

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 14-12
DECEMBER 19, 2014

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 14-12

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m., December 19 2014, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

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

Ms. Enright called the roll:

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

Ms. Becker-Wold and Mr. Ball from Callan Associates, Mr. Moss from Seyfarth Shaw and a representative from Topeka Capital Markets were also present.

Ms. Thompson and Ms. Copper entered the meeting at 9:02 a.m.

(14-12-01) (Investment Manager Activities - Callan and Associates) Ms. Becker-Wold gave the following report to the Board on the activities of IMRF's investment managers:

November 30, 2014



**Illinois Municipal
Retirement Fund
Monthly Performance Report**

**Investment Measurement Service
Monthly Review**

Major Market Returns

**Returns
for Periods Ended November 30, 2014**

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	2.42	12.49	15.45	20.77	16.37	8.48
Russell:1000 Index	2.62	13.50	16.56	21.05	16.25	8.37
Russell:Midcap Index	2.56	12.98	16.34	21.27	18.45	10.00
Russell:2000 Index	0.09	1.99	3.99	18.36	16.69	7.78
MSCI:ACWI ex-US (Net)	0.72	(0.27)	0.61	9.92	5.64	5.96
MSCI:EAFE US\$	1.36	(1.49)	(0.02)	12.02	6.38	5.25
MSCI:Emer Markets	(1.05)	2.88	1.40	5.63	3.88	9.81
Barclays:Aggregate Index	0.70	5.86	5.26	3.00	4.10	4.79
NCREIF:ODCE Index	1.07	11.28	12.45	12.42	13.42	7.12
NAREIT Equity Index	1.96	27.75	28.04	17.39	18.07	8.62

Capital markets notched another solid month of performance during November aided by a steady drumbeat of positive economic news from the U.S. Equities continue to climb higher with U.S. markets outperforming their non-U.S. counterparts (+2.4% vs. +0.7%, respectively). Rates fell boosting fixed income performance during the period (+0.7%).

The U.S. economy strengthened more than originally estimated in the third quarter with GDP revised up to 3.9%. Combining the last two quarters, the U.S. economy grew at its best half-year clip in over a decade. The labor market surged in November adding 321,000 jobs, the largest one month gain in nearly three years, and significantly exceeded economist estimates of 225,000. The unemployment rate remained unchanged at 5.8%, the lowest level since the start of the recession. The labor force participation rate held at 62.8% and has been essentially static since April. The latest annualized inflation figure rose 1.7%.

Japan's economy contracted in the third quarter with GDP falling 1.9%. The world's third largest economy is now in a technical recession as second quarter GDP fell 7.3%. However, the size of Japan's economy is still 1.4% larger than prior to the implementation of the economic stimulus and policy changes colloquially known as "Abenomics". The European Commission cut EU growth expectations to 0.8% for 2014 down from 1.2%. Forecasts were dragged down by lower than expected growth in Germany, France and Italy.

*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

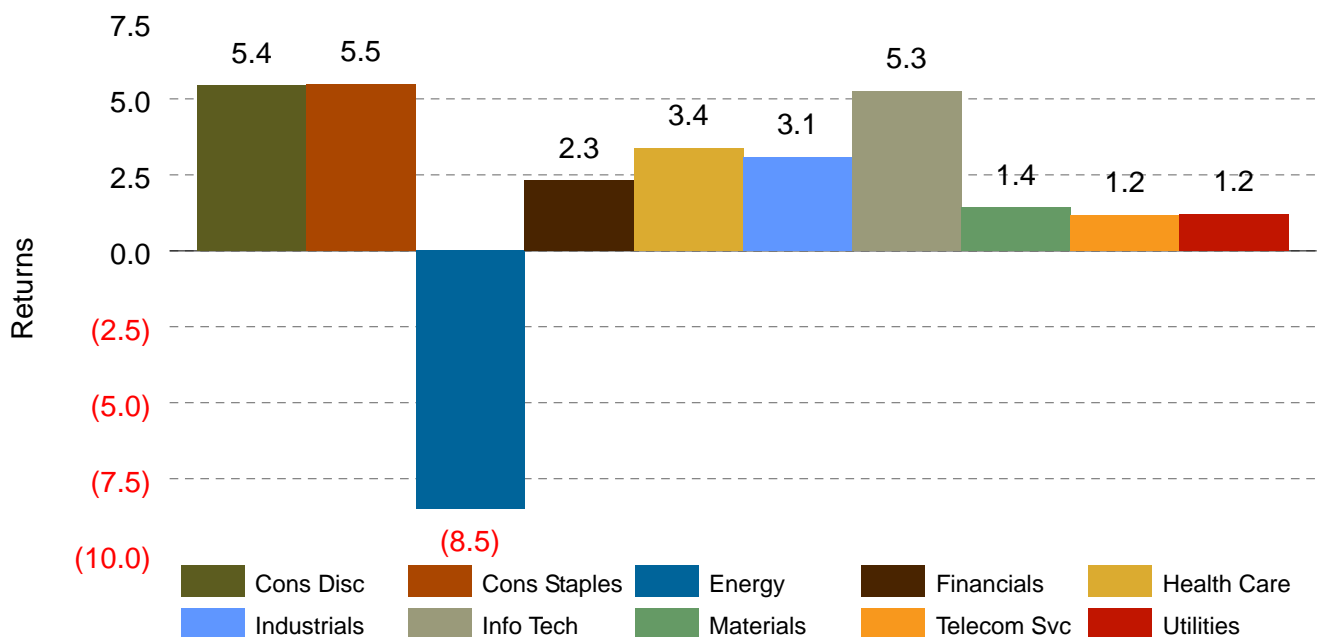
for Periods Ended November 30, 2014

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
DJ:US Total Mkt Ix	2.42	12.49	15.45	20.77	16.37	8.48
Russell:1000 Index	2.62	13.50	16.56	21.05	16.25	8.37
Russell:1000 Growth	3.17	14.24	17.50	20.55	16.77	9.02
Russell:1000 Value	2.05	12.76	15.62	21.45	15.69	7.59
Russell:Midcap Index	2.56	12.98	16.34	21.27	18.45	10.00
Russell:2000 Index	0.09	1.99	3.99	18.36	16.69	7.78
Russell:2000 Growth	0.65	2.56	4.66	18.89	18.04	8.61
Russell:2000 Value	(0.46)	1.45	3.36	17.84	15.31	6.85

U.S. equity markets continued to advance in November (DJTSMI: 2.4%) following solid performance in October. Sector returns for the S&P 500 Index were all positive for the month with the exception of Energy (-8.5%). Consumer Staples (+5.5%) lead all sectors followed closely by Consumer Discretionary (+5.4%) and Information Technology (+5.3%).

In the small cap space, growth outperformed value (Russell 2000 Growth Index: 0.7%; Russell 2000 Value: -0.5%). Year-to-date returns for small cap stocks (Russell 2000 Index: 2.0%) significantly trail mid cap (Russell Midcap Index: 13.0%) and large cap stocks (Russell 1000 Index: 13.5%).

S&P 500 Sector Returns for 1 Month Ended November 30, 2014



Returns
for Periods Ended November 30, 2014

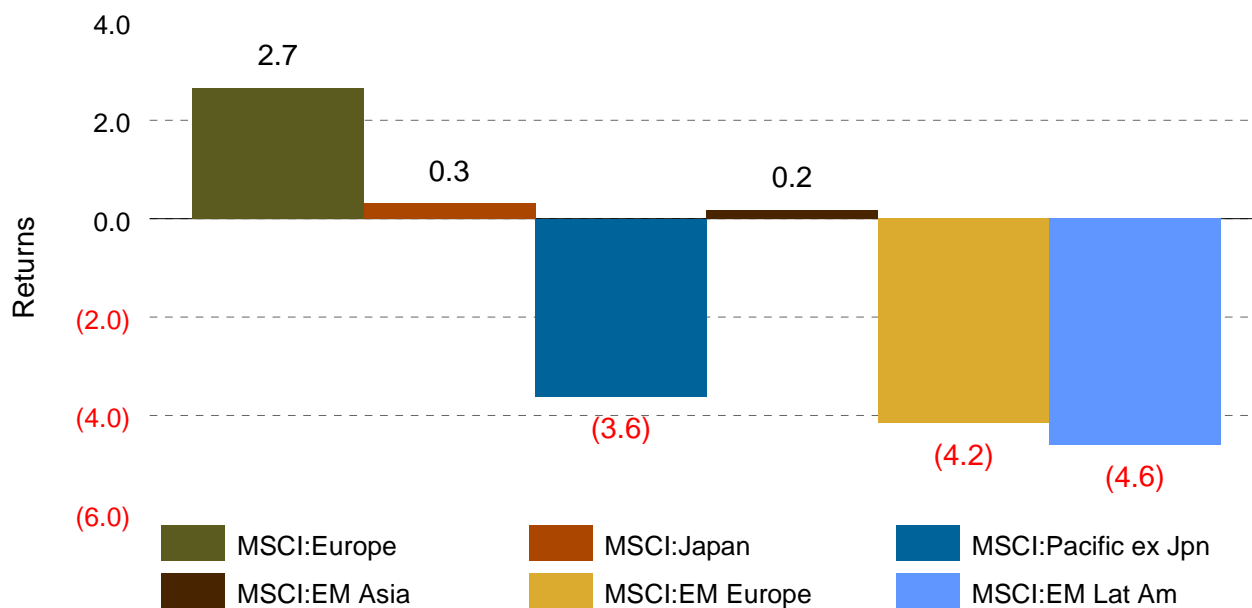
Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:ACWI ex-US (Net)	0.72	(0.27)	0.61	9.92	5.64	5.96
MSCI:ACWI ex US Gr	1.48	1.09	2.14	10.50	6.78	6.56
MSCI:ACWI ex US Val	(0.02)	(0.83)	(0.07)	10.29	5.38	6.25
MSCI:EAFE US\$	1.36	(1.49)	(0.02)	12.02	6.38	5.25
MSCI:EAFE Hedged Gross	3.18	4.50	5.84	13.73	6.20	3.63
MSCI:Emer Markets	(1.05)	2.88	1.40	5.63	3.88	9.81
MSCI:ACWI ex-US Sm Cap (Net)	(0.42)	(2.83)	(1.13)	10.63	7.59	7.55

Non-U.S. equities turned in a positive month (MSCI ACWI ex-U.S. (Net): 0.7%), but trailed their U.S. counterparts and remain in negative territory year-to-date (-0.3%). The strengthening U.S. dollar continues to pressure non-U.S. equities as hedged returns (MSCI EAFE Hedged: 3.2%) outperformed dollar denominated returns (MSCI EAFE U.S. \$: 1.4%). Small cap stocks (MSCI ACWI ex-U.S. Small Cap (Net) Index: -0.4%) trailed the broader market.

Regional performance was mixed for the month of November. Developed European stocks led all regions by snapping a two month losing streak and gaining 2.7%. Emerging markets in Europe and Latin America trailed all regions by returning -4.2% and -4.6%, respectively.

Emerging markets lost 1.1% for the month however, year-to-date returns remain in positive territory (+2.9%). Over the last ten years, emerging markets outpaced U.S. (DJTSMI) and developed non-U.S. equities (MSCI EAFE Index) by 1.3% and 4.6% respectively.

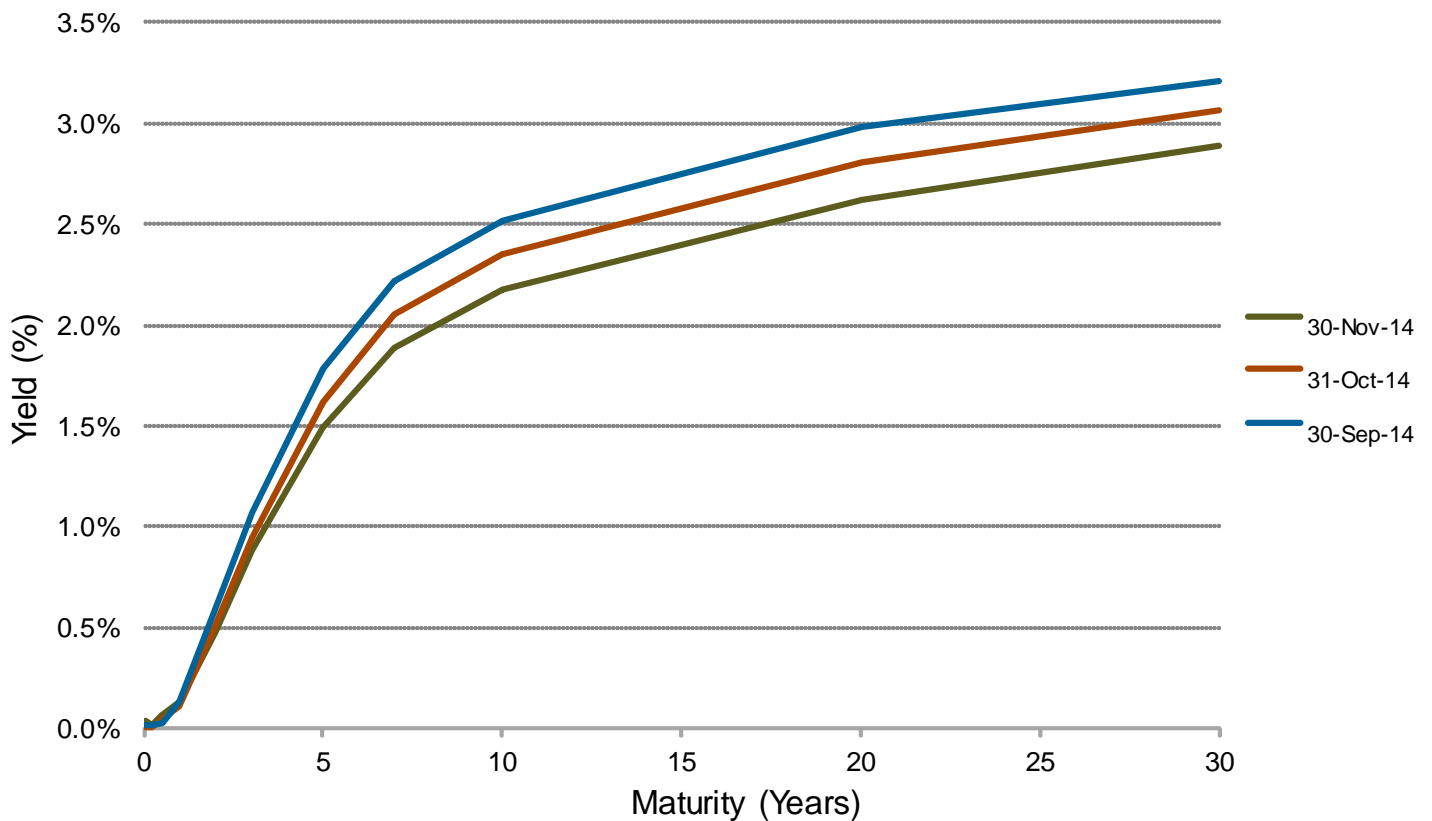
Regional Returns for 1 Month Ended November 30, 2014



Returns
for Periods Ended November 30, 2014

Index	Last Month	Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Barclays:Aggregate Index	0.70	5.86	5.26	3.00	4.10	4.79
Barclays:Govt Index	0.78	4.78	3.87	1.65	3.20	4.37
Barclays:Credit	0.64	7.48	7.21	5.50	6.03	5.59
Barclays:Mortgage Idx	0.65	5.92	5.42	2.56	3.40	4.81
Barclays:US TIPS Index	0.26	4.82	3.29	0.83	3.89	4.67
ML:High Yield CP Idx	(0.71)	3.99	4.56	9.73	9.84	7.86
3 Month T-Bill	0.00	0.03	0.05	0.07	0.09	1.57

Treasury Yield Curve

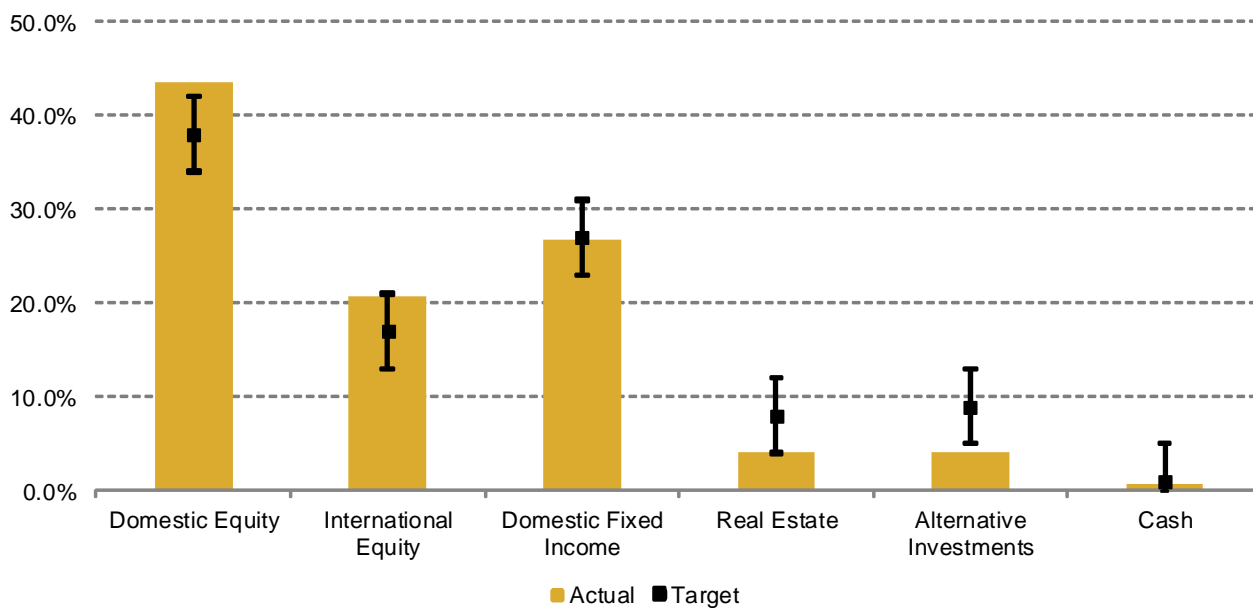


The Barclays Aggregate Bond Index was up 0.7% during November as falling yields bolstered returns. The 10-year Treasury yield declined by 17 basis points to end the month at 2.18%. Government and mortgage-backed securities led, returning 0.8% and 0.7%, respectively. High Yield was the only segment of the market to post a loss for the month, declining 0.7%. Corporate bonds continue to lead the broader market year-to-date (Barclays Credit Index: 7.5%). All sectors are positive since the beginning of the year and over the trailing twelve months.

Total Fund

Total Fund assets at the end of November were \$34.88 billion, up from \$34.39 billion at the end of October. The Fund rose 1.20% for the month, underperforming the benchmark return by 18 basis points. Non-U.S. equity was the only public asset class to outperform its respective benchmark. Over the last year, the fund is up 7.90% trailing the benchmark by 1.16%.

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, U.S. equity exceeded its target allocation by 5.6%. All other asset classes were within the allowable range. The Chief Investment Officer and Consultant do not recommend any rebalancing at this time.



U.S. Equity

The U.S. equity composite gained 1.71%, relative to the 2.42% return for the Dow Jones U.S. Total Stock Market Index (DJTSMI). Growth underperformed value in large cap stocks, but the opposite was true for small cap stocks. The smaller capitalization bias had a negative effect for the month as large cap stocks outperformed small caps.

Large Cap: In aggregate, the Fund's large cap managers returned 2.29% and trailed the Russell 1000 Index by 0.33%. Growth managers returned 2.20% and underperformed the Russell 1000 Growth Index by 97 basis points. BlackRock was the best performing active growth manager, gaining 2.74%. Value portfolios collectively returned 2.29%, outperforming their benchmark for the month by 24 basis points. Dodge & Cox was the best performing value manager with a return of 2.68%.

Small Cap: The Small Cap portfolio rose 0.22% and outperformed the Russell 2000 Index by 0.13%. Small Cap Growth and Value returned 1.60% and -0.44%, respectively. Pyramis was the best performing small cap growth manager and Lombardia was the best in value. Micro Cap lost 1.00% in November. Dimensional Fund Advisors was the top performer in the micro-cap segment returning -0.82% for the month.

International Equity

In November, the MSCI ACWI ex-U.S. (Net) Index underperformed the DJTSMI and the IMRF international equity composite trailed its U.S. equity counterpart. In aggregate, international equity managers returned 1.10%, ahead of the 0.72% return of the benchmark. Emerging market equities and small cap stocks detracted from international performance during the period.

Large Cap: International Large Cap managers rose 1.31%. This return was 59 basis points ahead of the MSCI ACWI ex-U.S. (Net) Index. International Large Cap Growth returned 0.98% with William Blair performing best (+1.34%). International Large Cap Value returned 1.75% for the month. Mondrian (+1.91%) led all other value managers. The Large Cap Active Core Group gained 1.15% in November with Brown providing the best performance (+1.94%).

International Small Cap and Emerging Markets: The International Small Cap managers returned 0.39% and outperformed the ACWI Small Cap ex-U.S. Index by 81 basis points. The emerging markets portfolio, managed by Genesis, lost 60 basis points during November, but outperformed the MSCI Emerging Markets Index by 45 basis points.

U.S. Fixed Income

For the month, the total fixed income portfolio returned 0.50% (behind the BC Aggregate Index return of 0.70%) as yields declined for maturities two-years and longer. The opportunistic segment was the best performer, rising 1.02%.

Active Core: The active core fixed income component, which is made up of EARNEST Partners and Piedmont, returned 0.63% and trailed the BC Aggregate Index by seven basis points.

Core Plus: The core plus managers returned 0.57% underperforming the Barclays Aggregate Index by 13 basis points. LM Capital outperformed the other managers returning 0.66%.

Bank Loans: In its fourth month of performance, the bank loans component managed by Babson rose 0.36% and trailed its custom benchmark by eight basis points.

Emerging Markets: In its fourth month of performance, the emerging markets component managed by Standish lost 1.52%, underperforming its custom benchmark by 62 basis points.

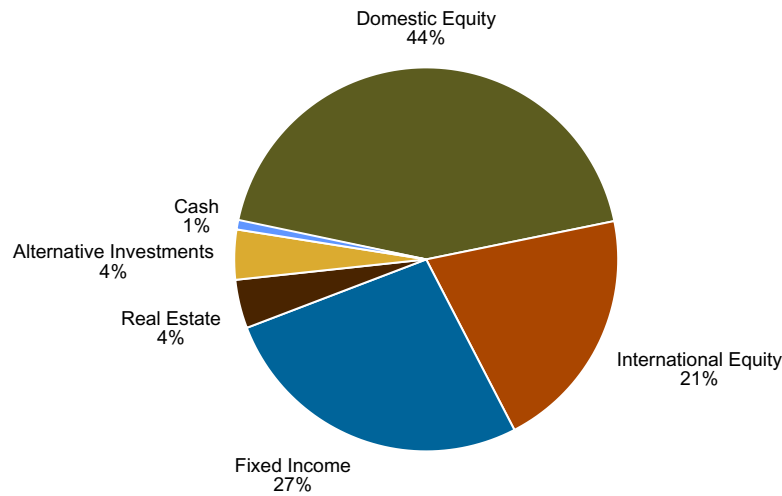
Opportunistic: In its fourth month of performance, the opportunistic component managed by Crescent rose 1.02%, beating its custom benchmark by 113 basis points.

High Yield: The high yield component managed by MacKay Shields lost 0.59% in November, beating the ML High Yield Cash Pay Index (-0.71%).

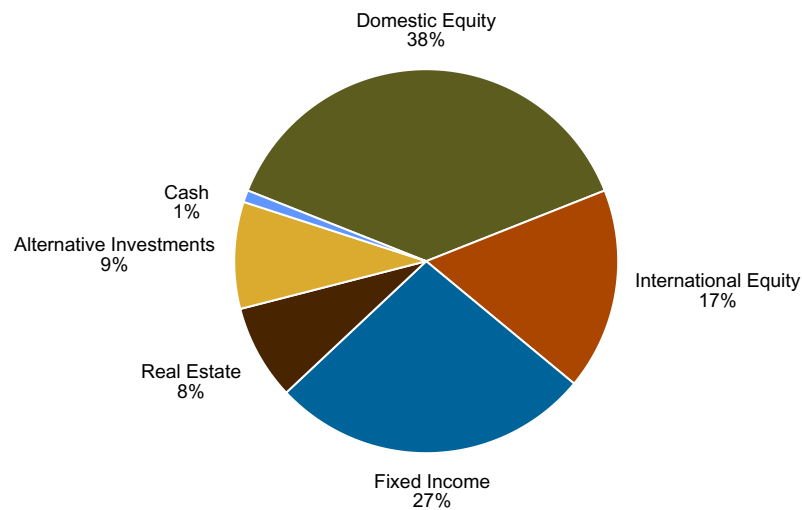
Actual vs Target Asset Allocation

The first chart below shows the Fund's asset allocation as of November 30, 2014. 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	15,199	43.6%	38.0%	5.6%	1,947
International Equity	7,197	20.6%	17.0%	3.6%	1,268
Fixed Income	9,332	26.8%	27.0%	(0.2%)	(84)
Real Estate	1,436	4.1%	8.0%	(3.9%)	(1,354)
Alternative Investments	1,448	4.2%	9.0%	(4.8%)	(1,691)
Cash	264	0.8%	1.0%	(0.2%)	(85)
Total	34,876	100.0%	100.0%		

* Current Month Target = 38.0% US Total Stock Market Idx, 27.0% Barclays Aggregate Index, 17.0% MSCI ACWI x US (Net), 9.0% 9% Annually, 8.0% NFI-ODCE Value Weight Net 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, 2014, with the distribution as of October 31, 2014.

Asset Distribution Across Investment Managers

	November 30, 2014		October 31, 2014	
	Market Value	Percent	Market Value	Percent
Domestic Equity	\$15,199,427,400	43.58%	\$15,215,453,289	44.24%
Large Cap Growth				
BlackRock LCG	578,036,513	1.66%	612,354,714	1.78%
Holland	939,631,481	2.69%	1,096,319,009	3.19%
NTGI S&P 500 Growth Idx	828,150,216	2.37%	803,910,967	2.34%
Sands	1,317,417,945	3.78%	1,294,426,789	3.76%
Vision	170,547,249	0.49%	166,549,530	0.48%
Large Cap Value				
Dodge & Cox	1,145,895,204	3.29%	1,116,023,729	3.24%
BMO	1,221,572,358	3.50%	1,191,188,109	3.46%
LSV	1,216,061,600	3.49%	1,196,017,172	3.48%
NTGI S&P 500 Value Idx	781,153,196	2.24%	763,630,640	2.22%
Large Cap Core				
Progress	4,052	0.00%	2,980	0.00%
NTGI MarketCap Index	2,769,196,343	7.94%	2,752,607,733	8.00%
Small Cap Growth				
Fortaleza	44,286,209	0.13%	44,222,397	0.13%
Frontier	770,311,105	2.21%	762,616,797	2.22%
Pyramis	814,614,986	2.34%	796,677,056	2.32%
Small Cap Value				
Channing	169,633,047	0.49%	170,911,499	0.50%
Dimensional Small Cap Value	684,894,988	1.96%	686,164,882	2.00%
Inv. Counselors of Maryland	736,642,674	2.11%	742,820,448	2.16%
Lombardia	160,178,220	0.46%	159,238,680	0.46%
Micro Cap				
Ariel	86,600,904	0.25%	87,806,498	0.26%
Ativo	50,970,767	0.15%	51,846,883	0.15%
Dimensional Micro Cap	294,681,168	0.84%	297,117,453	0.86%
Wall Street	418,951,226	1.20%	423,002,304	1.23%
International Equity	\$7,196,568,788	20.64%	\$7,019,538,093	20.41%
International Large Cap Growth				
EARNEST Partners	541,427,874	1.55%	538,239,172	1.56%
William Blair	601,920,344	1.73%	593,984,798	1.73%
International Large Cap Value				
Brandes	514,079,466	1.47%	505,449,408	1.47%
Lombardia	31,476,248	0.09%	31,455,165	0.09%
Mondrian	502,350,026	1.44%	492,914,119	1.43%
Lazard	97,807,876	0.28%	96,235,555	0.28%
International Large Cap Core				
Arrowstreet	530,667,625	1.52%	520,607,811	1.51%
Brown	270,893,291	0.78%	265,738,137	0.77%
GlobeFlex	504,428,979	1.45%	503,648,736	1.46%
NTGI MSCI EAFE Index	2,294,166,022	6.58%	2,263,548,260	6.58%
Progress Intl Equity	240,541,687	0.69%	238,960,129	0.69%
International Small Cap				
Franklin Templeton	182,866,940	0.52%	182,004,644	0.53%
William Blair	212,617,430	0.61%	211,943,945	0.62%

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, 2014, with the distribution as of October 31, 2014.

Asset Distribution Across Investment Managers

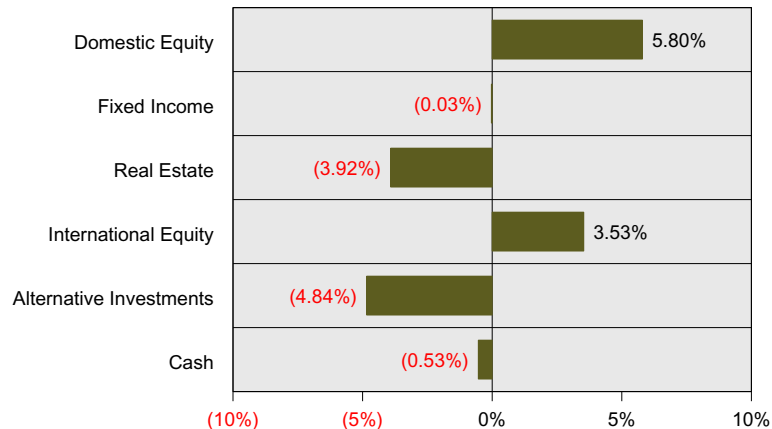
	November 30, 2014		October 31, 2014	
	Market Value	Percent	Market Value	Percent
Emerging Markets				
Genesis	671,324,979	1.92%	574,808,215	1.67%
Fixed Income	\$9,332,183,497	26.76%	\$9,285,474,043	27.00%
Domestic Fixed Core				
EARNEST Partners	565,361,491	1.62%	560,699,104	1.63%
Piedmont	554,759,577	1.59%	552,430,648	1.61%
Passive Core				
BlackRock US Debt	1,345,582,252	3.86%	1,335,934,784	3.88%
NTGI BC Aggregate Index	1,459,906,310	4.19%	1,449,460,534	4.21%
Domestic Fixed Core Plus				
BlackRock Core Plus	749,811,963	2.15%	745,237,304	2.17%
LM Capital	874,888,552	2.51%	869,151,610	2.53%
Progress Fixed Income	617,647,694	1.77%	613,979,224	1.79%
Taplin, Canida, & Habacht	880,174,978	2.52%	876,343,376	2.55%
Western	1,175,407,297	3.37%	1,168,726,893	3.40%
Bank Loans				
Babson	174,852,484	0.50%	174,316,964	0.51%
Emerging Markets Debt				
Standish	190,970,145	0.55%	193,911,925	0.56%
Opportunistic Fixed Income				
Crescent	123,335,983	0.35%	122,092,880	0.35%
High Yield				
MacKay Shields	612,512,088	1.76%	616,083,803	1.79%
Pyramis High Yield	6,972,682	0.02%	7,104,993	0.02%
Real Estate	\$1,435,742,761	4.12%	\$1,391,808,513	4.05%
Real Estate Core				
TA Buckhead Ind. Prop.	277,655,774	0.80%	248,215,395	0.72%
Cornerstone Patriot	125,436,790	0.36%	121,455,937	0.35%
INVESCO Core RE	128,923,464	0.37%	128,923,464	0.37%
AEW Core Property Trust	131,323,247	0.38%	132,813,038	0.39%
CBRE US Core Property Trust	133,396,721	0.38%	133,396,721	0.39%
Real Estate Non-Core				
Franklin Templeton EMREFF	50,622,286	0.15%	48,033,880	0.14%
Olympus Real Estate Fund II	154,191	0.00%	154,191	0.00%
Security Capital	57,803,741	0.17%	54,709,480	0.16%
Dune II	36,978,026	0.11%	36,978,026	0.11%
Non-Core Real Estate Funds*	391,575,380	1.12%	385,101,172	1.12%
Rockwood Fund VIII	21,835,369	0.06%	23,236,004	0.07%
Almanac ARS V	36,106,907	0.10%	34,919,119	0.10%
TA Fund IX	43,930,864	0.13%	43,872,086	0.13%
Alternative Investments	\$1,447,641,943	4.15%	\$1,425,247,958	4.14%
Absolute Return				
Aurora	565,388,415	1.62%	568,803,367	1.65%
Private Equity				
Abbott	318,538,430	0.91%	318,480,039	0.93%
Muller & Monroe ILPEFF	10,705,033	0.03%	10,505,163	0.03%
Muller & Monroe MPEFF	15,542,287	0.04%	15,542,287	0.05%
Pantheon	186,309,268	0.53%	185,950,758	0.54%
Private Equity Fund - Domestic	131,176,707	0.38%	105,208,324	0.31%
Agriculture				
Cozad/Westchester	146,331,943	0.42%	147,108,161	0.43%
Timberland				
Forest Investment Assoc.	73,649,860	0.21%	73,649,860	0.21%
Cash	\$263,937,273	0.76%	\$56,432,355	0.16%
Total Fund	\$34,875,501,661	100.0%	\$34,393,954,251	100.0%

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

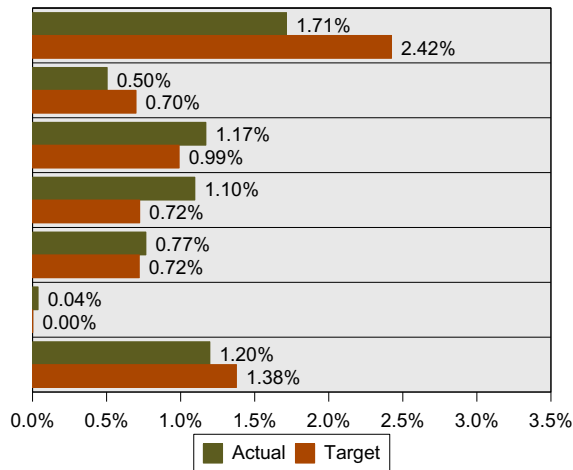
Monthly Total Fund Relative Attribution - November 30, 2014

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.

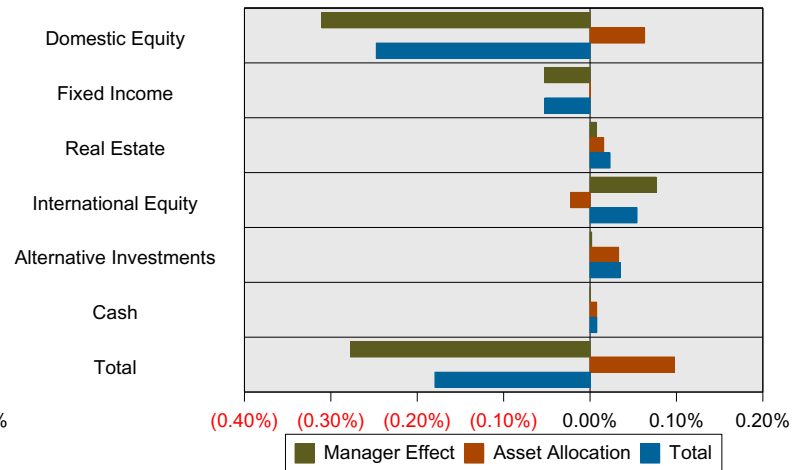
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Month ended November 30, 2014

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	44%	38%	1.71%	2.42%	(0.31%)	0.06%	(0.25%)
Fixed Income	27%	27%	0.50%	0.70%	(0.05%)	0.00%	(0.05%)
Real Estate	4%	8%	1.17%	0.99%	0.01%	0.02%	0.02%
International Equity	21%	17%	1.10%	0.72%	0.08%	(0.02%)	0.05%
Alternative Investments	4%	9%	0.77%	0.72%	0.00%	0.03%	0.03%
Cash	0%	1%	0.04%	0.00%	0.00%	0.01%	0.01%
Total			1.20%	1.38%	(0.28%)	0.10%	(0.18%)

* Current Month Target = 38.0% US Total Stock Market Idx, 27.0% Barclays Aggregate Index, 17.0% MSCI ACWI x US (Net), 9.0% 9% Annually, 8.0% NFI-ODCE Value Weight Net 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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Domestic Equity	1.71%	2.07%	9.05%	12.17%
DJ U.S. Total Stock Market Index	2.42%	3.00%	12.49%	15.45%
Domestic Equity - Net	1.69%	2.02%	8.78%	11.89%
International Equity	1.10%	(4.42%)	0.39%	1.60%
MSCI ACWI x US (Net)	0.72%	(5.10%)	(0.27%)	0.61%
International Equity - Net	1.01%	(4.51%)	0.09%	1.29%
Fixed Income	0.50%	0.59%	6.21%	5.81%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
Fixed Income - Net	0.49%	0.55%	6.06%	5.66%
Real Estate	1.17%	2.07%	11.48%	11.84%
Blended Benchmark**	0.99%	3.00%	10.34%	11.41%
Real Estate - Net	1.17%	2.07%	11.48%	11.84%
Alternative Investments	0.77%	0.93%	8.63%	6.98%
Alternatives Custom Benchmark***	0.72%	2.18%	8.22%	9.00%
Alternative Investments - Net	0.67%	0.80%	8.19%	6.55%
Absolute Return	0.00%	0.00%	4.89%	4.77%
HFR Fund-of-Funds Index	1.31%	0.53%	3.14%	4.49%
Private Equity	1.70%	1.96%	13.08%	12.50%
Alternatives Custom Benchmark***	0.72%	2.18%	8.22%	9.00%
Agriculture	0.00%	0.45%	6.31%	(4.59%)
Blended Benchmark**	0.99%	3.00%	10.34%	11.41%
Timberland	0.00%	0.00%	6.25%	6.25%
Blended Benchmark**	0.99%	3.00%	10.34%	11.41%
Total Fund	1.20%	0.25%	6.45%	7.90%
Total Fund Benchmark	1.38%	0.96%	7.86%	9.06%
Total Fund - Net	1.16%	0.19%	6.21%	7.65%

* Current Month Target = 38.0% US Total Stock Market Idx, 27.0% Barclays Aggregate Index, 17.0% MSCI ACWI x US (Net), 9.0% 9% Annually, 8.0% NFI-ODCE Value Weight Net and 1.0% 3-month Treasury Bill.

** The Blended Benchmark is currently ODCE Value Weigh Index. 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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Equity	21.07%	16.55%	8.72%	11.87% ^(1/82)
DJ U.S. Total Stock Market Index	20.77%	16.37%	8.48%	11.60% ^(1/82)
Domestic Equity - Net	20.77%	16.26%	-	8.16% ^(1/05)
International Equity	12.42%	7.78%	6.77%	8.23% ^(9/86)
MSCI ACWI x US (Net)	9.92%	5.64%	5.96%	-
International Equity - Net	12.05%	7.46%	-	6.03% ^(1/05)
Fixed Income	4.78%	5.66%	5.67%	8.91% ^(1/82)
BC Aggregate Index	3.00%	4.10%	4.79%	8.40% ^(1/82)
Fixed Income - Net	4.62%	5.50%	-	5.47% ^(1/05)
Real Estate	11.89%	10.81%	6.32%	4.81% ^(5/85)
Blended Benchmark**	11.98%	12.68%	7.07%	7.63% ^(5/85)
Real Estate - Net	11.89%	10.81%	-	6.26% ^(1/05)
Alternative Investments	9.03%	8.50%	8.34%	10.92% ^(2/86)
Alternatives Custom Benchmark***	9.00%	9.35%	10.66%	13.31% ^(2/86)
Alternative Investments - Net	8.72%	8.18%	-	7.96% ^(1/05)
Absolute Return	6.13%	4.33%	4.29%	4.84% ^(1/02)
HFR Fund-of-Funds Index	5.40%	3.41%	3.16%	3.81% ^(1/02)
Private Equity	10.49%	12.11%	11.65%	13.10% ^(2/86)
Alternatives Custom Benchmark***	9.00%	9.35%	10.66%	13.31% ^(2/86)
Agriculture	18.52%	11.31%	11.45%	7.63% ^(10/97)
Blended Benchmark**	11.98%	12.68%	7.07%	7.18% ^(10/97)
Timberland	3.49%	3.92%	3.89%	8.70% ^(10/92)
Blended Benchmark**	11.98%	12.68%	7.07%	7.28% ^(10/92)
Total Fund	13.56%	10.89%	7.86%	10.28% ^(1/82)
Total Fund Benchmark	12.09%	10.13%	7.31%	-
Total Fund - Net	13.30%	10.65%	-	7.41% ^(1/05)

* Current Month Target = 38.0% US Total Stock Market Idx, 27.0% Barclays Aggregate Index, 17.0% MSCI ACWI x US (Net), 9.0% 9% Annually, 8.0% NFI-ODCE Value Weight Net and 1.0% 3-month Treasury Bill.

** The Blended Benchmark is currently ODCE Value Weigh Index. 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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Large Cap Equity	2.29%	2.77%	12.21%	15.45%
Russell 1000 Index	2.62%	3.28%	13.50%	16.57%
Large Cap Growth	2.20%	3.48%	11.32%	14.85%
BlackRock LCG	2.74%	5.58%	9.95%	15.93%
LCG Blended Benchmark*	3.17%	4.35%	14.24%	17.50%
Russell 1000 Growth Index	3.17%	4.35%	14.24%	17.50%
BlackRock LCG - Net	2.74%	5.58%	9.77%	15.74%
Holland	1.76%	2.01%	9.74%	13.02%
LCG Blended Benchmark*	3.17%	4.35%	14.24%	17.50%
Russell 1000 Growth Index	3.17%	4.35%	14.24%	17.50%
Holland - Net	1.76%	1.96%	9.52%	12.80%
NTGI S&P 500 Growth Idx	3.02%	4.87%	15.94%	19.13%
S&P/Citi 500 Growth Index	3.04%	4.91%	16.00%	19.14%
NTGI S&P 500 Growth Idx - Net	3.02%	4.87%	15.93%	19.12%
Sands	1.78%	3.13%	10.83%	13.42%
LCG Blended Benchmark*	3.17%	4.35%	14.24%	17.50%
Russell 1000 Growth Index	3.17%	4.35%	14.24%	17.50%
Sands - Net	1.72%	3.07%	10.58%	13.16%
Vision	2.40%	1.66%	9.22%	13.85%
LCG Blended Benchmark*	3.17%	4.35%	14.24%	17.50%
Russell 1000 Growth Index	3.17%	4.35%	14.24%	17.50%
Vision - Net	2.40%	1.59%	8.90%	13.52%
Large Cap Value	2.29%	1.97%	12.63%	15.79%
Dodge & Cox	2.68%	1.44%	10.95%	14.12%
LCV Blended Benchmark**	2.05%	2.19%	12.76%	15.62%
Russell 1000 Value Index	2.05%	2.19%	12.76%	15.62%
Dodge & Cox - Net	2.68%	1.38%	10.72%	13.89%
BMO	2.55%	2.99%	14.62%	18.06%
LCV Blended Benchmark**	2.05%	2.19%	12.76%	15.62%
Russell 1000 Value Index	2.05%	2.19%	12.76%	15.62%
BMO - Net	2.50%	2.93%	14.37%	17.80%
LSV	1.68%	1.17%	12.80%	15.93%
LCV Blended Benchmark**	2.05%	2.19%	12.76%	15.62%
Russell 1000 Value Index	2.05%	2.19%	12.76%	15.62%
LSV - Net	1.68%	1.11%	12.53%	15.65%
NTGI S&P 500 Value Idx	2.29%	2.42%	11.79%	14.45%
S&P/Citi 500 Value Index	2.28%	2.39%	11.75%	14.37%
Illinois Municipal- NTGI S&P 500 Value	2.29%	2.41%	11.78%	14.44%

* 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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception	
Large Cap Equity	21.61%	16.45%	8.50%	11.43%	(1/82)
Russell 1000 Index	21.05%	16.25%	8.37%	11.81%	(1/82)
Large Cap Growth	20.59%	16.51%	9.05%	11.89%	(1/82)
BlackRock LCG	18.70%	-	-	13.65%	(8/11)
LCG Blended Benchmark*	20.55%	16.77%	8.86%	17.37%	(8/11)
Russell 1000 Growth Index	20.55%	16.77%	9.02%	17.37%	(8/11)
BlackRock LCG - Net	18.39%	-	-	13.38%	(8/11)
Holland	17.71%	15.70%	8.56%	10.46%	(11/94)
LCG Blended Benchmark*	20.55%	16.77%	8.86%	9.81%	(11/94)
Russell 1000 Growth Index	20.55%	16.77%	9.02%	8.97%	(11/94)
Holland - Net	17.45%	15.40%	-	8.02%	(1/05)
NTGI S&P 500 Growth Idx	21.01%	16.79%	9.06%	6.48%	(8/01)
S&P/Citi 500 Growth Index	20.98%	16.76%	9.03%	6.44%	(8/01)
NTGI S&P 500 Growth Idx - Net	21.01%	16.78%	-	8.74%	(1/05)
Sands	25.10%	21.83%	11.60%	12.26%	(11/03)
LCG Blended Benchmark*	20.55%	16.77%	8.86%	8.69%	(11/03)
Russell 1000 Growth Index	20.55%	16.77%	9.02%	8.76%	(11/03)
Sands - Net	24.83%	21.55%	-	10.87%	(1/05)
Vision	17.91%	-	-	14.04%	(7/11)
LCG Blended Benchmark*	20.55%	16.77%	8.86%	16.57%	(7/11)
Russell 1000 Growth Index	20.55%	16.77%	9.02%	16.57%	(7/11)
Vision - Net	17.38%	-	-	13.54%	(7/11)
Large Cap Value	23.35%	16.50%	8.18%	10.65%	(10/82)
Dodge & Cox	24.48%	16.50%	8.14%	9.81%	(9/03)
LCV Blended Benchmark**	21.45%	15.69%	7.45%	8.81%	(9/03)
Russell 1000 Value Index	21.45%	15.69%	7.59%	9.04%	(9/03)
Dodge & Cox - Net	24.23%	16.25%	-	7.56%	(1/05)
BMO	23.10%	17.10%	9.12%	8.31%	(2/01)
LCV Blended Benchmark**	21.45%	15.69%	7.45%	5.26%	(2/01)
Russell 1000 Value Index	21.45%	15.69%	7.59%	6.60%	(2/01)
BMO - Net	22.83%	16.84%	-	8.62%	(1/05)
LSV	24.53%	17.04%	9.06%	12.08%	(2/03)
LCV Blended Benchmark**	21.45%	15.69%	7.45%	10.08%	(2/03)
Russell 1000 Value Index	21.45%	15.69%	7.59%	10.10%	(2/03)
LSV - Net	24.22%	16.74%	-	8.55%	(1/05)
NTGI S&P 500 Value Idx	20.99%	15.21%	7.08%	5.30%	(8/99)
S&P/Citi 500 Value Index	20.90%	15.14%	7.02%	5.28%	(8/99)
NTGI S&P 500 Value Idx - Net	20.98%	15.20%	-	6.79%	(1/05)

* 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 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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Large Cap Passive Core	2.44%	3.01%	12.58%	15.54%
NTGI MarketCap Idx	2.44%	3.01%	12.58%	15.54%
DJ U.S. Total Stock Market Index	2.42%	3.00%	12.49%	15.45%
NTGI MarketCap Idx - Net	2.44%	3.01%	12.57%	15.53%

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Large Cap Passive Core	20.85%	16.41%	8.38%	11.33% ^(1/85)
NTGI MarketCap Idx	20.85%	16.43%	8.39%	11.06% ^(2/85)
DJ U.S. Total Stock Market Index	20.77%	16.37%	8.48%	11.01% ^(2/85)
NTGI MarketCap Idx - Net	20.84%	16.42%	-	8.06% ^(1/05)

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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Small Cap Equity	0.22%	0.28%	1.11%	3.95%
Russell 2000 Index	0.09%	0.23%	1.99%	3.99%
Small Cap Growth	1.60%	2.08%	3.79%	6.99%
Fortaleza	0.14%	(0.09%)	(2.79%)	(0.23%)
Russell 2000 Growth Index	0.65%	1.16%	2.56%	4.66%
Fortaleza - Net	0.14%	(0.22%)	(3.28%)	(0.73%)
Frontier	1.01%	1.65%	3.66%	6.33%
Russell 2000 Growth Index	0.65%	1.16%	2.56%	4.66%
Frontier - Net	1.01%	1.52%	3.15%	5.80%
Pyramis	2.25%	2.62%	4.29%	8.05%
Russell 2000 Growth Index	0.65%	1.16%	2.56%	4.66%
Pyramis - Net	2.25%	2.50%	3.91%	7.66%
Small Cap Value	(0.44%)	(0.97%)	1.63%	3.92%
Channing	(0.75%)	0.24%	3.51%	5.56%
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
Channing - Net	(0.87%)	0.12%	3.00%	5.03%
DFA Small Cap Value	(0.19%)	(1.73%)	1.98%	4.53%
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
DFA Small Cap Value - Net	(0.30%)	(1.84%)	1.47%	4.00%
Inv. Counselors of Maryland	(0.83%)	(0.74%)	0.92%	3.28%
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
Inv. Couns. of Maryland - Net	(0.92%)	(0.83%)	0.53%	2.89%
Lombardia	0.59%	(0.07%)	1.47%	2.59%
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
Lombardia - Net	0.59%	(0.24%)	0.79%	1.90%
Micro Cap	(1.00%)	(0.52%)	(4.61%)	(1.36%)
Ariel	(1.37%)	(1.83%)	(10.36%)	(9.22%)
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
Russell 2000 Index	0.09%	0.23%	1.99%	3.99%
Russell Microcap Index	(0.43%)	(0.40%)	(1.39%)	0.79%
Ariel - Net	(1.57%)	(2.03%)	(11.10%)	(9.96%)
Ativo	(1.69%)	2.48%	4.32%	7.02%
Russell 2000 Growth Index	0.65%	1.16%	2.56%	4.66%
Russell 2000 Index	0.09%	0.23%	1.99%	3.99%
Russell Microcap Index	(0.43%)	(0.40%)	(1.39%)	0.79%
Ativo - Net	(1.69%)	2.29%	3.53%	6.21%
DFA Micro Cap	(0.82%)	0.01%	0.37%	2.22%
Russell 2000 Value Index	(0.46%)	(0.70%)	1.45%	3.36%
Russell 2000 Index	0.09%	0.23%	1.99%	3.99%
DFA Micro Cap - Net	(0.94%)	(0.11%)	(0.13%)	1.70%
Wall Street	(0.96%)	(0.96%)	(7.58%)	(2.94%)
Russell 2000 Growth Index	0.65%	1.16%	2.56%	4.66%
Russell 2000 Index	0.09%	0.23%	1.99%	3.99%
Wall Street - Net	(0.96%)	(1.14%)	(8.29%)	(3.69%)

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Small Cap Equity	19.81%	17.76%	10.48%	12.83% (7/88)
Russell 2000 Index	18.36%	16.69%	7.78%	9.64% (7/88)
Small Cap Growth	19.76%	17.63%	11.10%	13.54% (7/88)
Fortaleza	14.39%	16.97%	-	6.35% (12/06)
Russell 2000 Growth Index	18.89%	18.04%	8.61%	8.09% (12/06)
Fortaleza - Net	13.78%	16.38%	-	5.81% (12/06)
Frontier	19.47%	17.03%	10.79%	13.67% (8/88)
Russell 2000 Growth Index	18.89%	18.04%	8.61%	8.06% (8/88)
Frontier - Net	18.89%	15.48%	-	7.63% (1/05)
Pyramis	20.38%	18.10%	12.23%	14.11% (8/88)
Russell 2000 Growth Index	18.89%	18.04%	8.61%	8.06% (8/88)
Pyramis - Net	19.93%	17.45%	-	11.35% (1/05)
Small Cap Value	19.57%	17.24%	9.22%	12.50% (9/89)
Channing	22.08%	-	-	15.09% (7/11)
Russell 2000 Value Index	17.84%	15.31%	6.85%	11.87% (7/11)
Channing - Net	21.30%	-	-	14.35% (7/11)
DFA Small Cap Value	21.63%	19.29%	9.34%	13.34% (2/96)
Russell 2000 Value Index	17.84%	15.31%	6.85%	10.12% (2/96)
DFA Small Cap Value - Net	21.04%	18.72%	-	8.46% (1/05)
Inv. Counselors of Maryland	17.81%	15.90%	9.00%	11.90% (5/99)
Russell 2000 Value Index	17.84%	15.31%	6.85%	9.64% (5/99)
Inv. Couns. of Maryland - Net	17.36%	15.41%	-	8.18% (1/05)
Lombardia	17.85%	-	-	11.81% (6/11)
Russell 2000 Value Index	17.84%	15.31%	6.85%	10.78% (6/11)
Lombardia - Net	17.06%	-	-	11.08% (6/11)
Micro Cap	20.38%	19.56%	8.86%	12.44% (7/84)
Ariel	18.45%	-	-	12.85% (11/10)
Russell 2000 Value Index	17.84%	15.31%	6.85%	13.73% (11/10)
Russell 2000 Index	18.36%	16.69%	7.78%	14.90% (11/10)
Russell Microcap Index	20.36%	16.79%	5.91%	14.90% (11/10)
Ariel - Net	17.49%	-	-	11.94% (11/10)
Ativo	24.66%	-	-	17.88% (10/10)
Russell 2000 Growth Index	18.89%	18.04%	8.61%	16.87% (10/10)
Russell 2000 Index	18.36%	16.69%	7.78%	15.69% (10/10)
Russell Microcap Index	20.36%	16.79%	5.91%	16.10% (10/10)
Ativo - Net	23.72%	-	-	17.01% (10/10)
DFA Micro Cap	20.27%	18.81%	8.66%	11.50% (8/87)
Russell 2000 Value Index	17.84%	15.31%	6.85%	10.29% (8/87)
Russell 2000 Index	18.36%	16.69%	7.78%	8.93% (8/87)
DFA Micro Cap - Net	19.68%	18.24%	-	7.70% (1/05)
Wall Street	20.39%	20.59%	9.32%	14.43% (8/90)
Russell 2000 Growth Index	18.89%	18.04%	8.61%	8.07% (8/90)
Russell 2000 Index	18.36%	16.69%	7.78%	10.04% (8/90)
Wall Street - Net	19.50%	19.70%	-	7.75% (1/05)

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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Intl Large Cap Equity	1.31%	(4.12%)	0.40%	1.69%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
Intl Large Cap Growth	0.98%	(4.06%)	0.11%	2.02%
EARNEST Partners	0.59%	(6.02%)	(0.83%)	0.49%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Growth	1.48%	(3.24%)	1.09%	2.14%
EARNEST Partners - Net	0.57%	(6.10%)	(1.05%)	0.25%
William Blair	1.34%	(2.21%)	0.97%	3.44%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Growth	1.48%	(3.24%)	1.09%	2.14%
William Blair - Net	1.24%	(2.30%)	0.60%	3.06%
Intl Large Cap Value	1.75%	(4.58%)	1.66%	1.90%
Brandes	1.71%	(5.57%)	(0.22%)	0.15%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Value	(0.02%)	(6.84%)	(0.83%)	(0.07%)
Brandes - Net	1.65%	(5.63%)	(0.50%)	(0.12%)
Lombardia	0.07%	(10.53%)	(5.89%)	(4.90%)
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Value	(0.02%)	(6.84%)	(0.83%)	(0.07%)
Lombardia - Net	0.07%	(10.67%)	(6.45%)	(5.46%)
Mondrian	1.91%	(3.63%)	4.17%	3.92%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Value	(0.02%)	(6.84%)	(0.83%)	(0.07%)
Mondrian - Net	1.78%	(3.75%)	3.64%	3.40%
Lazard	1.63%	(2.09%)	1.80%	3.43%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
MSCI ACWI ex-US Value	(0.02%)	(6.84%)	(0.83%)	(0.07%)
Lazard - Net	1.57%	(2.15%)	1.20%	2.83%

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Equity	12.72%	7.82%	6.42%	8.24% ^(9/86)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	-
Intl Large Cap Growth	12.21%	8.63%	7.23%	9.79% ^(9/02)
EARNEST Partners	10.30%	7.93%	10.34%	11.42% ^(10/04)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	6.91% ^(10/04)
MSCI ACWI ex-US Growth	10.50%	6.78%	6.56%	7.50% ^(10/04)
EARNEST Partners - Net	9.80%	7.55%	-	9.67% ^(1/05)
William Blair	14.32%	10.57%	7.80%	11.28% ^(10/02)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	9.78% ^(10/02)
MSCI ACWI ex-US Growth	10.50%	6.78%	6.56%	9.62% ^(10/02)
William Blair - Net	13.85%	10.15%	-	6.95% ^(1/05)
Intl Large Cap Value	11.34%	5.94%	5.07%	9.88% ^(10/95)
Brandes	12.02%	6.32%	5.26%	10.08% ^(1/96)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	5.50% ^(1/96)
MSCI ACWI ex-US Value	10.29%	5.38%	6.25%	-
Brandes - Net	11.75%	6.08%	-	4.58% ^(1/05)
Lombardia	-	-	-	12.11% ^(4/12)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	7.33% ^(4/12)
MSCI ACWI ex-US Value	10.29%	5.38%	6.25%	7.67% ^(4/12)
Lombardia - Net	-	-	-	11.54% ^(4/12)
Mondrian	-	-	-	8.68% ^(4/12)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	7.33% ^(4/12)
MSCI ACWI ex-US Value	10.29%	5.38%	6.25%	7.67% ^(4/12)
Mondrian - Net	-	-	-	8.16% ^(4/12)
Lazard	-	-	-	11.09% ^(4/12)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	7.33% ^(4/12)
MSCI ACWI ex-US Value	10.29%	5.38%	6.25%	7.67% ^(4/12)
Lazard - Net	-	-	-	10.33% ^(4/12)

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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Intl Large Cap Active Core	1.15%	(4.09%)	2.28%	3.57%
Arrowstreet	1.93%	(2.16%)	2.98%	4.27%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
Arrowstreet - Net	1.81%	(2.28%)	2.49%	3.77%
Brown	1.94%	(3.99%)	3.00%	5.75%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
Brown - Net	1.03%	(4.85%)	1.89%	4.61%
GlobeFlex	0.15%	(5.58%)	1.35%	1.91%
MSCI ACWI ex-US Index	0.72%	(5.10%)	(0.27%)	0.61%
GlobeFlex - Net	0.05%	(5.68%)	0.94%	1.49%
Progress Intl Equity	0.66%	(5.19%)	-	-
MSCI ACWI ex US Index	0.74%	(5.05%)	0.14%	1.04%
Progress Intl Equity - Net	0.66%	(5.19%)	-	-
Intl Large Cap Pass. Core	1.35%	(3.93%)	(1.16%)	0.32%
NTGI MSCI EAFE Idx	1.35%	(3.93%)	(1.15%)	0.33%
MSCI EAFE Index	1.36%	(3.95%)	(1.49%)	(0.02%)
NTGI EAFE Idx - Net	1.35%	(3.93%)	(1.16%)	0.32%
International Small Cap	0.39%	(6.02%)	(3.52%)	(1.64%)
Franklin Templeton	0.47%	(6.50%)	(1.61%)	0.20%
ACWI Small Cap ex US	(0.42%)	(8.29%)	(2.83%)	(1.13%)
Franklin Templeton - Net	0.28%	(6.68%)	(2.35%)	(0.54%)
William Blair	0.32%	(5.61%)	(5.11%)	(3.17%)
ACWI Small Cap ex US	(0.42%)	(8.29%)	(2.83%)	(1.13%)
Intl SC Blended Benchmark	(0.42%)	(8.29%)	(2.83%)	(1.13%)
William Blair - Net	0.11%	(5.80%)	(5.85%)	(3.93%)
Emerging Markets	(0.60%)	(6.49%)	3.68%	3.41%
Genesis	(0.60%)	(6.49%)	3.73%	3.41%
MSCI Emerging Markets Index	(1.05%)	(7.27%)	2.88%	1.40%
Genesis - Net	(0.60%)	(6.53%)	3.26%	2.94%

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

Progress Custom Benchmark is a comprised of each manager's weighted benchmark.

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Intl Large Cap Active Core	14.66%	9.58%	-	4.03% ^(2/08)
Arrowstreet	14.76%	9.81%	-	4.24% ^(3/08)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	0.99% ^(3/08)
Arrowstreet - Net	14.22%	9.29%	-	3.75% ^(3/08)
Brown	17.41%	9.56%	7.90%	8.78% ^(10/04)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	6.91% ^(10/04)
Brown - Net	16.44%	8.81%	-	6.95% ^(1/05)
GlobeFlex	13.25%	8.96%	-	4.40% ^(3/06)
MSCI ACWI ex-US Index	9.92%	5.64%	5.96%	3.71% ^(3/06)
GlobeFlex - Net	12.78%	8.49%	-	3.93% ^(3/06)
Progress Intl Equity	-	-	-	(4.30%) ^(7/14)
MSCI ACWI ex US Index	10.41%	6.10%	6.43%	(5.43%) ^(7/14)
Progress Intl Equity - Net	-	-	-	(4.32%) ^(7/14)
Intl Large Cap Pass. Core	12.44%	6.78%	5.64%	3.19% ^(1/00)
NTGI MSCI EAFE Idx	12.45%	6.79%	5.63%	3.65% ^(2/00)
MSCI EAFE Index	12.02%	6.38%	5.25%	3.27% ^(2/00)
NTGI EAFE Idx - Net	12.44%	6.78%	-	5.22% ^(1/05)
International Small Cap	14.02%	9.34%	-	3.96% ^(12/05)
Franklin Templeton	15.02%	-	-	6.29% ^(8/11)
ACWI Small Cap ex US	10.63%	7.59%	7.55%	3.10% ^(8/11)
Franklin Templeton - Net	14.17%	-	-	5.54% ^(8/11)
William Blair	13.18%	-	-	12.08% ^(9/10)
ACWI Small Cap ex US	10.63%	7.59%	7.55%	8.23% ^(9/10)
Intl SC Blended Benchmark	10.63%	7.55%	6.70%	9.02% ^(9/10)
William Blair - Net	12.30%	-	-	11.22% ^(9/10)
Emerging Markets	8.27%	7.54%	12.71%	9.91% ^(2/92)
Genesis	8.23%	7.52%	12.72%	14.02% ^(5/04)
MSCI Emerging Markets Index	5.63%	3.88%	9.81%	11.08% ^(5/04)
Genesis - Net	7.67%	6.92%	-	11.55% ^(1/05)

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

Progress Custom Benchmark is a comprised of each manager's weighted benchmark.

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.

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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Dom. Fixed Active Core	0.63%	1.06%	6.45%	5.82%
EARNEST Partners	0.83%	1.42%	7.00%	6.22%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
EARNEST Partners - Net	0.83%	1.37%	6.79%	6.00%
Piedmont	0.42%	0.70%	5.90%	5.41%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
Piedmont - Net	0.42%	0.66%	5.73%	5.24%
Dom. Fixed Passive Core	0.72%	1.03%	6.03%	5.41%
BlackRock US Debt	0.72%	1.03%	6.07%	5.47%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
BlackRock US Debt - Net	0.72%	1.03%	6.06%	5.47%
NTGI BC Agg. Index	0.72%	1.03%	6.00%	5.36%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
NTGI BC Agg. Index - Net	0.72%	1.03%	5.99%	5.35%

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Dom. Fixed Active Core	4.00%	5.05%	5.03%	5.06% ^(4/01)
EARNEST Partners	3.99%	4.99%	-	5.27% ^(5/05)
BC Aggregate Index	3.00%	4.10%	4.79%	4.81% ^(5/05)
EARNEST Partners - Net	3.78%	4.77%	-	5.06% ^(5/05)
Piedmont	4.02%	5.11%	-	4.98% ^(6/05)
BC Aggregate Index	3.00%	4.10%	4.79%	4.74% ^(6/05)
Piedmont - Net	3.84%	4.93%	-	4.78% ^(6/05)
Dom. Fixed Passive Core	3.02%	4.11%	4.75%	6.52% ^(1/90)
BlackRock US Debt	-	-	-	5.08% ^(10/13)
BC Aggregate Index	3.00%	4.10%	4.79%	4.88% ^(10/13)
BlackRock US Debt - Net	-	-	-	5.07% ^(10/13)
NTGI BC Agg. Index	3.03%	4.11%	4.75%	6.59% ^(2/90)
BC Aggregate Index	3.00%	4.10%	4.79%	6.58% ^(2/90)
NTGI BC Agg. Index - Net	3.02%	4.11%	-	4.69% ^(1/05)

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, 2014

	Last Month	Last 3 Months	Year to Date	Last 12 Months
Domestic Fixed Core Plus	0.57%	0.77%	6.91%	6.47%
BlackRock Core Plus	0.61%	0.97%	6.30%	5.67%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
BlackRock Core Plus - Net	0.61%	0.84%	5.96%	5.33%
LM Capital	0.66%	0.86%	5.98%	5.46%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
LM Capital - Net	0.62%	0.82%	5.81%	5.29%
Progress Fixed Income	0.60%	0.68%	6.30%	5.86%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
Progress Fixed Inc. - Net	0.51%	0.59%	5.93%	5.50%
Taplin, Canida, Habacht	0.44%	0.54%	8.12%	8.00%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
Taplin, Canida, Hab. - Net	0.40%	0.51%	7.99%	7.87%
Western	0.57%	0.81%	7.39%	6.91%
BC Aggregate Index	0.70%	1.00%	5.86%	5.26%
Western - Net	0.54%	0.77%	7.24%	6.77%
Bank Loans	0.36%	0.07%	-	-
Babson	0.36%	0.07%	-	-
Custom Benchmark	0.44%	0.26%	-	-
Babson - Net	0.36%	0.07%	-	-
Emerging Markets	(1.52%)	(4.43%)	-	-
Standish	(1.52%)	(4.43%)	-	-
Custom Benchmark	(0.90%)	(2.90%)	3.81%	3.71%
Standish - Net	(1.57%)	(4.48%)	-	-
Opportunistic Fixed Income	1.02%	(0.65%)	-	-
Crescent	1.02%	(0.65%)	-	-
Custom Benchmark	(0.11%)	(0.77%)	3.47%	4.00%
Crescent - Net	1.02%	(0.65%)	-	-
High Yield	(0.59%)	(1.41%)	4.43%	4.87%
MacKay Shields	(0.58%)	(1.39%)	3.97%	4.47%
ML High Yield Cash Pay Index	(0.71%)	(1.66%)	3.99%	4.56%
MacKay Shields - Net	(0.58%)	(1.47%)	3.70%	4.21%

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

Babson Custom Benchmark is comprised of the Credit Suisse US Leveraged Loan Index and the Credit Suisse Western European Leveraged Loan Index, weighted by the portfolio's market value to each sector.

Standish Custom Benchmark is 50% JPM GBI-EM Index, 25% JPM EMBI Global Index and 25% JPM Corporate EMBI Diversified Index.

Crescent Custom Benchmark is 50% ML U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index.

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, 2014

	Last 36 Months	Last 60 Months	Last 120 Months	Since Inception
Domestic Fixed Core Plus	4.86%	5.84%	5.43%	8.74% (1/82)
BlackRock Core Plus	3.90%	5.19%	-	5.56% (4/07)
BC Aggregate Index	3.00%	4.10%	4.79%	5.05% (4/07)
BlackRock Core Plus - Net	3.65%	5.02%	-	5.43% (4/07)
LM Capital	4.40%	5.26%	-	5.68% (5/05)
BC Aggregate Index	3.00%	4.10%	4.79%	4.81% (5/05)
LM Capital - Net	4.24%	5.09%	-	5.51% (5/05)
Progress Fixed Income	4.43%	5.24%	-	5.76% (1/06)
BC Aggregate Index	3.00%	4.10%	4.79%	5.00% (1/06)
Progress Fixed Inc. - Net	4.07%	4.88%	-	5.41% (1/06)
Taplin, Canida, Habacht	5.81%	5.99%	-	5.68% (5/05)
BC Aggregate Index	3.00%	4.10%	4.79%	4.81% (5/05)
Taplin, Canida, Hab. - Net	5.68%	5.86%	-	5.55% (5/05)
Western	5.30%	6.57%	5.65%	6.00% (11/01)
BC Aggregate Index	3.00%	4.10%	4.79%	4.85% (11/01)
Western - Net	5.16%	6.43%	-	5.43% (1/05)
Bank Loans	-	-	-	(0.03%) (8/14)
Babson	-	-	-	(0.03%) (8/14)
Custom Benchmark	-	-	-	0.47% (8/14)
Babson - Net	-	-	-	(0.03%) (8/14)
Emerging Markets	-	-	-	2.12% (8/14)
Standish	-	-	-	2.12% (8/14)
Custom Benchmark	4.23%	5.69%	7.74%	(2.25%) (8/14)
Standish - Net	-	-	-	2.06% (8/14)
Opportunistic Fixed Income	-	-	-	(0.65%) (8/14)
Crescent	-	-	-	(0.65%) (8/14)
Custom Benchmark	7.94%	8.16%	6.52%	0.06% (8/14)
Crescent - Net	-	-	-	(0.65%) (8/14)
High Yield	9.35%	9.67%	8.18%	10.08% (4/86)
MacKay Shields	9.09%	9.50%	7.75%	9.62% (11/00)
ML High Yield Cash Pay Index	9.73%	9.84%	7.86%	8.30% (11/00)
MacKay Shields - Net	8.69%	9.11%	-	7.29% (1/05)

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

Babson Custom Benchmark is comprised of the Credit Suisse US Leveraged Loan Index and the Credit Suisse Western European Leveraged Loan Index, weighted by the portfolio's market value to each sector.

Standish Custom Benchmark is 50% JPM GBI-EM Index, 25% JPM EMBI Global Index and 25% JPM Corporate EMBI Diversified Index.

Crescent Custom Benchmark is 50% ML U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index.

Manager Summary

Five Best Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Outperformance (in % points)	Since Inception Outperformance (in % points)	
Mondrian	4.44	8.68	03/31/2012
Brown	3.27	1.86	09/30/2004
Arrowstreet	3.25	3.25	02/29/2008
Taplin, Canida, Habacht	2.27	0.87	04/30/2005
Lazard	2.07	3.76	03/31/2012

Five Worst Performing Portfolios vs. Benchmarks

Manager	Year-to-Date Underperformance (in % points)	Since Inception Underperformance (in % points)	
Ariel	-11.81	-0.88	10/31/2010
Wall Street	-10.14	6.37	07/31/1990
Lombardia	-5.62	4.78	03/31/2012
Fortaleza	-5.36	-1.74	11/30/2006
Vision	-5.02	-2.53	06/30/2011

Five Highest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
NTGI S&P 500 Growth Idx	15.94	6.48	07/31/2001
BMO	14.62	8.31	01/31/2001
LSV	12.80	12.08	01/31/2003
NTGI Market Cap Idx	12.58	11.06	01/31/1985
NTGI S&P 500 Value Idx	11.79	5.30	07/31/1999

Five Lowest Returning Portfolios

Manager	Year-to-Date Return (in % points)	Since Inception Return (in % points)	
Ariel	-10.36	12.85	10/31/2010
Wall Street	-7.58	14.43	07/31/1990
Lombardia	-5.89	12.11	03/31/2012
William Blair	-5.11	12.08	08/31/2010
Franklin Templeton	-1.61	6.29	07/31/2011

Returns are shown gross of investment management fees.

Excludes Real Estate and Alternative Investments portfolios.

(14-12-02) (Domestic Equity Benchmark Overview - Callan and Associates) Ms. Becker-Wold and Mr. Ball of Callan Associates presented a domestic equity benchmark overview to the Board.

The overview provided education on U.S. equity benchmarks and reviewed the construction methodology, characteristics and sector allocations.

Questions and discussion followed.

(14-12-03) (Gabriel, Roeder, Smith & Company - Triennial Experience Study) Messrs. Murphy, Buis and Pieterse were present from Gabriel, Roeder, Smith & Company (GRS) to present the Triennial Experience Study.

Messrs. Murphy, Buis and Pieterse reviewed the results of the 3-year analysis of experience of IMRF (January 1, 2011 to December 31, 2013). The analysis was made for the purpose of updating the actuarial assumptions used in valuing the actuarial liabilities of IMRF in compliance with Section 7-213 of the Illinois Pension Code.

After questions and discussion, it was moved by Mr. Piechocinski, seconded by Ms. Henry, to approve the following recommendations from GRS:

- Drafting a white paper on alternative benefit options factors with examples and illustrations
- Lowering price inflation assumption from 3.0% to 2.75%
- Lowering wage inflation assumption from 4.0% to 3.5%
- No change to the investment return assumption of 7.5%

Vote: Unanimous Voice Vote
Absent: Kuehne

Ms. Thompson left the Board Meeting.

(14-12-04) (Approval of 2014 Diversity Report) The Chief Investment Officer presented the 2014 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 Mr. Piechocinski, seconded by Mr. Stulir, to approve the submission of the 2014 Annual Diversity Report to the Governor and General Assembly.

Vote: Unanimous Voice Vote
Absent: Kuehne, Thompson

(14-12-05) (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.

Approval of Minutes

Regular Meeting 14-11-21

Schedules - Dated December 2014

- 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 Unit of Government

Salina Township
County: Kankakee
2015 Rate: 7.85%
Effective Participation Date: January 1, 2015
Number of Participating Employees: 3

Bid
High-Speed Digital Color Copier/Printer
Approved Bidder: Konica Minolta
Approved Bid: \$106,110.00

It was moved by Mr. Piechocinski, seconded by Mr. Stafford, to approve the items on the Consent Agenda.

Vote: Unanimous Voice Vote
Absent: Kuehne, Thompson

(14-12-06) (Financial Reports) The Chair presented the following financial reports for approval.

- Review of December Financial Reporting Packages
- Statement of Fiduciary Net Position for October
- Impact of 2014 Year-To-Date Investment Income on Employer Reserves, Funding Status and Average Employer Contribution Rates for November.
- Schedule T - Report of Expenditures for November.

It was moved by Mr. Piechocinski, seconded by Mr. Stafford, to approve the Financial Reports as presented.

Vote: Unanimous Voice Vote
Absent: Kuehne, Thompson

Ms. Thompson entered the Board Meeting.

(14-12-07) (Election of 2015 Board Officers) The Nominating Committee recommended the Board approve the following Trustees for Board Offices: John Piechocinski for the Office of President of the Board, Thomas Kuehne for the Office of Vice President of the Board, and Jeffrey Stulir for the Office of Secretary of the Board commencing January 1, 2015.

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

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-08) (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 2015.

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 2015.

It was moved by Ms. Thompson, seconded by Mr. Piechocinski, that Ms. Stanish be appointed as the third member of the IMRF Ethics Commission and Ms. Henry be appointed as his conflict substitute of the IMRF Ethics Commission for 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-09) (2015 Board Meeting Dates) The Executive Director presented three proposed lists of 2015 Board Meeting dates. He stated since PA 98-0218 became effective in 2013, the Board is no longer required to hold monthly meetings. The Board is now required to hold meetings at least four times in a year.

After questions and discussion, it was moved by Ms. Henry, seconded by Mr. Piechocinski, to adopt the following 2015 Board Meeting dates:

- February 27, 2015
- May 29, 2015
- August 28, 2015
- November 20, 2015
- December 18, 2015

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-10) (Appointment of Actuary) It was moved by Mr. Piechocinski, seconded by Mr. Stulir, to appoint Gabriel, Roeder, Smith & Co., as actuary, to assist the Fund in 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-11) (Appointment of Fiduciary Counsel) It was moved by Ms. Stanish, seconded by Mr. Stulir, to appoint Seyfarth & Shaw, LLP, as fiduciary counsel, to assist the Fund in 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-12) (Appointment of Medical Consultant/Physical Medicine) It was moved by Ms. Thompson, seconded by Mr. Stafford, to appoint Rehabilitation Medicine, Drs. Noel Rao and Dolly Devara, as medical consultant/physical medicine, to assist the Fund in 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-13) (Appointment of Medical Consultant/Psychiatry) It was moved by Ms. Henry, seconded by Mr. Stafford, to appoint Dr. Rachelle Miller, as medical consultant/psychiatry, to assist the Fund in 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-14) (Report of Benefit Review Committee Meeting) The Vice Chair of the Benefit Review Committee reported on the meeting held on December 19, 2014.

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

- To find that Joseph Hochstatter returned to work in an IMRF qualifying position for the period from April 1, 2011 through September 30, 2014. As such, his pension should have been suspended, he should have re-participated, and his pension should be recalculated upon his re-retirement. A prepayment of benefits was created consisting of the pension payments received by Joseph Hochstatter while he was working in a qualified position with Troy Grove Township. Joseph Hochstatter should receive the recalculated pension amount and IMRF staff is directed to negotiate a settlement agreement with Joseph Hochstatter and Troy Grove Township to recover the total prepayment of benefits. The recovery of the prepayments under the agreement shall not exceed 20 years.
- To find that Clarence Knoth violated the Section 7-141.1(g) of the Illinois Pension Code when he returned to employment with an IMRF employer in October of 1999. As such, he has forfeited the service enhancement attributable to his ERI retirement under the statute. This has created a prepayment. However, because Clarence Knoth also returned to work in an IMRF qualifying position for the period from January 2003 through December of 2013, his pension should also have been suspended and recalculated. This also created a prepayment. Clarence Knoth should receive the recalculated pension and IMRF should recover the total prepayments by deducting one dollar per month from the benefit payable to Clarence Knoth and from any benefit payable to his surviving spouse until the prepayment is collected or a benefit is no longer payable.
- To uphold staff's determination to deny Total and Permanent disability Benefits for Rachel G. Albrechtson.
- To defer making a recommendation regarding Total and Permanent Disability Eligibility for Brent Bettenhausen, pending additional documentation regarding the extent of his conditions and inability to perform gainful activity.
- To uphold staff's determination to terminate temporary benefits for George W. Abel, effective June 1, 2014.

Vote:

Aye: Unanimous Voice Vote
Absent: Kuehne

(14-12-15) (Legislative Update) The Legislative Liaison reported on current legislative activity.

She reported the Supreme Court announced its decision for an expedited hearing schedule on the constitutionality of the pension reform legislation, with oral arguments scheduled in March 2015.

The Legislative Liaison reported Senate Bill 2809 (grants the Attorney General the authority to file a civil action to enjoin payment of a benefit to a member convicted of a job-related felony), that indirectly affects IMRF, is on its way to the Governor for signature.

Next, the Executive Director discussed the current vacancy of the Comptroller of the State of Illinois and the risk involved to IMRF annuitants. He asked the Board for the authorization to contact IMRF's Master Trustee, the Northern Trust Company to process payment required for IMRF's January 1, 2015 annuity payroll.

After questions and discussion, it was moved by Mr. Stafford, seconded by Ms. Henry, to authorize the Executive Director to contact the Northern Trust Company.

Vote: Unanimous Voice Vote
Absent: Kuehne

(14-12-16) (Litigation Update) The following is an update of the currently pending litigation:

VRAKAS, et al. v. COUNTY OF WILL, et al. (Will County)

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. IMRF has been named as a "necessary party" to the lawsuit so that any judgment can be properly enforced.

Status: Summary judgment was granted to the county and the matter is being appealed.

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: The plaintiffs spent time finding all of the former stockholders to add as defendants; an agreement of the parties led to the small stockholders (under \$50,000 in proceeds) being dismissed; a motion to dismiss filed by certain of the defendants was granted and a portion of the complaint was dismissed. That ruling is on appeal and litigation on the remaining issues is proceeding.

The defendant groups have filed a joint motion to dismiss the remaining portions of the complaint.

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

Summary: This is an administrative review action challenging the IMRF Board's decision upholding the granting of MEABF and Deerfield credit transfers to Thomas Sheahan, the former police chief of Oak Brook and denying the Village's request to recalculate their liability excluding the service credits transferred from MEABF and Deerfield.

Status: On June 17, 2014 Judge Sheen issued a lengthy opinion wherein he found that the transfers of the Deerfield service and the MEABF service were done incorrectly. Specifically, Judge Sheen found that Mr. Sheahan was not active when the final payment was made to transfer his Deerfield credit and the statute required that he be active during all stages of such transfer and also that because Mr. Sheahan did not pay his portion to transfer the MEABF credit that IMRF acted improperly by crediting him with a portion of that service. A motion for a stay was filed by Mr. Sheahan and it was argued on July 28. The stay was denied. IMRF has ceased making pension payments to Mr. Sheahan and he has appealed that determination so this issue will come back before the Board. Also on July 28, Judge Sheen allowed a counterclaim to be filed by Sheahan against IMRF. Sheahan alleges breach of fiduciary duty and breach of contract against IMRF. Sheahan has appealed the circuit court order to the Second District Appellate Court. IMRF has filed a motion to dismiss the Counterclaim. Sheahan has appealed the termination of his pension to IMRF. On October 15, 2014, Judge Sheen stayed the counterclaim until IMRF makes its decision on the administrative appeal.

KATHERINE HINTERLONG V. IMRF (13 MR 1928) DUPAGE CO.

Summary: This is an administrative review action challenging the Board's decision upholding the denial of disability benefits for Katherine Hinterlong based upon failing to meet the initial eligibility standards.

Status: IMRF's brief was filed and a hearing on the merits was held on July 11, 2014. IMRF's determination that Ms. Hinterlong did not qualify to apply for disability benefits because she was separated from IMRF service at the time her disability was incurred was upheld by Judge Wheaton. Hinterlong has appealed to the 2nd District Appellate Court. IMRF's Brief is due 12/18/14.

KATHLEEN KONICKI V. IMRF (14 MR 32) (SANGAMON CO)

Summary: Administrative review challenging the Board's decision that Ms. Konicki was not eligible to convert service into Original ECO.

Status: Filed on January 24, 2014. A hearing was held on August 15, 2014. The case was sent back to the BRC to join the County and the Attorney General's office on the issue of the constitutionality of the changes to the ECO plan for new enrollees.

BURGER v. IMRF (14 MR 79)

Summary: Appeal of denial of total and permanent disability.

Status: The circuit court remanded the case to IMRF in 2013 with instructions to allow the cross examination of Drs. Rao and Miller and to consider diagnoses after the termination date if such diagnoses are causally related to conditions diagnosed prior to termination. The case went back to the Benefit Review Committee in December which again upheld the denial of benefits (written decision dated 1/13/14). The Plaintiff's attorney unexpectedly passed away and a new attorney took the case. An appeal was filed on February 14, 2014.

IMRF filed the administrative record and its appearance on March 17, 2014. IMRF filed its brief on 10/3 and a hearing is scheduled for 1/8/15.

VILLAGE OF WESTMONT V. IMRF 2014 MR 528 (DUPAGE CO.)

Summary: This is an appeal of IMRF's determination that Westmont must enroll its part-time firefighters who work over 1000 hours in IMRF.

Status: Judge Wheaton upheld the Board's decision that Westmont is required to enroll its part time firefighters who work over 1000 hours a year. The Village has appealed to the Second District Appellate Court.

SCOTT TATE V. IMRF 2014 MR 34 (FRANKLIN CO)

Summary: This is an appeal of a denial of total and permanent disability benefits.

Status: Case filed on June 4, 2014 in Franklin County. IMRF has filed its answer and appearance.

KARYN O'CONNOR V. IMRF 14 MR 678 (DUPAGE CO)

Summary: This is an appeal of a termination of total and permanent disability.

Status: IMRF has answered and filed a motion to dismiss certain defendants. The motion to dismiss was granted, dismissing IMRF staff and Dr. Rao from the complaint. IMRF filed its brief on 10/16 and a hearing is scheduled before Judge Wheaton on 12/4/14. Judge Wheaton upheld the decision of the IMRF Board to terminate total and permanent disability benefits for Karyn O'Connor.

PETERSON V. VILLAGE OF FOX LAKE AND IMRF 14 CV 9349(US DISTRICT COURT, ND ILL)

Summary: This is a wrongful termination case and IMRF was joined solely for the purpose of any award that may be granted.

Status: IMRF has appeared in this matter. No further action will be necessary as no allegations concerning IMRF were made in this case.

SHANNON STERRETT v. IMRF (14-CH 15936-COOK CO)

Summary: Appeal of a denial of disability benefits.

Status: Case was filed in Cook County on 10/2/14. This is an improper venue. IMRF has moved to dismiss this case.

DWAYNE MCCANN V. IMRF (COOK COUNTY-14 CH 16047)

Summary: Appeal of a disability closure

Status: Case filed 10/6/14. Venue is improper. Plaintiff also missed the filing deadline. IMRF has moved to dismiss.

SENFNER V. IMRF (WILL COUNTY 14 MR 2304)

Summary: Appeal of a disability closure

Status: Appearance and motion to dismiss filed on 10/30/14.

ROGER C. BOLIN V. IMRF (PUTNAM COUNTY 14 MR23)

Summary: Appeal of Board decision to deny omitted service application and enrollment of Putnam County Public Defender.

Status: Summons received on December 9, 2014. Complaint not received.

(14-12-17) (Report of Executive Director)

Amendment to 2015 Budget

The Executive Director reported approval is needed to amend the 2015 Budget for services by IMRF's external auditor, KPMG.

A special Audit Committee Meeting will be held in January 2015 to discuss services to be provided and costs in detail.

(14-12-18) (Appreciation of Service - William Stafford) Members of the Board of Trustees honored William Stafford who will be stepping down from the IMRF Board, Effective January 1, 2015, with the following resolution:

Resolution of
Appreciation

WHEREAS, William Stafford has faithfully served as an IMRF members, retirees, and participating employers as a member of the Board of Trustees from January 2009 through December 2014, and;

WHEREAS, during his tenure, William Stafford, held the offices of Board President in 2013, Vice President in 2012, and Board Secretary in 2011, and;

WHEREAS, during his tenure, William Stafford executed his fiduciary duties as a Trustee solely in the interest of the participants and beneficiaries, and;

WHEREAS, during his tenure, IMRF assets grew from \$18.0 billion on December 31, 2008, to \$34.8 billion on November 30, 2014, and;

WHEREAS, during his tenure, IMRF enhanced customer service and increased efficiencies such that it earned Silver Awards for "Progress Toward Excellence" in 2014 and 2012, and a Bronze Award for "Commitment Toward Excellence" in 2009 from Illinois Performance Excellence, and;

WHEREAS, during his tenure, IMRF embarked on a multi-year initiative to modernize its pension administration system, financial accounting system, and public website, with the goal of enhancing customer service and increasing efficiencies, and;

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

Adopted by the IMRF Board of Trustees on Friday, December 19, 2014.

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

The motion was approved by acclamation.

(14-12-19) (Adjournment) It was moved by Ms. Thompson, seconded by Mr. Stulir, to adjourn the Board Meeting at 11:15 a.m., to reconvene in the Fund offices, 2211 York Road, Suite 400, Oak Brook, Illinois, at 9:00 a.m. on February 27, 2015.

Vote: Unanimous Voice Vote
Absent: Kuehne

President

Date

Secretary

Date

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