, Richard DeCleene supported many improvements to IMRF including the development of multiple Strategic Plans, the implementation of a Continuous Process Improvement Program, and the modernization of IMRF's enterprise pension administration system, and;

WHEREAS, Richard DeCleene's leadership played a key part in IMRF's 2012 reception of a Silver Award for Progress toward Excellence and a 2009 Bronze Award for Commitment to Excellence from Illinois Performance Excellence (ILPEX), and;

WHEREAS, Richard DeCleene's leadership and skill led to innumerable improvements in customer service and identification of more efficient ways to do business;

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Richard DeCleene for his contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

Resolution of Appreciation

WHEREAS, Communications Manager Linda Horrell has faithfully served IMRF from September 1988 through December 2013, and;

WHEREAS, Linda Horrell founded IMRF's communications group, building it up from one staff member to a team of eight professionals responsible for more than 50 print and electronic publications, the IMRF website and intranet, member forms and employer correspondence, policy and procedure documentation, internal communications, and media relations, and;

WHEREAS, during Linda Horrell's tenure, IMRF launched print newsletters to members and retirees, electronic newsletters to employers, the current Manual for Authorized Agents, [www.imrf.org](http://www.imrf.org), IMRF's employee intranet "Fund Connection," and IMRF's media relations and internal communications programs, and;

WHEREAS, under Linda Horrell's leadership, IMRF won a 2012 "Golden Trumpet Award in Government Affairs" and a 2008 "Silver Trumpet Award in Community Relations" from the Publicity Club of Chicago, and;

WHEREAS, Linda Horrell supported many improvements to IMRF including the development of multiple Strategic Plans, the implementation of a Continuous Process Improvement Program, and the modernization of IMRF's enterprise pension administration system, and;

WHEREAS, Linda Horrell's leadership played a key part in IMRF's 2012 reception of a Silver Award for Progress toward Excellence and a 2009 Bronze Award for Commitment to Excellence from Illinois Performance Excellence (ILPEX), and;

WHEREAS, Linda Horrell's leadership and skill led to innumerable improvements in communication between IMRF and its members, retirees, and employers, and the general public,

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Linda Horrell for her contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

Resolution of Appreciation

WHEREAS, Western Territory Field Representative Cindy Lambin has faithfully served IMRF from January 2002 through December 2013, and;

WHEREAS, Cindy Lambin successfully administered more than 1,200 pre-retirement workshops, personal benefit reviews, and Authorized Agent certifications during her tenure, and;

WHEREAS, Cindy Lambin served as a valued liaison to numerous special interest groups including the Illinois League of Municipal Employees, the Illinois Association of County Officials, and the Illinois Education Association, and;

WHEREAS, prior to joining IMRF, Cindy Lambin served as an IMRF Authorized Agent for 18 years for the City of Geneseo while employed as City Clerk, and;

WHEREAS, Cindy Lambin was the ninth municipal clerk in Illinois history to achieve the "Master Municipal Clerk" designation from the Municipal Clerks of Illinois, and;

WHEREAS, Cindy Lambin consistently provided exemplary customer service to all IMRF members, retirees, and employers she came into contact with,

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Cindy Lambin for her contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

Resolution of Appreciation

WHEREAS, Information Services Business Analyst Debbie McNulty has faithfully served IMRF from December 1988 through December 2013, and;

WHEREAS, during her tenure, Debbie McNulty held positions in Office Services, Benefits, Member Services, and Information Services, improving quality of operations and customer service across multiple departments at IMRF, and;

WHEREAS, Debbie McNulty played a key role in the creation of IMRF's existing benefit estimate system, increasing the accuracy and timeliness of estimates, and;

WHEREAS, Debbie McNulty made a significant contribution to the creation of IMRF's existing system for generating member statements, increasing the accuracy and timeliness of member statements, and;

WHEREAS, Debbie McNulty implemented improvements to the reciprocal systems' data exchange, increasing the accuracy and timeliness of reciprocal benefit estimates, and;

WHEREAS, Debbie McNulty's dedication and effort led to innumerable improvements in customer service and identification of more efficient ways to do business;

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Debbie McNulty for her contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

Resolution of Appreciation

WHEREAS, Benefits Manager Tom Raitt has faithfully served IMRF from October 1994 through December 2013, and;

WHEREAS, during Tom Raitt's tenure, IMRF has made more than 400,000 initial annuity, disability, death, and refund payments, and;

WHEREAS, Tom Raitt successfully oversaw the implementation of improvements that significantly decreased wait time until payment of benefits, while also increasing accuracy, for more than 100,000 retirement applications, and;

WHEREAS, Tom Raitt's commitment to customer service led to outstanding results on numerous benchmarking studies, including a top 20% ranking in overall service with below average costs, according to the 2013 Cost Effectiveness Measurement (CEM) Benchmarking survey of 39 North American Public Pensions, and three consecutive American Consumer Satisfaction Index (ACSI) top scores on Cobalt Community Research surveys during 2012-2013, and;

WHEREAS, Tom Raitt supported many improvements to IMRF including the development of multiple Strategic Plans, the implementation of a Continuous Process Improvement Program, and the modernization of IMRF's enterprise pension administration system, and;

WHEREAS, Tom Raitt's leadership played a key part in IMRF's 2012 reception of a Silver Award for Progress toward Excellence and a 2009 Bronze Award for Commitment to Excellence from Illinois Performance Excellence (ILPEX), and;

WHEREAS, Tom Raitt's leadership and skill led to innumerable improvements in customer service and identification of more efficient ways to do business;

THEREFORE, BE IT RESOLVED, that the IMRF Board of Trustees recognizes and honors Tom Raitt for his contributions and service to the Illinois Municipal Retirement Fund.

Adopted by the IMRF Board of Trustees on Friday, December 20, 2013.

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It was moved by Mr. Piechocinski, seconded by Ms. Copper to adopt the resolutions.

The motion was approved by acclamation.

(13-12-19) (Board Self-Evaluation) Board Members along with Ms. Cullins from Hewitt EnnisKnupp, conducted a self-evaluation.

(13-12-20) (Adjournment) It was the consensus of the Board, to adjourn the Board Meeting at 11:00 a.m., to reconvene in the Fund offices, 2211 York Road, Suite 400, Oak Brook, Illinois, at 9:00 a.m. on January 24, 2014.

\_\_\_\_\_  
President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

Schedules A, B, C, D, E, F, G, P and R are omitted from this copy of Minutes. These schedules are identical to schedules attached to Minutes distributed to Board of Trustees prior to meeting.