

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 20-02
FEBRUARY 28, 2020

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 20-02

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. on February 28, 2020, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

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

Ms. Enright took a roll call:

Present: Williams*, Copper, Henry, Kuehne, Miller, Stanish, Stafford, Wallace
Absent: None

*Trustee Williams was present via telephone.

Ms. Dean and Messrs. Kazemi and Born from Wilshire Associates, a representative from Loop Capital and a representative from Metis Global were also present.

(20-02-01) (Board of Trustees) The Executive Director reported that William Stafford had subscribed to the constitutional oath of office that was filed in the Fund's records.

(20-02-02)(4th Quarter Investment Performance Report) Messrs. Kazemi and Born from Wilshire Associates presented an overview of IMRF's investment performance during the 4th quarter of 2019.

They presented the following performance highlights as of December 31, 2019:

- IMRF ended 2019 on a strong note with the fund returning 5.77% (net of fees) and beating the benchmark which returned 5.25% for the fourth quarter;
- IMRF's annual return net of fees for 2019 was 19.57% versus 18.68% for the benchmark;
- The fund's gross 4th quarter and calendar year 2019 returns rank at the 18th and 16th percentile respectively, and remain at or above the top quartile over longer time horizons;
- Domestic Equity net annual return for 2019 was 29.0% versus 31.02% for the benchmark;
- International Equity net annual return for 2019 was 23.39% versus 21.51% for the benchmark;
- Fixed Income net annual return for 2019 was 9.37% versus 8.72% for the benchmark;
- The Real Estate portfolio's net return was 2.86% during the 4th quarter and 9.78% for the calendar year 2019 (beating the NFI ODCE benchmark returns for both periods);

- The Alternatives portfolio's net return was 2.57% for the quarter and 9.43% for the year; and,
- The asset classes allocations are within the rebalancing range of +/-4%.

Questions and discussion followed.

(20-02-03) (Investment Manager Activities - Wilshire Associates) Mr.
Born of Wilshire Associates presented the following IMRF Performance
Portfolio for the month of January 2020:



02/28/2020

WILSHIRE ASSOCIATES

Wilshire Consulting



Illinois Municipal Retirement Fund
Monthly Investment Summary

January 31, 2020



CAPITAL MARKET REVIEW

Market Commentary

U.S. employers added an additional 225,000 jobs in January, an outcome that exceeded market expectations. Despite this, and partially due to the fact that more people have entered the labor force, the unemployment rate ticked-up slightly to 3.6% during the month.

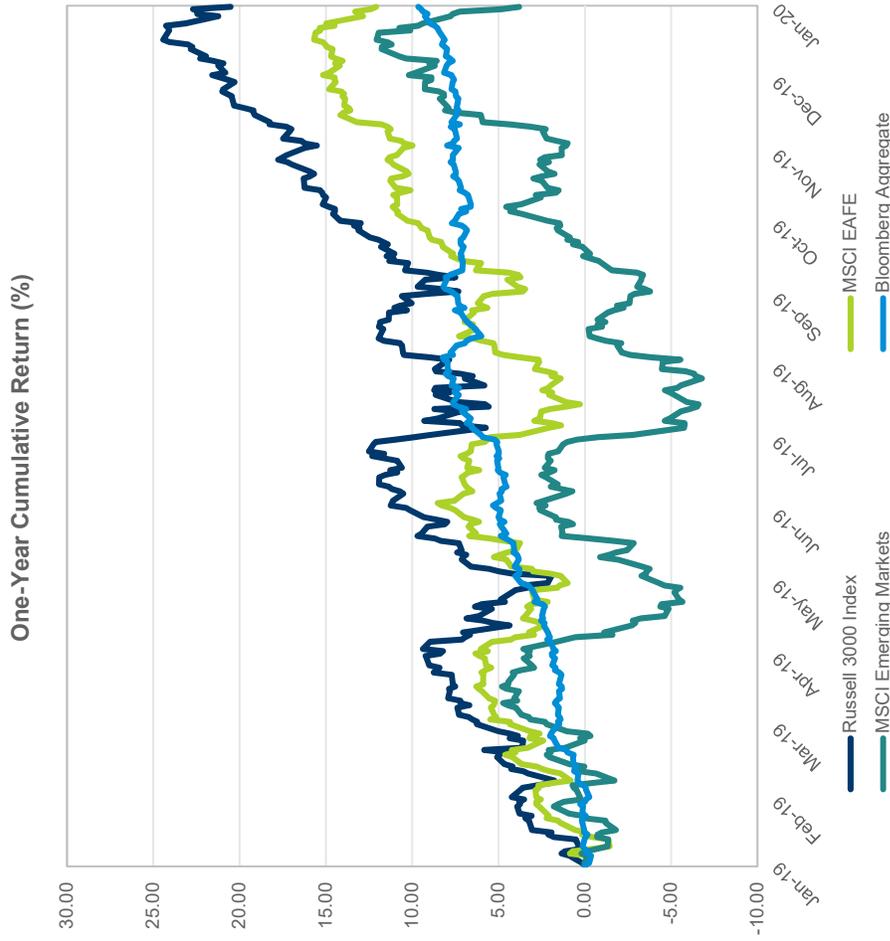
The manufacturing sector saw a decline in jobs for the third time in four months, while the retail sector and financial sector also experienced net layoffs in January.

The ISM Manufacturing Index came in at 50.9 in January. This move to above 50.0 suggests an expansionary environment for the manufacturing sector, after previously posting five straight months of contractionary results. The Non-Manufacturing ISM Index also ticked up during January.

Consumers, which make up approximately two-thirds of the U.S. economy, saw an increase in sentiment during January. The University of Michigan Consumer Sentiment Index reached 99.8, a level not previously seen since May 2019.

The U.S. saw a modest improvement in trade uncertainty during January, with the signing of the Phase I trade deal with China occurring on January 15.

The global outbreak of the Wuhan coronavirus has continued to be a growing concern. Global markets sold-off dramatically during the latter half of January as restrictions limited the movement of major manufacturing and exports across China.



NON-U.S. EQUITY MARKET

02/28/2020

Market Commentary

Equity markets outside of the U.S. trailed the U.S. equity market as the growing concern regarding the global impact of the coronavirus and general signs of a global growth slowdown impeded returns across Non-U.S. markets.

Although the U.S. and China announced positive GDP growth during the fourth quarter, there are signs that the global growth slowdown and global easing cycle might be nearing an end.

Australia's central bank held rates steady, but was hawkish in their tone. Brazil cut rates by 0.25%, while Mexico is expected to cut rates by 0.25% in February.

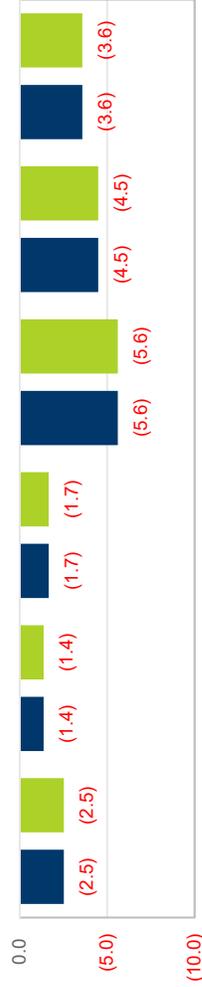
Broad Non-U.S. Equity markets, including both Developed and Emerging Markets were down 2.7% during January.

Developed Markets outpaced Emerging Markets -2.1 vs. -4.7%. EM Asia and EM Latin America were down -4.5% and -5.6%, respectively during the month.

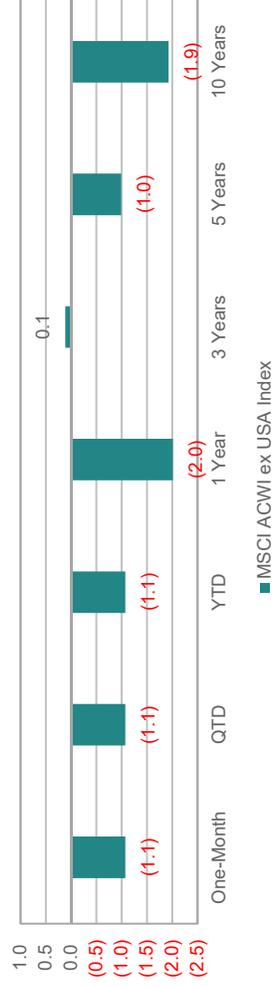
The U.S. Dollar strengthened during the month, providing a headwind for U.S. based investors.

Non-U.S. Equity (USD %)		M TD	Q TD	Y TD	1 Year	3 Years	5 Years	10 Years
MSCI AC World ex U.S. Index	(2.69)	(2.69)	(2.69)	(2.69)	9.94	7.62	4.96	5.20
MSCI EAFE Index	(2.09)	(2.09)	(2.09)	(2.09)	12.10	7.76	5.12	5.75
MSCI Emerging Markets Index	(4.66)	(4.66)	(4.66)	(4.66)	3.81	7.88	4.48	3.78
MSCI AC World ex U.S. Small Index	(3.12)	(3.12)	(3.12)	(3.12)	9.98	7.4	6.44	6.78
MSCI Europe Index		(2.51)	(2.51)	(2.51)	13.20	8.10	4.52	5.54
MSCI Japan Index		(1.36)	(1.36)	(1.36)	11.20	7.11	6.91	6.24
MSCI Pacific ex Japan Index		(1.65)	(1.65)	(1.65)	8.59	7.54	5.34	6.38
MSCI EM Latin America Index		(5.60)	(5.60)	(5.60)	(3.54)	6.01	4.31	(0.30)
MSCI EM Asia Index		(4.49)	(4.49)	(4.49)	6.12	9.12	5.16	5.92
MSCI EM Europe Index		(3.58)	(3.58)	(3.58)	14.45	10.01	8.49	0.53
Local Currency (%)		M TD	Q TD	Y TD	1 Year	3 Years	5 Years	10 Years
MSCI AC World ex U.S. Index	(161)	(161)	(161)	(161)	11.95	7.50	5.95	7.3
MSCI EAFE Index	(123)	(123)	(123)	(123)	13.96	7.19	5.83	7.48
MSCI Emerging Markets Index	(329)	(329)	(329)	(329)	6.53	8.83	6.44	6.26

Regional Returns (%)



Currency Effect (%)



FIXED INCOME MARKET

02/28/2020

Market Commentary

The U.S. Treasury yield curve generally fell during the month across the maturity spectrum. The largest decrease occurred within the 20-year Treasury yield, down 42 basis points from year-end. The 10-year Treasury yield ended the month at 1.51%, down 41 basis points from December 31, 2019.

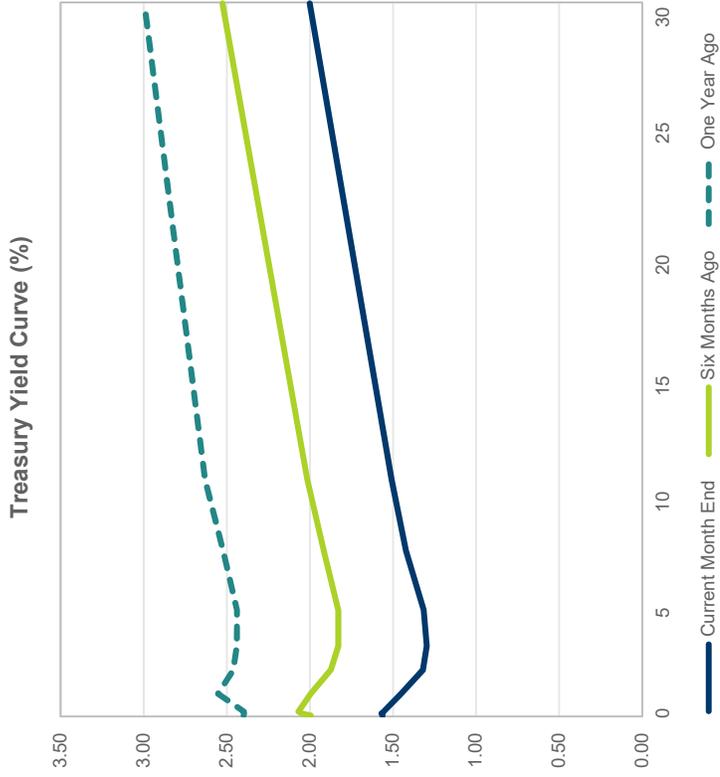
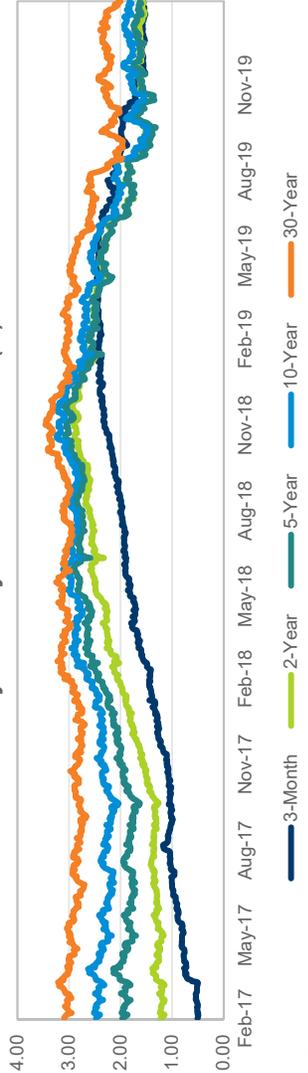
The Federal Open Market Committee initially suggested that interest rates would be held steady throughout the duration of 2020. Federal Reserve Chairman, Jerome Powell, suggested during his February 2020 biannual report to Congress that they are closely monitoring the prolonged economic impact of the coronavirus, which could force policy makers to cut rates sometime in 2020.

Credit spreads ticked up during January within both the investment grade and high yield markets.

U.S. Fixed Income	MTD	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Barclays U.S. Aggregate	192	192	192	9.64	4.62	3.01	3.78
Bloomberg Barclays Long Gov't/Credit	5.22	5.22	5.22	23.08	9.80	5.18	7.92
Bloomberg Barclays LT Treasury	6.85	6.85	6.85	2187	9.70	3.80	7.44
Bloomberg Barclays U.S. TIP S	2.10	2.10	2.10	9.23	3.74	2.41	3.41
Bloomberg Barclays U.S. Credit	2.34	2.34	2.34	13.99	6.45	4.29	5.40
Bloomberg Barclays U.S. High Yield	0.03	0.03	0.03	9.40	5.87	5.99	7.43
ICE BofA U.S. High Yield Cash Pay	0.01	0.01	0.01	9.38	5.85	5.98	7.32
S&P LSTA Levered Loan Index	0.56	0.56	0.56	6.54	4.35	4.49	4.85
ICE BofA US 3-Month Treasury Bill	0.13	0.13	0.13	2.22	1.70	1.10	0.59

Global Fixed Income	MTD	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Barclays Global Aggregate	128	128	128	6.58	4.32	2.60	2.56
Bloomberg Barclays Global Aggregate (Hdg.)	180	180	180	9.01	5.05	3.55	4.16
JPM GBI-EM Index	(0.90)	(0.90)	(0.90)	5.17	4.87	2.73	2.61
JPM EMBI Global Index	1.74	1.74	1.74	11.48	6.18	6.18	6.72
JPM Corporate EMBI Index	1.45	1.45	1.45	12.04	6.46	6.26	6.73

Daily Treasury Yield Curve Rates (%)





Real Assets	MTD	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Wilshire US RESI	0.73	0.73	0.73	13.71	8.28	6.01	12.82
Wilshire Global RESI	0.27	0.27	0.27	12.32	8.85	5.77	11.11
Bloomberg Commodity Index	(7.36)	(7.36)	(7.36)	(5.38)	(3.47)	(4.73)	(4.74)
S&P GSCI Index	(10.83)	(10.83)	(10.83)	(3.76)	(1.02)	(5.02)	(5.74)
Alerian MLP Index	(5.61)	(5.61)	(5.61)	(10.70)	(7.75)	(7.49)	3.53
DJ Broadfield Global Infrastructure	150	150	150	20.41	12.17	7.07	10.39
FTSE Global 50/50 Infrastructure	2.22	2.22	2.22	19.54	13.51	8.68	11.20

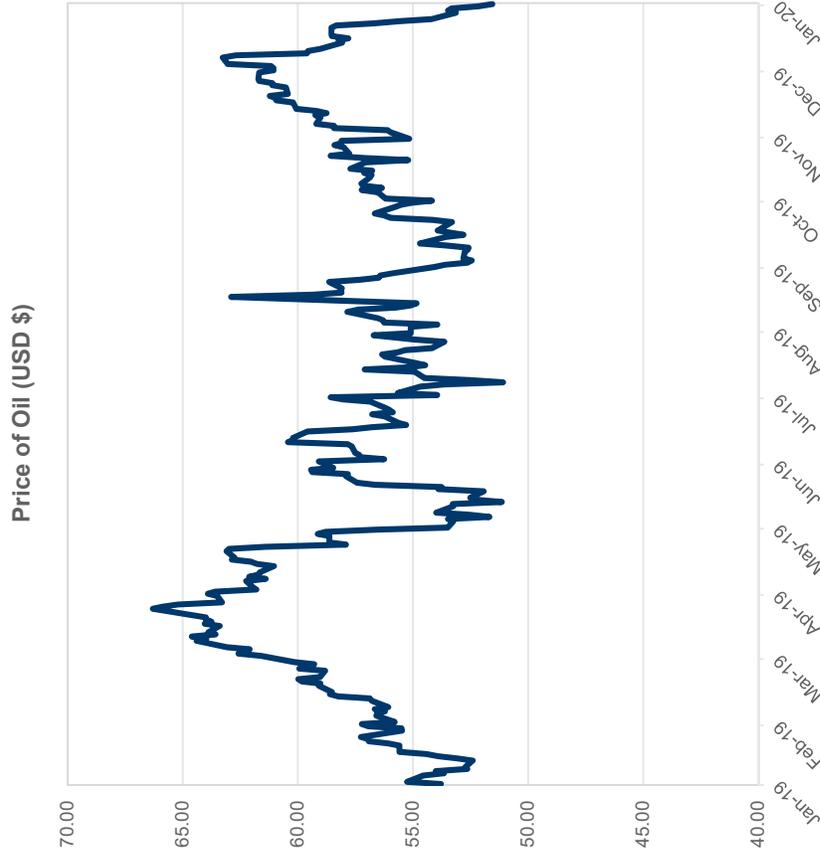
Market Commentary

U.S. real estate securities were up during January (+0.7%), and up double-digits for the trailing one-year (+13.7%). Similarly, global real estate securities were up for both periods (0.3% month, 12.3% one-year).

Commodity results were largely negative for the month as crude oil fell -15.5% to \$51.56 per barrel. Natural gas prices were down -16.0%, ending the month at \$1.84 per million BTUs.

Midstream Energy (MLPs) were down for the month (-5.6%) as well as the trailing one-year (-10.7%)

Finally, gold prices were up for the month and finished at approximately \$1,572 per troy ounce, up +3.6% from year-end.





IMRF PERFORMANCE

IMRF Commentary

The Illinois Municipal Retirement Fund (“IMRF”) ended January 2020 with a market value of \$44.43 billion, down for the month by \$242.8 million. The Fund returned -0.30% for the month of January, net of fees. Relative to its benchmark, The Fund underperformed by -0.37% for the month, -0.30% vs. 0.07%. The Fund’s underperformance was driven primarily by lagging performance in Domestic Equity, and an overweight to International Equity.

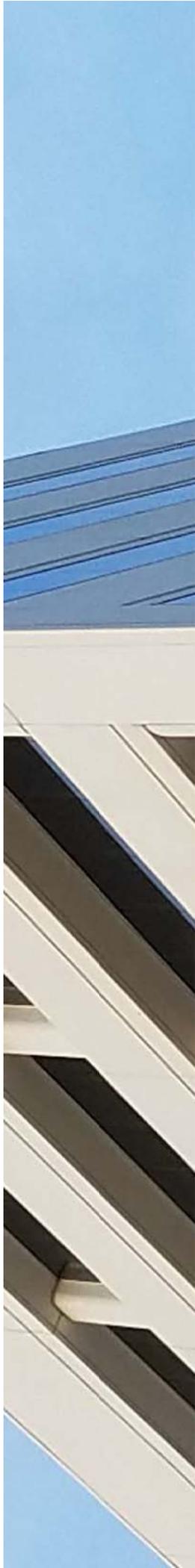
The U.S. Equity Portfolio performed behind the benchmark for the month, returning -0.87%. In aggregate, Large Cap underperformed its benchmark for the month, as did Small Cap. Large Cap Growth led the benchmark with a return of 2.99% versus 2.24%, while the counterpart Large Value trailed its benchmark with -3.49% versus -2.15%. In the Small Cap space, both Small cap Growth and Small Cap Value lagged their respective benchmarks.

The Public Real Assets Portfolio was ahead of its benchmark for the month, 1.83% vs. 1.73%.

The International Equity Portfolio trailed the MSCI ACWI ex US Index in January, -2.83% vs. -2.69%. In January, Large Cap modestly underperformed its benchmark, while Small Cap slightly outperformed its benchmark.

The Fixed Income Portfolio posted a positive but lagging return for the month of January, returning 1.79% vs. 1.92% for the benchmark. The Active Fixed Core segment posted the strongest returns in January, returning 2.19% in aggregate, while Passive Core Fixed Income and Core Plus areas of the portfolio followed closely behind with 1.95% and 1.94% returns, respectively. Bank Loans led their benchmark, while Emerging Markets Debt and High Yield lagged their respective benchmarks.

As of January month end, all assets classes are within their target ranges. Current policy states that when actual allocations of the asset classes differ by more than four percentage points from their policy target, a recommendation for rebalancing will be made to the Board of Trustees.



Total Fund

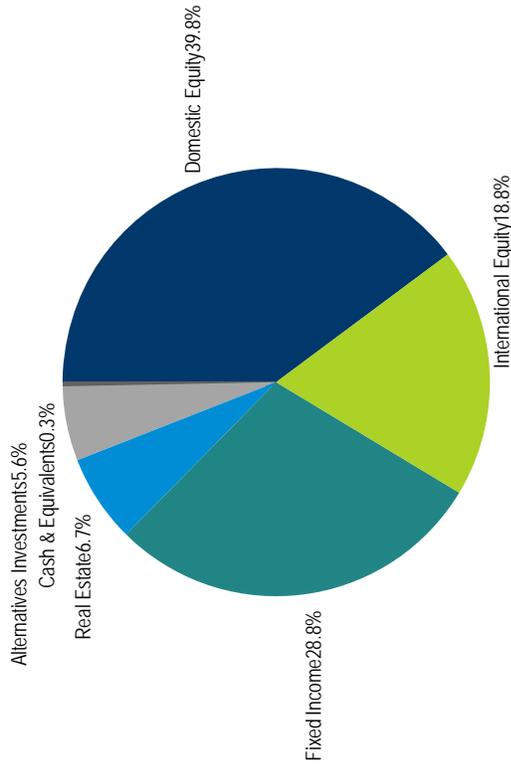
Asset Allocation

Total Fund

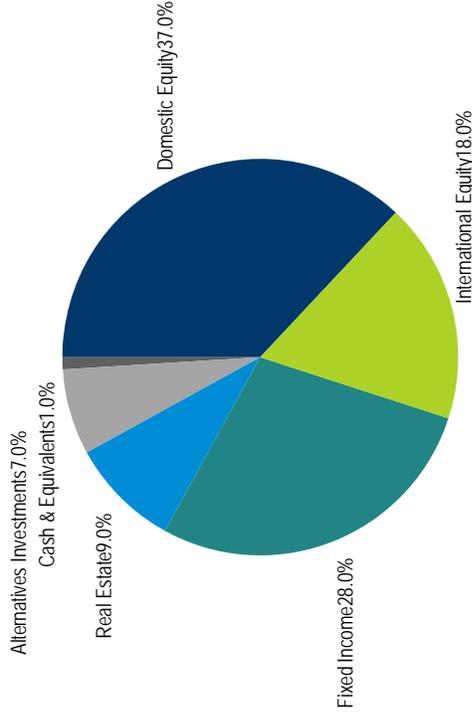
Periods Ended As of January 31, 2020

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Actual Allocation



Target Allocation

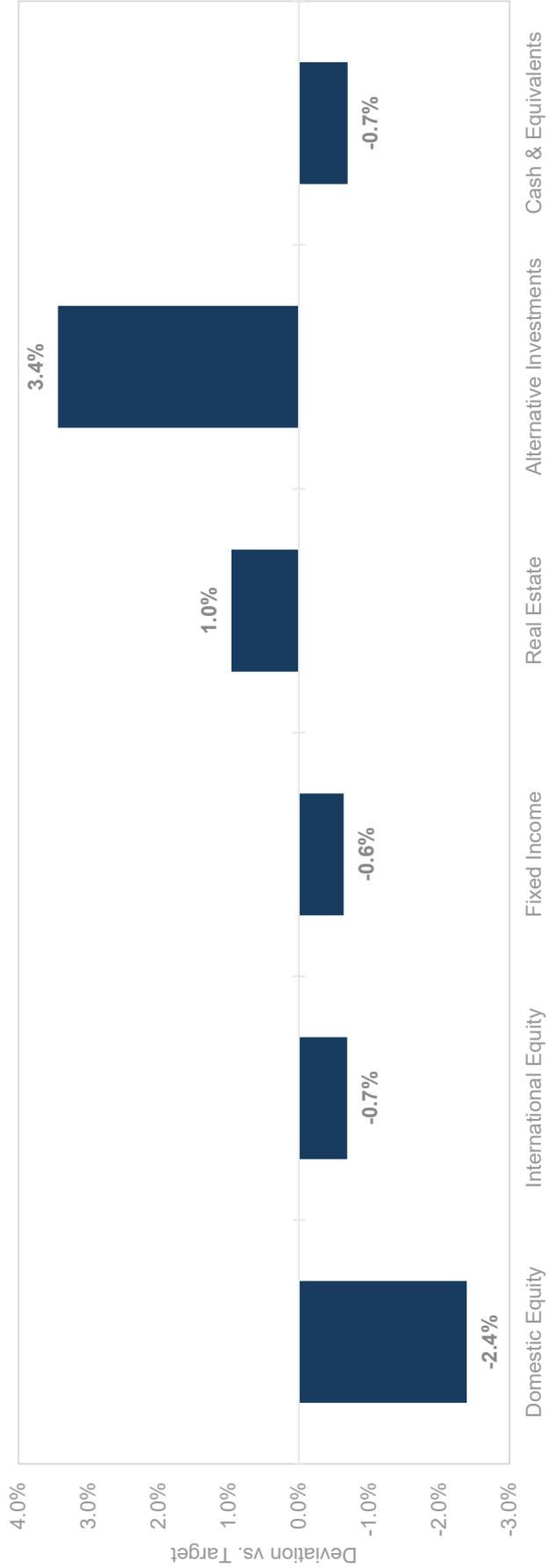


	Actual Allocation \$Millions	Actual Allocation %	Target Allocation %	Differences %	Differences \$Millions
Total Fund	44,429	100.0	100.0	0.0	
Domestic Equity	17,697	39.8	37.0	2.8	1,258
International Equity	8,358	18.8	18.0	0.8	360
Fixed Income	12,775	28.8	28.0	0.8	335
Real Estate	2,960	6.7	9.0	-2.3	-1,039
Alternatives Investments	2,503	5.6	7.0	-1.4	-607
Cash & Equivalents	137	0.3	1.0	-0.7	-307

Projected Deviation From Benchmark

Period Ending January 31, 2020

Projected Asset Allocation Differences vs. Target



- Includes committed, but unfunded amounts for real estate (\$1,461.7 million) and alternatives (\$2,134.8 million). Assumes real estate and alternatives allocations are fully funded as of quarter end.
- Assumes that outstanding commitments are funded from the overweight asset classes (U.S. equity, non-U.S. equity, and fixed income) in proportion to their respective overweighting relative to the target.

Investment Manager Asset Allocation

Periods Ended January 31, 2020

	Dec-2019		Jan-2020	
	\$	%	\$	%
Domestic Equity	17,935,493,093	40.15	17,696,602,623	39.83
Large Cap Growth	5,800,672,059	12.99	5,974,166,699	13.45
NTGI S&P 500 Growth	2,543,433,185	5.69	2,601,358,068	5.86
Sands Capital	2,103,278,133	4.71	2,193,065,536	4.94
Piedmont Russell 1000 G	1,153,960,741	2.58	1,179,743,095	2.66
Large Cap Value	5,850,014,935	13.10	5,563,343,289	12.52
Dodge & Cox	1,447,795,289	3.24	1,399,337,278	3.15
BMO	1,028,690,135	2.30	922,744,470	2.08
LSV Asset	1,661,390,635	3.72	1,573,609,416	3.54
NTGI S&P 500 Value	1,712,138,876	3.83	1,667,652,125	3.75
Large Cap Pass. Core	2,622,330,010	5.87	2,619,169,056	5.90
NTGI MarketCap Idx.	2,622,330,010	5.87	2,619,169,056	5.90
Quantitative Factor Strategies	263,662,873	0.59	262,229,322	0.59
Quantitative US Equity - SciBeta	263,662,873	0.59	262,229,322	0.59
Small Cap Growth	804,509,812	1.80	784,626,483	1.77
Frontier Capital	617,718,712	1.38	600,195,871	1.35
FIAM Small Cap	186,791,100	0.42	184,430,612	0.42
Small Cap Value	1,572,731,557	3.52	1,486,444,345	3.35
Channing	242,270,534	0.54	232,157,584	0.52
DFA Small Cap Val.	602,828,903	1.35	560,660,374	1.26
Inv. Couns. Maryland	727,632,120	1.63	693,626,387	1.56
Micro Cap	458,553,936	1.03	433,328,866	0.98
DFA Micro Cap (9-10)	458,553,936	1.03	433,328,866	0.98

Investment Manager Asset Allocation

Periods Ended January 31, 2020

	Dec-2019		Jan-2020	
	\$	%	\$	%
Public Real Assets	563,017,911	1.26	573,294,563	1.29
Brookfield Public Global Infrastru	176,273,741	0.39	178,024,850	0.40
Cohen & St Public Global Infrastru	386,744,170	0.87	395,269,712	0.89
International Equity	8,600,379,064	19.25	8,357,590,405	18.81
Intl Large Cap Growth	1,443,495,588	3.23	1,412,617,162	3.18
EARNEST Part. Intl	605,966,756	1.36	581,450,141	1.31
William Blair	837,528,831	1.87	831,167,022	1.87
Intl Large Cap Value	1,353,041,434	3.03	1,297,254,140	2.92
Brandes Investment	646,970,266	1.45	615,485,188	1.39
Mondrian	582,363,658	1.30	560,110,539	1.26
Lazard	123,707,510	0.28	121,658,413	0.27
Intl Large Cap Core	4,075,816,999	9.12	3,976,013,079	8.95
Arrowstreet Capital	758,679,892	1.70	738,030,618	1.66
Brown Capital	378,026,609	0.85	376,945,606	0.85
GlobeFlex Capital	579,991,613	1.30	561,933,668	1.26
NTGI MSCI EAFE	2,010,705,163	4.50	1,959,719,010	4.41
Progress Intl Equity	348,413,722	0.78	339,384,177	0.76
Intl All Cap Developed	148,654,168	0.33	146,761,799	0.33
Ativo International	148,654,168	0.33	146,761,799	0.33
Internationall Small Cap	521,086,414	1.17	505,058,712	1.14
Franklin Templeton	206,833,333	0.46	196,531,943	0.44
William Blair IntSC	314,253,082	0.70	308,526,768	0.69



Investment Manager Asset Allocation

Periods Ended January 31, 2020

	Dec-2019		Jan-2020	
	\$	%	\$	%
Emerging Mkt Equity	1,058,284,461	2.37	1,019,885,513	2.30
Genesis Asset Mngrs.	1,058,284,461	2.37	1,019,885,513	2.30

Investment Manager Asset Allocation

Periods Ended January 31, 2020

	Dec-2019		Jan-2020	
	\$	%	\$	%
Fixed Income	12,576,451,532	28.15	12,775,077,996	28.75
Domestic Fixed Core	3,474,931,690	7.78	3,544,681,252	7.98
Brandes FI Core	365,347,188	0.82	371,527,290	0.84
EARNEST Partners	998,040,790	2.23	1,019,754,208	2.30
Piedmont Investment	1,060,171,256	2.37	1,083,728,959	2.44
Garcia Hamilton	1,051,372,456	2.35	1,069,670,794	2.41
Domestic Fixed Passive Core	3,543,519,109	7.93	3,612,526,441	8.13
NTGI Blmbg Agg.	1,809,158,439	4.05	1,844,759,608	4.15
BlackRock US Debt I	1,734,360,670	3.88	1,767,766,833	3.98
Domestic Fixed Core Plus	3,963,965,751	8.87	4,031,486,426	9.07
LM Capital Group FI	912,793,939	2.04	929,426,457	2.09
Progress Inv. FI	975,964,038	2.18	995,099,582	2.24
BMO - TCH	941,707,150	2.11	957,107,743	2.15
Western Asset	1,133,500,624	2.54	1,149,852,644	2.59
Bank Loans	575,673,744	1.29	572,196,186	1.29
Barings Global Loan Fund	575,673,744	1.29	572,196,186	1.29
Emerging Markets Debt	225,668,765	0.51	226,091,714	0.51
Standish Emerging Markets	225,668,765	0.51	226,091,714	0.51
High Yield	792,692,472	1.77	788,095,978	1.77
Mackay Shields	792,364,020	1.77	787,766,886	1.77
FIAM High Yield	328,452	0.00	329,092	0.00

Investment Manager Asset Allocation

Periods Ended January 31, 2020

	Dec-2019		Jan-2020	
	\$	%	\$	%
Real Estate	2,964,215,006	6.64	2,959,754,898	6.66
Real Estate Core Cmp	1,571,332,424	3.52	1,577,075,921	3.55
TA Assoc. Buckhead	605,428,300	1.36	605,428,300	1.36
Barings Core Property	1,070	0.00		0.00
Barings Euro Core Property	126,969,573	0.28	125,352,054	0.28
Blackstone Property Euro	130,685,873	0.29	129,021,010	0.29
INVESCO Core Real Estate	211,508,105	0.47	214,400,464	0.48
INVESCO European real estate	56,923,207	0.13	56,886,865	0.13
AEW Core Property Tr	239,085,694	0.54	241,362,936	0.54
CBRE Core Partners	200,730,602	0.45	204,624,292	0.46
RE Non-Core Cmp	1,392,882,581	3.12	1,382,678,977	3.11
Artemis MWBE Spruce	240,731,549	0.54	242,982,015	0.55
Franklin T. EMREFF	14,756,093	0.03	11,805,035	0.03
Security Capital	59,648,554	0.13	56,591,964	0.13
Dune II	21,982,160	0.05	21,982,160	0.05
Non-Core Real Estate Funds	893,638,295	2.00	891,507,627	2.01
Non-Core Intl Real Estate	161,583,067	0.36	157,267,314	0.35
Rockwood Fund VIII	168,181	0.00	168,181	0.00
Almanac ARS V	374,681	0.00	374,681	0.00
TA Assoc. - Fund IX	1	0.00		0.00
Alternatives Investments	2,426,795,465	5.43	2,503,355,707	5.63
Absolute Return	550,758	0.00	490,720	0.00
Aurora Investment	550,758	0.00	490,720	0.00

Investment Manager Asset Allocation

Periods Ended January 31, 2020

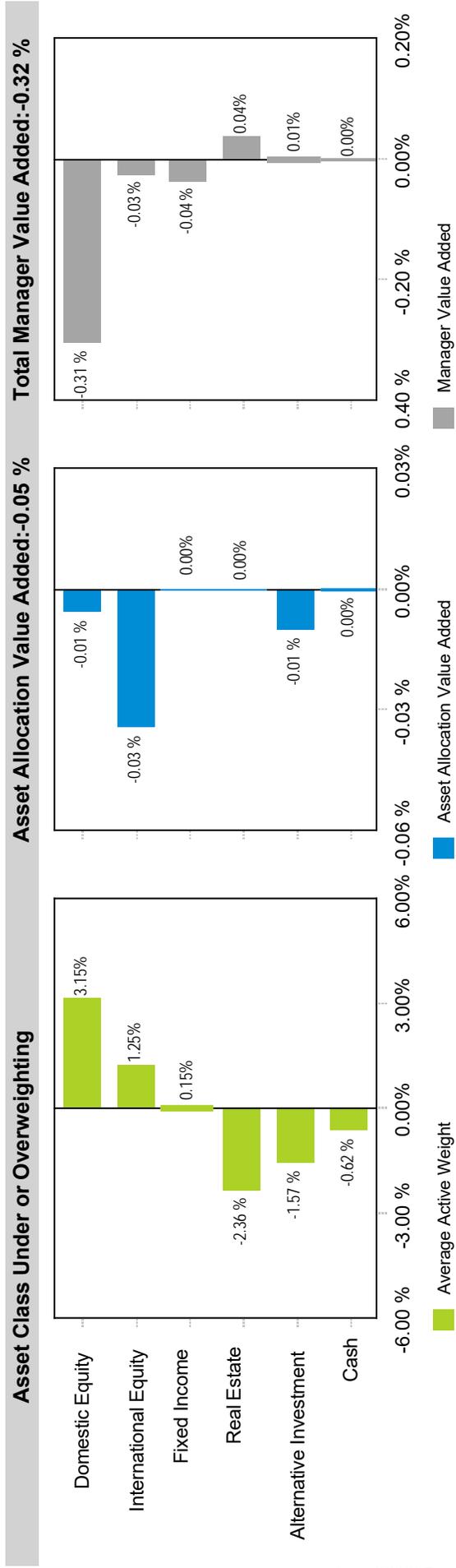
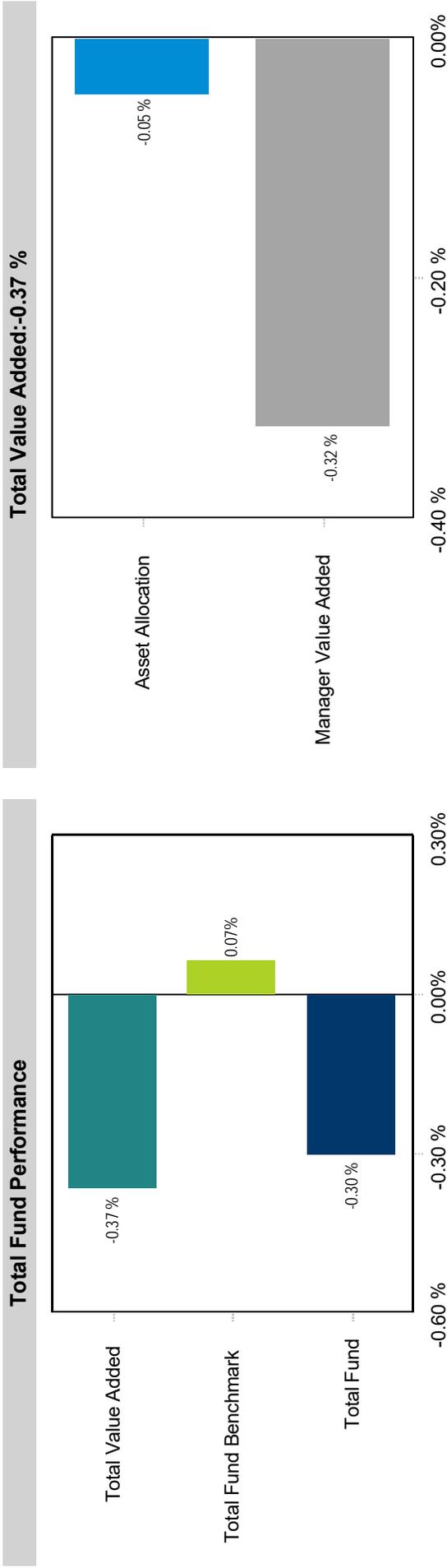
	Dec-2019		Jan-2020	
	\$	%	\$	%
Private Equity	1,968,686,105	4.41	2,038,449,559	4.59
Abbott S/A Comp.	359,027,403	0.80	358,459,883	0.81
Muller Monroe MPEFF	5,104,385	0.01	5,104,385	0.01
Pantheon S/A Comp.	256,760,283	0.57	259,213,060	0.58
Private Equity Fund - Domestic	1,010,187,362	2.26	1,049,373,460	2.36
Private Equity Fund - International	332,244,607	0.74	359,596,454	0.81
Oakbrook Opportunities Fund	5,362,066	0.01	6,702,317	0.02
Private Credit	128,930,696	0.29	123,284,625	0.28
Private Credit Fund - Domestic	128,930,696	0.29	123,284,625	0.28
Agriculture	208,323,624	0.47	218,543,619	0.49
Premiere Partners IV	208,323,624	0.47	218,543,619	0.49
Timberland	73,900,301	0.17	76,057,702	0.17
Forest Investment	73,900,301	0.17	76,057,702	0.17
Unlisted Infrastructure	46,403,981	0.10	46,529,482	0.10
Unlisted Infrastructure Funds	46,403,981	0.10	46,529,482	0.10
Cash & Equivalents	168,699,071	0.38	136,895,415	0.31
Total Fund	44,672,033,231	100.00	44,429,277,043	100.00

Total Fund Attribution

Total Fund

1 Month Ending January 31, 2020

02/28/2020



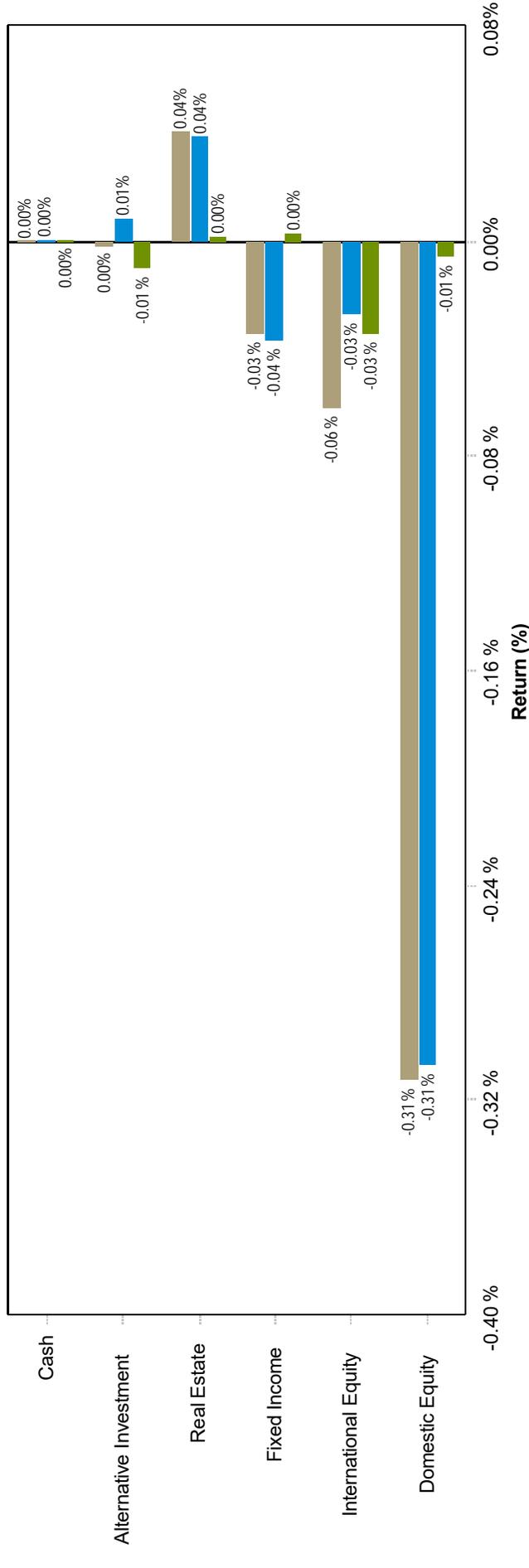
Total Fund Benchmark = 37.0% Russell 3000 Index, 28.0% Blmgb Aggregate, 18.0% MSCI ACWI ex US, 9.0% NCREIF NFI-ODCE Val Wt Int, 7.0% 9% Annually and 1.0% 3-month Treasury Bill.

Wilshire Consulting

Total Fund Attribution

Total Fund
1 Month Ending January 31, 2020

Relative Attribution by Asset Class



Relative Attribution Effects

	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	40.1	37.0	-0.87	-0.11	-0.31	-0.01	-0.31
International Equity	19.3	18.0	-2.83	-2.69	-0.03	-0.03	-0.06
Fixed Income	28.2	28.0	1.79	1.92	-0.04	0.00	-0.03
Real Estate	6.6	9.0	0.59	0.00	0.04	0.00	0.04
Alternative Investment	5.4	7.0	0.87	0.72	0.01	-0.01	0.00
Cash	0.4	1.0	0.26	0.13	0.00	0.00	0.00
Total Fund	100.0	100.0	-0.30	0.07	-0.32	-0.05	-0.37

Total Fund Benchmark = 37.0% Russell 3000 Index, 28.0% Blmbg Aggregate, 18.0% MSCI ACWI ex US, 9.0% NCREIF NFI-ODCE Val Wt NI, 7.0% 9% Annually and 1.0% 3-month Treasury Bill.

Wilshire Consulting
Asset Class Returns

02/28/2020

Periods Ended January 31, 2020

	Performance (%)								Inception Date	
	1 Month	1 Year	3 Years	5 Years	10 Years	30 Years	Since Inception			
Domestic Equity										
Domestic Equity - Net	-0.87	16.54	12.27	10.92	13.44	10.62	11.61	1/1/1982		
Blended Benchmark (U.S. Equity)	-0.87	16.36	12.06	10.70	13.19	10.27				
U.S. Equity IMRF Custom Benchmark	-0.11	20.53	13.82	11.85	13.83					
	-0.62									
International Equity										
International Equity - Net	-2.81	11.57	8.50	6.03	6.78	6.75	7.75	9/1/1986		
MSCI AC World ex USA (Net)	-2.83	11.28	8.17	5.69	6.44					
International Equity IMRF Custom Benchmark	-2.69	9.94	7.62	4.96	5.21					
	-2.79									
Fixed Income										
Fixed Income - Net	1.80	9.79	5.09	3.76	4.77	6.72	8.23	1/1/1982		
Bimbg. Barc. U.S. Aggregate	1.79	9.68	4.95	3.62	4.61	6.02	7.71			
Fixed Income IMRF Custom Benchmark	1.92	9.64	4.62	3.01	3.79					
	1.71									
Real Estate										
Real Estate - Net	0.59	10.13	9.52	9.98	11.12	5.05	5.57	5/1/1985		
Blended Benchmark (Real Estate)	0.59	10.08	9.50	9.95	11.10	7.53	7.68			
	0.00	3.97	5.95	7.76	10.45					
Alternatives Investments										
Alternatives Investments - Net	0.87	10.48	13.72	10.32	9.63	11.62	10.86	2/1/1986		
Alternatives Custom Benchmark	0.87	10.44	13.59	10.09	9.37	12.34	12.65			
	0.72	9.00	9.00	9.00	9.12					
Private Equity										
Private Equity - Net	0.50	12.40	16.61	13.17	12.65	14.16	13.06	2/1/1986		
Alternatives Custom Benchmark	0.72	9.00	9.00	9.00	9.12	12.34	12.65			
Agriculture										
NCREIF Farmland Index	4.91	-1.19	-1.85	2.49	9.03		7.16	10/1/1997		
	0.00	4.81	5.91	7.02	11.00		11.77			
Timberland										
NCREIF Timberland Index	2.92	3.95	1.60	0.94	2.87	7.43	7.43	10/1/1992		
	0.00	1.30	2.71	3.13	4.45	8.59	8.59			

Benchmark definitions on next page.

Asset Class Returns

02/28/2020

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	30 Years	Since Inception	
Unlisted Infrastructure								
Alternatives Custom Benchmark	-0.10	9.54					9.68	4/1/2018
	0.72	9.00					9.00	
Total Fund	-0.29	12.84	9.32	7.77	9.22	8.57	9.87	1/1/1982
Total Fund - Net	-0.30	12.68	9.13	7.55	8.99			
Total Fund Benchmark	0.07	13.16	9.05	7.62	8.85			

Benchmark Definitions

Account Name	From Date	To Date	Benchmark
Domestic Equity Blended Benchmark	1/1/2015	Present	100% Russell 3000 Index
	1/1/1982	12/31/2014	100% Dow Jones US Total Stock Market Index
Real Estate Blended Benchmark	1/1/2013	Present	100% NCREIF Fund Index-ODCE (VW) (Net)** 100%
	1/1/2007	12/31/2012	100% NPI + 1%
	1/1/2005	12/31/2016	100% Consumer Price Index + 5%
Alternatives Custom Benchmark	7/1/2010	Present	100% Annualized rate of 9.0%
	1/1/2004	6/30/2010	100% Annualized rate of 12.0%
	1/1/2003	12/31/2003	100% Annualized rate of 13.0%
	2/1/1986	12/31/2002	100% Annualized rate of 15.0%
U.S. Equity IMRF Custom Benchmark			Blend of the U.S. Equity Style benchmarks returns, dollar weighted by the actual allocation at pervious month end.
International Equity IMRF Custom Benchmark			Blend of the the International Equity Style benchmarks returns, dollar weighted by the actual allocation at previous month end.
Fixed Income IMRF Custom Benchmark			Blend of the the Fixed Income Style benchmarks returns, dollar weighted by the actual allocation at previous month end.

**ODCE returns are updated quarterly.
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Benchmark Definitions

02/28/2020

Account Name	From Date	To Date	Benchmark
Total Fund Benchmark			<p>The total fund benchmark is a blend of the asset class benchmark returns weighted by the target allocation for each asset class, currently:</p> <p>37% Russell 3000 Index, 28% Blimbg. Barc. U.S. Aggregate, 18% MSCI AC World ex USA (Net), 9% NCREIF Fund Index-ODCE (VW) (Net), 7% Alternatives Custom Benchmark, 1% 90 Day US Treasury Bill.</p>

Periods Ended January 31, 2020

	Performance (%)										Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception					
Total Fund	-0.29	12.84	9.32	7.77	9.22	9.87					1/1/1982
Total Fund - Net	-0.30	12.68	9.13	7.55	8.99						
Total Fund Benchmark	0.07	13.16	9.05	7.62	8.85						
Domestic Equity	-0.87	16.54	12.27	10.92	13.44	11.61					1/1/1982
Domestic Equity - Net	-0.87	16.36	12.06	10.70	13.19						
Blended Benchmark	-0.11	20.53	13.82	11.85	13.83						
Russell 3000 Index	-0.11	20.53	13.82	11.85	13.82	11.56					
Large Cap Equity	-0.23	18.48	13.70	11.68	13.83	11.31					1/1/1982
Large Cap Equity - Net	-0.24	18.39	13.58	11.56	13.68						
Russell 1000 Index	0.11	21.39	14.33	12.13	13.97	11.71					
Large Cap Growth	2.99	24.11	20.36	14.83	15.56	12.11					1/1/1982
Large Cap Growth - Net	2.99	24.01	20.23	14.69	15.39						
LCG Blended Benchmark	2.24	27.94	20.04	15.49	15.99						
Russell 1000 Growth Index	2.24	27.94	20.04	15.49	15.99	11.36					
NTGI S&P 500 Growth	2.28	24.78	18.36	14.41	15.66	8.35					8/1/2001
NTGI S&P 500 Growth - Net	2.28	24.77	18.35	14.40	15.65						
S&P 500 Growth	2.27	24.74	18.39	14.41	15.64	8.32					
Piedmont Russell 1000 G	2.23	27.90				12.68					10/1/2018
Piedmont Russell 1000 G - Net	2.23	27.88				12.66					
Russell 1000 Growth Index	2.24	27.94				12.70					
Sands Capital	4.27	21.41	23.04	15.15	18.09	12.68					11/1/2003
Sands Capital - Net	4.27	21.15	22.78	14.90	17.83						
LCG Blended Benchmark	2.24	27.94	20.04	15.49	15.99	10.47					
Russell 1000 Growth Index	2.24	27.94	20.04	15.49	15.99	10.52					

Benchmark definitions in glossary.

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Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
Large Cap Value	-3.48	12.41	8.92	9.21	12.46	10.30	10/1/1982	
Large Cap Value - Net	-3.49	12.24	8.75	9.03	12.28			
LCV Blended Benchmark	-2.15	14.88	8.63	8.70	11.87			
Russell 1000 Value Index	-2.15	14.88	8.63	8.70	11.87	11.84		
Dodge & Cox	-3.13	11.31	9.20	10.40	12.73	9.52	9/1/2003	
Dodge & Cox - Net	-3.13	11.08	8.97	10.18	12.50			
LCV Blended Benchmark	-2.15	14.88	8.63	8.70	11.87	8.45		
Russell 1000 Value Index	-2.15	14.88	8.63	8.70	11.87	8.61		
BMO	-2.80	8.49	7.80	7.53	12.24	7.94	2/1/2001	
BMO - Net	-2.80	8.24	7.56	7.29	11.99			
LCV Blended Benchmark	-2.15	14.88	8.63	8.70	11.87	5.91		
Russell 1000 Value Index	-2.15	14.88	8.63	8.70	11.87	6.89		
LSV Asset	-5.11	10.39	8.11	8.90	12.59	10.78	2/1/2003	
LSV Asset - Net	-5.17	10.14	7.86	8.64	12.30			
LCV Blended Benchmark	-2.15	14.88	8.63	8.70	11.87	9.35		
Russell 1000 Value Index	-2.15	14.88	8.63	8.70	11.87	9.36		
NTGI S&P 500 Value	-2.60	18.37	10.33	10.01	12.16	6.18	8/1/1999	
NTGI S&P 500 Value - Net	-2.60	18.36	10.32	10.00	12.15			
S&P 500 Value	-2.64	18.30	10.25	9.93	12.09	6.15		
Large Cap Pass. Core	-0.12	20.44	13.81	11.88	13.86	11.26	1/1/1985	
Large Cap Pass. Core - Net	-0.12	20.44	13.80	11.87	13.85			
Dow Jones US Total Stock Market Index	-0.12	20.37	13.74	11.79	13.80			
NTGI MarketCap Idx.	-0.12	20.44	13.81	11.88	13.87	11.03	2/1/1985	
NTGI MarketCap Idx. - Net	-0.12	20.44	13.80	11.87	13.86			
Dow Jones US Total Stock Market Index	-0.12	20.37	13.74	11.79	13.80			

Benchmark definitions in glossary.

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Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
Quantitative Factor Strategies	-0.54						5.06	9/1/2019
Quantitative US Equity - SciBeta	-0.54						5.06	9/1/2019
Quantitative US Equity - SciBeta - Net	-0.54						5.06	
SciBeta United States High-Factor-Intensity Divers	-0.47						4.78	
Small Cap Composite	-4.63	7.16	6.57	7.81	12.15	11.93	11.93	7/1/1988
Small Cap Composite - Net	-4.63	6.72	6.07	7.25	11.56			
Russell 2000 Index	-3.21	9.21	7.28	8.23	11.88		9.35	
Small Cap Growth	-2.47	13.15	11.75	9.97	13.50	12.93	12.93	7/1/1988
Small Cap Growth - Net	-2.47	12.75	11.27	9.42	12.91			
Russell 2000 Growth Index	-1.10	13.91	11.48	9.60	13.40		8.19	
Frontier Capital	-2.84	11.25	16.94	10.98	13.88	13.21	13.21	8/1/1988
Frontier Capital - Net	-2.84	10.84	16.31	10.36	13.24			
Russell 2000 Growth Index	-1.10	13.91	11.48	9.60	13.40		8.28	
FIAM Small Cap	-1.26	15.61	9.99	10.47	13.90	13.48	13.48	8/1/1988
FIAM Small Cap - Net	-1.26	15.16	9.60	9.95	13.34			
Russell 2000 Index	-3.21	9.21	7.28	8.23	11.88		9.41	
Russell 2000 Growth Index	-1.10	13.91	11.48	9.60	13.40		8.28	
Small Cap Value	-5.49	4.76	3.48	7.33	11.36	11.49	11.49	9/1/1989
Small Cap Value - Net	-5.49	4.30	2.95	6.78	10.81			
Russell 2000 Value Index	-5.39	4.38	3.10	6.71	10.28		9.81	
Channing	-4.17	8.08	2.76	6.83			9.69	7/1/2011
Channing - Net	-4.17	7.68	2.29	6.32			9.11	
Russell 2000 Value Index	-5.39	4.38	3.10	6.71			8.40	

Benchmark definitions in glossary.

Periods Ended January 31, 2020

	Performance (%)									
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date			
DFA Small Cap Val.	-7.00	-0.78	0.84	5.31	11.30	11.43	2/1/1996			
DFA Small Cap Val. - Net	-7.00	-1.26	0.32	4.77	10.76					
Russell 2000 Value Index	-5.39	4.38	3.10	6.71	10.28	9.26				
Inv. Couns. Maryland	-4.67	8.53	6.19	9.97	12.11	11.26	5/1/1999			
Inv. Couns. Maryland - Net	-4.67	8.08	5.64	9.41	11.59					
Russell 2000 Value Index	-5.39	4.38	3.10	6.71	10.28	8.76				
Micro Cap	-5.50	4.22	4.41	5.15	11.42	11.26	7/1/1984			
Micro Cap - Net	-5.50	3.72	3.87	4.54	10.73					
Russell Microcap Index	-4.66	5.64	5.24	6.45	11.07					
DFA Micro Cap (9-10)	-5.50	4.22	5.27	8.35	12.73	10.90	8/1/1987			
DFA Micro Cap (9-10) - Net	-5.50	3.72	4.75	7.82	12.18					
Russell 2000 Index	-3.21	9.21	7.28	8.23	11.88	8.76				
Public Real Assets	1.83	18.58				10.26	8/1/2017			
Public Real Assets - Net	1.83	18.13				9.82				
Public Real Assets Benchmark	1.73	17.74				8.32				
Brookfield	0.99	16.36				7.22	8/1/2017			
Brookfield - Net	0.99	15.76				6.72				
Dow Jones Brookfield Global Infrastructure Composite Index	0.79	16.04				6.21				
Cohen & Steers	2.20	19.61				11.74	8/1/2017			
Cohen & Steers - Net	2.20	19.23				11.32				
FTSE Global Core Infrastructure 50/50 Index (Net)	2.19	18.58				9.36				

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
International Equity	-2.81	11.57	8.50	6.03	6.78	7.75	9/1/1986	
International Equity - Net	-2.83	11.28	8.17	5.69	6.44			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21			
Intl LargeCap Equity	-2.71	10.89	8.09	5.83	6.71	7.74	9/1/1986	
Intl LargeCap Equity - Net	-2.72	10.67	7.83	5.55	6.43			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21			
Intl Large Cap Grwth	-2.14	15.64	9.17	6.02	7.20	8.42	9/1/2002	
Intl Large Cap Grwth - Net	-2.16	15.42	8.92	5.75	6.85			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21	7.30		
MSCI AC World ex USA Growth (Net)	-0.96	17.20	11.05	6.93	6.68	7.72		
EARNEST Part. Intl	-4.04	8.40	6.94	4.85	6.02	8.80	10/1/2004	
EARNEST Part. Intl - Net	-4.09	8.29	6.76	4.66	5.73			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21	5.93		
MSCI AC World ex USA Growth (Net)	-0.96	17.20	11.05	6.93	6.68	6.81		
William Blair	-0.76	21.78	11.04	7.00	8.74	9.82	10/1/2002	
William Blair - Net	-0.76	21.47	10.68	6.61	8.34			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21	8.03		
MSCI AC World ex USA Growth (Net)	-0.96	17.20	11.05	6.93	6.68	8.33		
Intl Large Cap Val.	-4.12	5.31	6.03	4.59	5.13	8.56	10/1/1995	
Intl Large Cap Val. - Net	-4.12	5.07	5.69	4.22	4.77			
MSCI AC World ex USA (Net)	-2.69	9.94	7.62	4.96	5.21			
MSCI AC World ex USA Value	-4.42	3.52	4.85	3.54	4.27			

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
Brandes Investment								
Brandes Investment - Net	-4.87	1.50	4.56	4.55	5.20	8.65	1/1/1996	
MSCI AC World ex USA (Net)	-4.87	1.34	4.36	4.32	4.96			
MSCI AC World ex USA Value	-2.69	9.94	7.62	4.96	5.21			
	-4.42	3.52	4.85	3.54	4.27			
Mondrian								
Mondrian - Net	-3.82	8.24	7.12	4.47		5.54	4/1/2012	
MSCI AC World ex USA (Net)	-3.82	7.89	6.61	3.99		5.04		
MSCI AC World ex USA Value	-2.69	9.94	7.62	4.96		5.14		
	-4.42	3.52	4.85	3.54		4.19		
Lazard								
Lazard - Net	-1.66	12.69	8.99	5.48		6.57	4/1/2012	
MSCI AC World ex USA (Net)	-1.66	12.49	8.72	5.06		6.05		
MSCI AC World ex USA Value	-2.69	9.94	7.62	4.96		5.14		
	-4.42	3.52	4.85	3.54		4.19		
Intl Large Cap Active Core								
Intl Large Cap Active Core - Net	-2.36	10.42	8.91	7.12	8.10	5.01	2/1/2008	
MSCI AC World ex USA (Net)	-2.36	10.02	8.44	6.60	7.57			
	-2.69	9.94	7.62	4.96	5.21	2.52		
Arrowstreet Capital								
Arrowstreet Capital - Net	-2.72	10.78	8.76	7.44	8.35	5.25	3/1/2008	
MSCI AC World ex USA (Net)	-2.72	10.40	8.26	6.95	7.84	4.77		
	-2.69	9.94	7.62	4.96	5.21	2.30		
Brown Capital								
Brown Capital - Net	-0.29	14.69	10.20	7.44	8.10	8.04	10/1/2004	
MSCI AC World ex USA (Net)	-0.29	14.44	9.73	6.66	7.34			
	-2.69	9.94	7.62	4.96	5.21	5.93		
GlobeFlex Capital								
GlobeFlex Capital - Net	-3.11	5.98	6.93	6.09	7.61	4.81	3/1/2006	
MSCI AC World ex USA (Net)	-3.11	5.53	6.52	5.70	7.17	4.37		
	-2.69	9.94	7.62	4.96	5.21	3.83		

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
Progress Intl Equity								
Progress Intl Equity - Net	-2.59	13.59	11.60	7.94		5.57	7/1/2014	
Custom Benchmark (Progress Intl Equity)	-2.59	13.04	11.06	7.41		5.07		
MSCI AC World ex USA (Net)	-2.69	9.94	8.40	5.87		3.59		
	-2.69	9.94	7.62	4.96		2.67		
Intl Large Cap Passive Core								
Intl Large Cap Passive Core - Net	-2.54	11.89	7.95	5.40	6.10	3.55	1/1/2000	
MSCI EAFE Index (Net)	-2.09	12.10	7.76	5.12	5.76	3.19		
NTGI MSCI EAFE								
NTGI MSCI EAFE - Net	-2.54	11.89	7.95	5.40	6.10	3.90	2/1/2000	
MSCI EAFE Index (Net)	-2.09	12.10	7.76	5.12	5.76	3.55		
Intl All Cap Developed								
Intl All Cap Developed - Net	-1.27	13.75				13.75	2/1/2019	
MSCI EAFE + Canada (Net)	-1.39	13.23				13.23		
	-1.94	12.12				12.12		
Ativo International								
Ativo International - Net	-1.27	13.75				13.75	2/1/2019	
MSCI EAFE + Canada (Net)	-1.39	13.23				13.23		
	-1.94	12.12				12.12		
Intl Small Cap Equity								
Intl Small Cap Equity - Net	-3.08	16.98	9.30	7.29	8.24	5.00	12/1/2005	
MSCI AC World ex USA Small Cap (Net)	-3.08	16.35	8.53	6.49	7.44			
Custom Benchmark (Intl Small Cap)	-3.12	9.98	7.14	6.45	6.79	6.05		
	-3.12	9.98	7.14	6.45	6.81	5.34		
Franklin Templeton								
Franklin Templeton - Net	-4.98	9.27	8.28	6.23		6.07	8/1/2011	
MSCI AC World ex USA Small Cap (Net)	-4.98	8.68	7.49	5.46		5.32		
	-3.12	9.98	7.14	6.45		4.79		

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
William Blair IntSC								
William Blair IntSC - Net	-1.82	22.51	9.93	8.07		9.53	9/1/2010	
MSCI AC World ex USA Small Cap (Net)	-1.82	21.83	9.16	7.24		8.70		
Custom Benchmark (Intl Small Cap)	-3.12	9.98	7.14	6.45		6.95		
	-3.12	9.98	7.14	6.45		7.26		
Emerging Mkt Equity	-3.56	13.62	11.43	6.86	6.47	9.08	2/1/1992	
Emerging Mkt Equity - Net	-3.63	13.03	10.79	6.23	5.85			
MSCI Emerging Markets Index	-4.66	4.21	8.28	4.87	4.14	6.99		
Genesis Asset Mngrs.	-3.56	13.62	11.43	6.86	6.47	11.16	5/1/2004	
Genesis Asset Mngrs. - Net	-3.63	13.03	10.79	6.23	5.85			
MSCI Emerging Markets Index	-4.66	4.21	8.28	4.87	4.14	8.67		

Periods Ended January 31, 2020

	Performance (%)									
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date			
Fixed Income	1.80	9.79	5.09	3.76	4.77	8.23	1/1/1982			
Fixed Income - Net	1.79	9.68	4.95	3.62	4.61					
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	7.71				
Active Fixed Core	2.20	9.47	4.78	3.36	4.37	4.68	4/1/2001			
ActiveCore Fixed Inc - Net	2.19	9.38	4.68	3.24	4.21					
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.68				
Brandes FI Core	1.89	8.25	4.16			3.23	3/1/2016			
Brandes FI Core - Net	1.89	8.25	4.16			3.23				
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62			3.72				
EARNEST Partners	2.41	10.11	5.04	3.37	4.44	4.74	5/1/2005			
EARNEST Partners - Net	2.38	9.97	4.89	3.20	4.25	4.55				
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.30				
Piedmont Investment	2.38	10.03	4.66	3.44	4.37	4.51	6/1/2005			
Piedmont Investment - Net	2.38	9.93	4.53	3.31	4.21	4.32				
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.25				
Garcia Hamilton	1.94	8.75	4.77			3.82	6/1/2015			
Garcia Hamilton - Net	1.94	8.68	4.68			3.73				
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62			3.47				
Pass. Core Fixed Inc	1.95	9.73	4.69	3.07	3.83	5.98	1/1/1990			
Pass. Core Fixed Inc - Net	1.95	9.72	4.68	3.06	3.82					
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	5.96				
BlackRock US Debt I	1.93	9.70	4.72	3.11		3.75	10/1/2013			
BlackRock US Debt I - Net	1.93	9.70	4.72	3.10		3.75				
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01		3.63				

Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
NTGI Blmbg Agg.	1.97	9.75	4.66	3.04	3.81	6.03	2/1/1990	
NTGI Blmbg Agg. - Net	1.97	9.74	4.66	3.03	3.81			
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	6.02		
Core Plus Fixed Income	1.95	10.46	5.26	3.80	4.90	8.09	1/1/1982	
Core Plus Fixed Inc. - Net	1.94	10.31	5.08	3.62	4.72			
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	7.71		
LM Capital Group FI	2.06	10.13	4.77	3.51	4.51	5.00	5/1/2005	
LM Capital Group FI - Net	2.02	9.95	4.60	3.34	4.34	4.83		
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.30		
Progress Inv. FI	1.96	10.16	5.17	3.65	4.57	5.08	1/1/2006	
Progress Inv. FI - Net	1.96	9.90	4.86	3.33	4.22	4.74		
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.39		
BMO - TCH	1.89	9.68	5.18	3.95	5.07	5.14	5/1/2005	
BMO - TCH - Net	1.89	9.58	5.05	3.82	4.94	5.01		
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.30		
Western Asset	1.91	11.65	6.07	4.44	5.52	5.64	11/1/2001	
Western Asset - Net	1.91	11.57	5.95	4.31	5.38			
Blmbg. Barc. U.S. Aggregate	1.92	9.64	4.62	3.01	3.79	4.42		
Bank Loans	0.60	6.77	4.71	5.22	4.74	4.74	8/1/2014	
Bank Loans - Net	0.60	6.57	4.28	4.72		4.24		
Custom Benchmark	0.57	6.58	4.69	4.80		4.31		
Barings Global Loan Fund	0.60	6.77	4.71	5.22	4.74	4.74	8/1/2014	
Barings Global Loan Fund - Net	0.60	6.57	4.28	4.72		4.24		
Custom Benchmark	0.57	6.58	4.69	4.80		4.31		

Benchmark definitions in glossary.

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Periods Ended January 31, 2020

	Performance (%)							Inception Date
	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception		
Emerging Markets Debt	0.19	9.58	6.37	4.63		3.51	8/1/2014	
Emerging Markets Debt - Net Custom Benchmark	0.19 0.20	9.20 9.08	6.01 6.17	4.26 4.48		3.17 2.86		
Standish Emerging Markets	0.19	9.58	6.37	4.63		3.51	8/1/2014	
Standish EM MRK - Net Custom Benchmark	0.19 0.20	9.20 9.08	6.01 6.17	4.26 4.48		3.17 2.86		
High Yield	-0.09	10.47	6.60	6.95	7.72	9.54	4/1/1986	
High Yield - Net ICE BofAML US High Yield, Cash Pay Index	-0.09 0.01	10.12 9.38	6.24 5.85	6.58 5.98	7.33 7.32	8.30		
MacKay Shields	-0.09	10.47	6.58	7.14	7.86	8.84	11/1/2000	
MacKay Shields - Net ICE BofAML US High Yield, Cash Pay Index	-0.09 0.01	10.12 9.38	6.22 5.85	6.77 5.98	7.48 7.32	7.57		



Account Name	From Date	To Date	Benchmark
Total Fund			<p>The total fund benchmark is a blend of the asset class benchmark returns weighted by the target allocation for each asset class, currently:</p> <p>37% Russell 3000 Index, 28% Bimbg. Barc. U.S. Aggregate, 18% MSCI AC World ex USA (Net), 9% NCREIF Fund Index-ODCE (VW) (Net), 7% Alternatives Custom Benchmark, 1% 90 Day US Treasury Bill.</p>
Domestic Equity	1/1/2015	Present	100% Russell 3000 Index
	1/1/1982	12/31/2014	100% Dow Jones US Total Stock Market Index
Large Cap Growth	1/1/2006	Present	100% Russell 1000 Growth Index
	11/1/2003	12/31/2005	100% S&P 500 Growth
Large Cap Value	1/1/2006	Present	100% Russell 1000 Value Index
	2/1/2001	12/31/2005	100% S&P 500 Value
Public Real Assets	8/1/2017	Present	33.3% Dow Jones Brookfield Global Infrastructure Composi, 66.7% FTSE GLOBAL CORE INFRASTRUCTURE 50/50 INDEX (Net)
Progress Intl Equity	12/1/2017	Present	100% MSCI AC World ex USA (Net)
	7/1/2014	11/30/2017	Custom blended weighted average of the underlying managers' individual MSCI benchmarks

Benchmark History

02/28/2020

Account Name	From Date	To Date	Benchmark
Intl Small Cap Eqty	6/1/2011	Present	100% MSCI AC World ex USA Small Cap (Net)
	12/1/2005	5/31/2011	100% S&P Developed Ex-U.S. SmallCap (Net)
Barings Global Loan Fund	8/1/2014	Present	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 Emerging Markets	8/1/2014	Present	50% JPM GBI-EM Global Diversified, 25% JPM EMBI Global (USD), 25% JPM CEMBI Broad Index

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Discussion followed.

(20-02-04) (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 19-12-20
Special Board Meeting 20-24-01S
Executive Session 19-20-12ES
Executive Session 20-24-01ES

Schedules - Dated January 2020

- 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.

Schedules - Dated February 2020

- 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 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

Bids

Furniture Replacement 2020
 Approved Bidder: Forward Space
 Approved Bid: \$99,841.35.

Horizon Training Videos
 Approved Bidder: TADApix, Inc.
 Approved Bid: \$6,000.00.

February Financial Reporting Package

Impact of 2019 Year-To-Date Investment Income of Employer Reserves, Funding Status and Average Employer Contribution Rate

Statement of Fiduciary Net Position

Schedule T - Report of Expenditures

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

Vote: Unanimous Voice Vote
 Absent: None

(20-02-05)(2020 Information Systems Budget Adjustment) The Executive Director presented a recommendation to the Board for approval of an increase of \$383,871.18 for account 1820-000-0 capital expenses for the 2020 budget to cover the completion of some projects for 2020 that started in 2019 and cannot be complete prior to March 15, 2020. The projects include: Purchase of a Generator; Investments War Room Video Teleconference (4th floor conference room); and an Exchange Upgrade.

After questions and discussion, it was moved by Mr. Kuehne, seconded by Ms. Copper, to approve an increase of \$383,871.18 for account 1820-000-0 capital expenses for the 2020 budget to cover the above projects for 2020 that started in 2019.

Vote: Unanimous Voice Vote
 Absent: None

(20-02-06) (2020-2021 Projection Report - Death and Disability Rates) The Chief Financial Officer recommended the following:

- Increase the death benefit rate in 2021 to 0.16% from 0.12% in 2020.
- Maintain the disability benefit rate in 2021 at 0.09% of payroll, the same rate as in 2020.

He further estimates:

- Benefit payments will exceed contributions by approximately \$1,196.5 million in 2020;
- IMRF credited approximately \$540.6 million of interest and \$4,556.2 million of residual investment income to employer reserves in 2019, based on investment returns of 19.8% in 2019.
- The supplemental retirement benefit for 2020 will be approximately 27% of the June benefit.

After questions and discussion, it was moved by Ms. Henry seconded by Ms. Stanish, to approve the above recommendations from the Projection Report for 2020 and 2021 as presented.

Vote: Unanimous Voice Vote
Absent: None

(20-02-07) (Benefit Review Committee Meeting) The Chair of the Benefit Review Committee reported on the Benefit Review Committee Meeting held on February 27, 2020.

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

- To overturn the staff decision denying temporary disability benefits to Ryan Harper. The Committee was persuaded by Ryan Harper's testimony regarding the past struggles he had with stressors. The Committee was persuaded that after Ryan Harper began on a course of treatment, his symptoms have substantially stabilized and he has been able to return to work. Therefore, the Committee was persuaded that Ryan Harper met the eligibility requirement that the disabling condition prevented Ryan Harper from performing his job duties as required by Section 7-146 of the Illinois Pension Code for the disability time period.
- A motion was made finding that Brenda Dale returned to work in an IMRF qualifying position while receiving retirement benefits; that Brenda Dale received a prepayment of retirement benefits that she was not entitled to which must be repaid to IMF; and that Edwardsville School District #7 shall be held liable for one half of the prepayment owed by Brenda Dale. Trustee Miller noted for the record, that under the facts of this appeal, the Committee would have assigned additional liability to the employer if it was authorized to do so. The Committee recommends that the Board adopt the attached findings and decision setting forth the basis of its decision.

**BEFORE THE BOARD OF TRUSTEES OF THE
ILLINOIS MUNICIPAL RETIREMENT FUND**

In re the Benefit of:)	
Brenda K. Dale, (MID# 114-8751))	
)	Benefit Review Committee Meeting
Edwardsville School District,)	February 27, 2020
(ER# 1472))	

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Pursuant to the IMRF Non-Disability Appeal Procedures, the Benefit Review Committee met on December 19, 2019 to consider the appeal of Brenda K. Dale (“Dale”), regarding IMRF staff’s finding that she returned to work in an IMRF-qualifying position while drawing a pension, and that a prepayment is due as a result. The staff determination also concluded that the Edwardsville School District (the “School District”) should be responsible for fifty percent of the prepayment. Dale and the School District were given proper notice of the hearings, however the School District chose not to participate in this appeal.

Introduction

Dale worked for Edwardsville School District from October 1991 through December 2008, and participated in IMRF during this time. In November 2008, Dale submitted her application for retirement to IMRF, and she began drawing her retirement benefits in January 2009. An IMRF audit in June 2018 showed that as of January 13, 2012, Dale had worked more than 600 hours, which qualified her for IMRF participation. The School District, however, did not enroll Dale in IMRF, despite the Pension Code mandating participation for employees who exceed the applicable hourly standard.

Dale continued to work for the School District for several years while drawing her retirement benefit, which has not been suspended. She resigned her position at the School

District in September 2019. Through February 2020, Dale has accrued a prepayment of \$89,760.62, which represents the pension payments she has received while working for the School District in an IMRF qualifying position. Dale asserts that she was aware of the hourly limitation, but that she did her best to stay under the annual limit. She further states that she only exceeded the standard in 2018, and that she did not work more than 600 hours in 2018. The School District did not participate in the appeal or put forth any argument.

Administrative Hearing Procedure

At the Benefit Review Committee meeting on December 19, 2019, Dale appeared telephonically on her own behalf and explained the basis for her appeal. The School District did not appear. Committee Chairperson Natalie Copper presided over the hearing. Committee members David Miller and Alex Wallace were also present. IMRF staff present at the hearing included Beth Janicki Clark, IMRF General Counsel, Vladimir Shuliga, IMRF Associate General Counsel, Elizabeth Carter, Staff Attorney, Larice Davis, IMRF paralegal, Larry Dixon, Disability Manager, Denise Rockett, Disability Supervisor, Amy Claussen, Benefits Manager, and Dawn Seputis, Customer Service Director. The Committee determined that it would set the matter for the next meeting, to obtain additional information about Dale's prepayment amount.

On February 27, 2020, the Committee reconvened to consider the case. Additional documents regarding Dale's benefit amount and prepayment were submitted to the Committee for consideration. Neither Dale nor the School District appeared. Committee Chairperson Natalie Copper and Committee members Tom Kuehne, David Miller, Alex Wallace, Sue Stanish, and Bill Stafford were present for the deliberation. IMRF staff present at the hearing included Beth Janicki Clark, IMRF General Counsel, Vladimir

Shuliga, IMRF Associate General Counsel, Elizabeth Carter, Staff Attorney, Larice Davis, IMRF paralegal, Larry Dixon, Disability Manager, and Denise Rockett, Disability Supervisor.

As a result of the December 19, 2019 and February 27, 2020 hearings and the written documentation received, the Board of Trustees of IMRF finds and determines as follows:

I. EVIDENCE AND TESTIMONY

Review of Written Documentation and Testimony

1. Dale is an IMRF annuitant who first retired from the School District in December 2008. (Board Exhibits, p. 3).

2. In January 2009, Dale returned to employment with the School District. (Board Exhibits, pp. 3 & 20; Testimony of Dale).

3. In 2009, 2012, and 2016, Dale exceeded 600 hours of work. (Board Exhibits, p. 13).

4. The School District should have enrolled Dale in IMRF effective January 13, 2012, after she had exceeded the hourly standard for the second time. (Board Exhibits, pp. 13-16).

5. Dale continued to work for the School District while collecting her IMRF pension from January 2012 to September 2019. (Board Exhibits, pp. 3 & 13; Testimony of Dale).

6. Dale testified that she was aware of her hourly limitations, and she tried to keep her hours under the annual limit. (Board Exhibits, pp. 26; Testimony of Dale).

7. Dale further testified that she must have exceeded the hourly standard due to

miscalculating the number of hours she had actually worked. (Testimony of Dale).

8. While working for the School District, Dale collected \$93,224.74 in retirement benefits. (Board Exhibits, pp. 3, & 40).

9. Through February 2020, Dale's prepayment amount is \$89,760.62, after accounting for benefits which were payable to her after her resignation from the School District. (Supplemental Board Exhibits, p. 2).

II. FINDINGS OF FACT

1. The undisputed evidence shows that Dale returned to work with the School District and should have been enrolled as of January 13, 2012.

2. Dale's pension should have been suspended beginning January 13, 2012 through the duration of her work period.

3. Dale made efforts to work less than 600 hours annually, however exceeded this amount in years 2009, 2012, and 2016.

4. The School District did not re-enroll Dale in IMRF and did not notify IMRF to suspend Dale's annuity during the period that Dale returned to work in a qualifying position.

5. The School District had notice that Dale was a former employee who was eligible to receive an IMRF pension. The District was aware of the number of hours that Dale worked, but did not enroll Dale in IMRF as required under the Pension Code.

6. Between January 13, 2012, and February 28, 2020, Dale accrued a prepayment of retirement annuity benefits of \$89,760.62.

III. CONCLUSIONS OF LAW

7. The Board of Trustees of IMRF has jurisdiction over this appeal pursuant to

Sections 7-146, 7-179, and 7-200 of the Illinois Pension Code (40 ILCS 5/7-146, 7-179, and 7-200), as well as under the Non-Disability Appeal Procedures that have been adopted by the Board pursuant to Section 7-198 of the Illinois Pension Code (40 ILCS 5/7-198).

8. Dale returned to work in an IMRF qualifying position beginning on January 13, 2012 and remained in a qualifying position until her resignation in September 2019.

9. IMRF has a fiduciary duty to only pay those benefits authorized by the Illinois Pension Code. Therefore, the prepayment of \$89,760.62 must be repaid to IMRF.

10. Pursuant to the terms of Section 7-144(a-5) the School District knowingly failed to notify IMRF to suspend Dale's annuity and to re-enroll her when she returned to work in a qualifying position, thereby making the School District liable for one-half of the prepayment, or \$44,880.31

11. The term knowingly means that the "[the School District] is consciously aware that [its] conduct is practically certain to cause the result." See *People v. Dorsey*, 2016 IL App (4th) 140734, ¶ 34.

12. The Board concludes that by either choosing not to calculate the total number of hours worked by Dale, or by not enrolling her in IMRF upon achieving the hourly standard, the School District was consciously aware that its conduct was practically certain to cause the School District to fail in its obligation to notify IMRF that Dale returned to work in a qualifying position.

13. At all times relevant to this appeal, Section 7-135(b)(1) of the Illinois Pension Code (40 ILCS 5/7-135(b)(1)) provided that one of the duties of IMRF Authorized Agents is, "[t]o certify to the fund whether or not a given person is authorized to participate in the fund."

14. Because the School District is obligated to enroll all IMRF qualifying employees who meet the hourly standard, it is incumbent upon the School District to track the number of hours that each employee works.

15. The School District has failed to show by a preponderance of the evidence that it did not knowingly fail to notify the Board to suspend Dale's annuity after she returned to work in an IMRF qualifying position.

16. Since the School District has failed to show by a preponderance of the evidence that it did not knowingly fail to notify the Board to suspend Dale's annuity after she returned to work in an IMRF qualifying position, the School District should be held responsible for fifty percent of the final determined prepayment amount.

Decision

By reason of the above findings of fact and conclusions of law, and after careful consideration of the evidence, the Board of Trustees of the Illinois Municipal Retirement Fund, in regard to the Petitioner, Brenda K. Dale, and her former employer, Edwardsville School District, HEREBY ORDERS as follows:

The administrative staff determination that Brenda K. Dale returned to work in a qualifying position at Edwardsville School District is affirmed. The total prepayment amount due is \$89,760.62. Dale is permitted to repay one-half this amount, or \$44,880.31. IMRF will recover this amount by deductions of \$58.78 from her pension each month, beginning as soon as administratively possible. Additionally, the District knowingly failed to notify the Board to suspend the retirement annuity once Dale returned to work in an IMRF qualifying position, thereby making the District liable for one-half of the prepayment. The District is required to repay \$44,880.31 to IMRF. This amount represents

the maximum percentage of liability to the employer allowed by law, and would have been increased if permitted under the Pension Code as a result of the School District's abdication of its duties.

This is a final administrative decision, which is reviewable under the terms of the Illinois Administrative Review Law. (See 40 ILCS 5/7-220).

These Findings of Fact and Conclusions of Law are adopted this 28th day of February 2020, by the following roll call vote:

AYES: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

Being parties to these proceedings.

President, Board of Trustees
Illinois Municipal Retirement Fund

ATTEST:

Secretary, Board of Trustees
Illinois Municipal Retirement Fund

- A second motion was made to recover Brenda Dale's prepayment liability in the amount of \$58.78 per month - the value of the supplemental pension earned during the return to work period.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of Patrice Pearsall.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of James Gaston.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of O'Fallon School District #203.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of Kirk Schoenbein.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of Matthew Ames.

Vote: Unanimous Voice Vote
Absent: None

(20-02-08) (Report of the Investment Committee Meeting) The Chair of the Investment Committee reported on the meeting held February 27, 2020.

The Chief Investment Officer gave a Private Equity presentation to the Investment Committee that included recommendations, followed by presentations from two Private Equity managers (Sterling Group Partners V, L.P. and Mayfield XVI, L.P.).

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

For Private Equity

- Authorize an aggregate commitment of up to \$50 million to Mayfield XVI and Mayfield Select II, a Delaware Limited Partnership, subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$60 million to Sterling Group Partners V, L.P., subject to satisfactory legal due diligence; and,
- Authorizes staff to complete all documentation necessary to execute this recommendation.

Next, the Chief Investment Officer gave a Real Estate presentation to the Investment Committee that included recommendations, followed by presentations from a Real Estate manager (Crow Holdings Realty Partners IX, L.P.).

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

For Real Estate

- Authorize a commitment of up to \$100 million to Crow Holdings Realty Partners IX, L.P., subject to satisfactory legal due diligence; and,
- Authorize staff to complete all documentation necessary to execute this recommendation.

The Chief Investment Officer, and IMRF's Investment Consultant, Wilshire Associates, gave a presentation to the Investment Committee on the Capital Markets Assumptions and 2020 Annual Review of Asset Allocation, with no recommendations for changes.

IMRF's 2020 strategic asset allocation consists of the following components:

- 37% U.S. Equity
- 18% International Equity
- 28% Fixed Income
- 9% Real Estate
- 7% Alternative Investments
- 1% Cash

The Chief Investment Officer gave a Public Markets presentation to the Investment Committee along with recommendations.

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

- Authorize an allocation of up to \$175 million to Longfellow Investment Management to manage a Core Plus Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize an allocation of up to \$125 million to Ramirez Asset Management to manage a Core Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize full redemption (approximately \$1.3 billion) of the Progress Managers of Managers' mandates due to the pending firm closure;
 - The reinvestment of the assets will likely be a combination of existing public equity and fixed income investments, private market investments, and a source of meeting cash needs.
 - Assets will stay with the minority investment managers once fully redeployed, excluding temporary positioning.
- Authorize staff to complete all documentation necessary to execute these recommendations.

Lastly, the Chief Investment Officer asked the Committee if they had any questions regarding the following Annual Reports:

- 2019 Annual Minority & Emerging Investment Manager Utilization Report
- 2019 Annual Minority Broker Utilization Report
- 2019 Annual Proxy Voting Activity Report
- 2019 Annual Securities Lending Activity Report

No questions were received from the Committee.

It was moved by Ms. Henry, seconded by Mr. Wallace, to approve the recommendations of the Investment Committee.

Vote: Unanimous Voice Vote

Absent: None

(20-02-09) (Report of the Legislative Committee Meetings) The Chair of the Legislative Committee gave a report on the Legislative Committee Meetings that were held on February 21, 2020 and February 27, 2020.

The Chair of the Legislative Committee first reported on the Legislative Meeting that was held via teleconference on February 21, 2020.

It was the consensus of the Legislative Committee to recommend the Board remain neutral on the following legislation affecting IMRF that has been introduced in 2020:

- House Bill 3992 - Changes reference from "alderman" to "alderperson".
- House Bill 4235 - Removes coroner as a qualified position to participate in ECO.
- House Bill 4457 - Requires interest groups to be allowed to observe the trustee ballot counting.

It was the consensus of the Legislative Committee to recommend the Board oppose the following legislation:

- House Bill 3990 - Requires pension fund actuaries to post a bond of \$2 billion.
- Senate Bill 2747 - Allows courts to award attorney fees in certain pension fund actions.

Lastly, it was the consensus of the Legislative Committee to recommend the Board support the following legislation:

- Senate Bill 2795 - Changes the mandatory distribution age to that set by the Internal Revenue Code.

Next, the Chair of the Legislative Committee gave a report on the Legislative Committee Meeting that was held on February 27, 2020.

It was the consensus of the Legislative Committee to recommend the Board remain neutral on the following legislation affecting IMRF that has been introduced in 2020:

- Senate Bill 3391 - Penalties for continued noncompliance with reporting requirements.
- Senate Bill 3747 - Additional trustee training requirements.
- Senate Bill 3807 - Automatic initial enrollment in Voluntary Additional Contribution Program.

After questions and discussion it was moved by Mr. Kuehne, seconded by Ms. Copper, to approve the recommendations of the February 21, 2020 and February 27, 2020 Legislative Committees.

Vote: Unanimous Voice Vote
Absent: None

(20-02-10) (Approval of Resolutions) General Counsel presented several resolutions to the Board for approval.

She stated that current Board Resolution 1967-6943 address the replacement of benefit checks when those checks are declared lost or destroyed. Due to the passage of time since this resolution was originally passed, this resolution does not reflect our current processes regarding replacement checks.

General Counsel recommended that the Board adopt the proposed resolution which supersedes Board Resolution 1967-6943, and update plan retirement benefit procedures to align with current internal processes.

WHEREAS, some checks issued by the Fund in payment of annuities or other benefits are reported lost, stolen, destroyed, or not received each month, thereby making it necessary to stop payment and issue replacement checks, and

WHEREAS, the Fund can recover overpayments if periodic payments such as monthly annuities or disability benefits are being paid, but recovery is more difficult when the check is a lump sum, single payment refund or death benefit, and

WHEREAS, it is desirable for the efficient administration of benefits that rules be established in cases where benefit checks are reported as lost, stolen, destroyed, or not received and need to be replaced by the Fund after adequate assurance that the check has been lost, stolen, destroyed, or not received,

THEREFORE, IT IS HEREBY RESOLVED,

a. That replacement checks for periodic payments be issued to annuitants or disability beneficiaries no sooner than 15 days from the date of issuance of the original check, and

b. That replacement checks for non-periodic payments under \$500 be issued to payees no sooner than 25 days after the date of issuance of the original check, and that replacement checks for non-periodic payments of \$500 or more be issued to payees no sooner than 40 days after the date of issuance of the original check.

General Counsel reported that current Board Resolution 2008-08-06 sets forth general plan administration rules which seek to comply with federal tax law. Over time, federal tax laws have changed, which necessitates and update to this resolution.

She recommended that the Board adopt the proposed resolution which supersedes Board Resolution 2008-08-06, and update plan administration procedures to align with current federal law.

WHEREAS, section 7-198 of the Illinois Pension Code authorizes the Board of Trustees of the Illinois Municipal Retirement Fund to establish rules necessary or desirable for the efficient administration of the Fund; and

WHEREAS, section 1-106 of the Pension Code provides for rollovers of eligible distributions from the Fund, as required under federal law; and

WHEREAS, section 1-116.1 of the Pension Code authorizes the Board of Trustees to make distributions as required by Internal Revenue Code section 401(a)(9); and

WHEREAS, sections 1-116 and 7-224 of the Pension Code limit benefit amounts payable from the Fund to those allowed under Internal Revenue Code section 415; and

WHEREAS, it is necessary to adopt rules for the efficient administration of sections 1-106, 1-116, 1-116.1, and 7-224.

THEREFORE BE IT RESOLVED that the following administrative rules be and are hereby adopted by the Board of Trustees:

Rule on Rollovers

1. General Rule

Beginning January 1, 1993, pursuant to 40 ILCS 5/1-106(b), IMRF may, and to the extent required by federal law shall, at the request of any person entitled to receive an eligible rollover distribution from the pension fund or retirement system, pay any portion of that eligible rollover distribution directly to an eligible retirement plan designated in writing by the person.

2. Eligible rollover distribution

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; the portion of any distribution that is not includible in gross income; any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as certain corrective distributions necessary to comply with the provisions of section 415 of the Internal Revenue Code; and any other distribution that is reasonably expected to total less than \$200 during the year. Effective January 1, 2002, a portion of a distribution will not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only (i) to an individual retirement account or annuity described in Section 408(a) or (b) of the Internal Revenue Code, or to a qualified defined contribution plan described in Section 401(a) Internal Revenue Code or to a qualified plan described in Section 403(a) of the Internal Revenue Code, that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible, or (ii) on or after January 1, 2007, to a qualified defined benefit plan described in Section 401(a) of the Internal Revenue Code or to an annuity contract described in Section 403(b) of the Internal Revenue Code, that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible; or (iii) on or after January 1, 2008, to a Roth IRA described in section 408A of the Internal Revenue Code. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse.

3. Eligible retirement plan

An eligible retirement plan is any of the following that accepts the distributee's eligible rollover distribution:

- a. an individual retirement account described in Section 408(a) of the Internal Revenue Code,
- b. an individual retirement annuity described in Section 408(b) of the Internal Revenue Code,
- c. an annuity plan described in Section 403(a) of the Internal Revenue Code,
- d. a qualified trust described in Section 401(a) of the Internal Revenue Code,
- e. effective January 1, 2002, an annuity contract described in Section 403(b) of the Internal Revenue Code,
- f. effective January 1, 2002, a plan eligible under Section 457(b) of the Internal Revenue Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state that agrees to separately account for amounts transferred into that plan from a plan under this title,
- g. effective January 1, 2008, to the extent required by federal law and permitted under a retirement or pension system subject to this title, a Roth IRA described in Section 408A of the Internal Revenue Code, or
- h. effective December 18, 2015, a SIMPLE IRA described in Code Section 408(p)(1) provided that the rollover contribution is made after the two (2) year period described in Section 72(t)(6) of the Internal Revenue Code.

4. Distributee

A distributee includes an employee or former employee. It also includes the employee's or former employee's surviving spouse or an alternate payee. Effective January 1, 2008, to the extent permitted under a retirement or pension system subject to this title, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by Section 401(a)(9)(E) of the Internal Revenue Code. However, a nonspouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

5. Direct Rollover

A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

Rule on Required Distributions

1. General Rule

Notwithstanding any other provision to the contrary, and pursuant to 40 ILCS 5/1-116.1, distributions from IMRF shall conform with a good faith interpretation of Code Section 401(a)(9) and the regulations under that section as applicable to a governmental plan within the meaning of Code Section 414(d).

2. Minimum Required Distributions

Effective on and after January 1, 2020, IMRF shall be subject to the following provisions:

- a. Benefits must begin by the required beginning date, which is the later of April 1 of the calendar year following the calendar year in which the plan member reaches 70½ years of age (age 72 for distributions required to be made after December 31, 2019, with respect to plan members who obtain age 70½ after December 31, 2019) or April 1 of the calendar year following the calendar year in which the plan member terminates employment. If a plan member fails to apply for retirement

- benefits by April 1 of the calendar year following the calendar year in which he or she reaches 70½ years of age (age 72 for distributions required to be made after December 31, 2019, with respect to plan members who obtain age 70½ after December 31, 2019) or April 1 of the calendar year following the calendar year in which he or she terminates employment, whichever is later, the plan will begin distributing the benefit as required by this section.
- b. The plan member's entire interest must be distributed over the plan member's life or the lives of the plan member and a designated beneficiary, or over a period not extending beyond the life expectancy of the plan member or of the plan member and a designated beneficiary. Death benefits must be distributed in accordance with Section 401(a)(9) of the Internal Revenue Code, including the incidental death benefit requirement in Section 401(a)(9)(G) of the Internal Revenue Code, and the regulations implementing that section.
 - c. If a plan member dies after the required distribution of benefits has begun, the remaining portion of the plan member's interest must be distributed at least as rapidly as under the method of distribution before the plan member's death and no longer than the remaining period over which distributions commenced.
 - d. If a plan member dies before required distribution of the plan member's benefits has begun, the plan member's entire interest must be distributed in accordance with the following rules:
 - i. If the member's surviving spouse is the sole designated beneficiary, the member's remaining interest in the plan is distributed or begins to be distributed by December 31 of the calendar year immediately following the calendar year in which the member died or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later, (or age 72 for distributions required to be made after December 31, 2019, with respect to participants who would have attained age 70½ after December 31, 2019) and if the surviving spouse dies before the distribution to the surviving spouse begins, this section shall be applied as if the surviving spouse were the plan member; or
 - ii. If the member's surviving spouse is not the sole designated beneficiary, the member's remaining interest must either be distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the calendar year immediately following the calendar year of the plan member's death, or distributed by December 31 of the calendar year containing the fifth anniversary of the plan member's death.

3. Incidental Benefit Rule

- a. The amount of an annuity paid to a plan member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.
- b. The death and disability benefits provided by a plan are limited by the incidental benefit rule set forth in Section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto.

Rule on 415 Limitations

1. Basic 415 Limitations

Notwithstanding any other provisions to the contrary, and pursuant to 40 ILCS 5/1-116, the Member contributions made to, and retirement benefits paid from, IMRF shall be limited to such extent as may be necessary to conform to the requirements of Section 415 of the Internal Revenue Code of 1986, as now or hereafter amended ("Code"), for a qualified pension plan.

2. Limitation Year

For purposes of Code Section 415, the limitation year is the calendar year.

3. Participation in Other Qualified Plans: Aggregation of Limits

- a. The 415(b) limit with respect to any Member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the Member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the Member has been a member were payable from one (1) plan.
- b. The 415(c) limit with respect to any Member who at any time has been a member in any other defined contribution plan as defined in Code Section 414(i) maintained by the Member's employer in this plan shall apply as if the total annual additions under all such defined contribution plans in which the Member has been a member were payable from one (1) plan.

4. Basic 415(b) Limitation

Before January 1, 1995, a Member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a Member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this section. In no event shall a Member's annual benefit payable in any limitation year from IMRF be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

5. Definition of Annual Benefit

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n)) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

6. Adjustments to Basic 415(b) Limitation for Form of Benefit

If the benefit under the plan is other than the form specified in 5, then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

- a. If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation § 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:
- b. For a benefit paid in a form to which Code Section 417(e)(3) does not apply [a monthly benefit], the actuarially equivalent straight life

annuity benefit that is the greater of (or the reduced 415(b) limit applicable at the annuity starting date which is the "lesser of" when adjusted in accordance with the following assumptions):

- i. The annual amount of the straight life annuity (if any) payable to the Member under the plan commencing at the same annuity starting date as the form of benefit to the Member, or
 - ii. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the Member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and the applicable mortality tables described in Treasury Regulation § 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62); or
- c. For a benefit paid in a form to which Code Section 417(e)(3) applies [a lump sum benefit], the actuarially equivalent straight life annuity benefit that is the greatest of (or the reduced 415(b) limit applicable at the annuity starting date which is the "least of" when adjusted in accordance with the following assumptions):
- i. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;
 - ii. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and the applicable mortality table for the distribution under Treasury Regulation § 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62); or
 - iii. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation § 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate the in effect for the first day of the plan year with a one-year stabilization period)) and the applicable mortality rate for the distribution under Treasury Regulation § 1.417(e)-1(d)(2) (the morality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), divided by 1.05.

7. Benefits Not Taken into Account for 415(b) Limit

For purposes of this section, the following benefits shall not be taken into account in applying these limits:

- a. Any ancillary benefit which is not directly related to retirement income benefits;
- b. That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;
- c. Any other benefit not required under Code Section 415(b)(2) and Treasury Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1).

8. Other Adjustments in 415(b) Limitation

- a. In the event the Member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b), so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar (\$160,000) (as adjusted) annual benefit beginning at age sixty-two (62).
- b. In the event the Member's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, the adjustments provided for in (a) above shall not apply.
- c. The reductions provided for in (a) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

9. Less than Ten (10) Years of Service Adjustment for 415(b) Limitations

The maximum retirement benefits payable to any Member who has completed less than ten (10) years of service shall be the amount determined under subsection 1 multiplied by a fraction, the numerator of which is the number of the Member's years of service and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10%. The reduction provided by this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

10. Ten Thousand Dollar (\$10,000) Limit

Notwithstanding the foregoing, the retirement benefit payable with respect to a Member shall be deemed not to exceed the 415 limit if the benefits payable, with respect to such Member under the plan and under all other qualified defined benefit pension plans to which the Member's employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the employer has not any time maintained a qualified defined contribution plan in which the Member participated.

11. Effect of COLA without a Lump Sum Component on 415(b) Testing

Effective on and after January 1, 2003, for purposes of applying the 415(b) limit to a Member with no lump sum benefit, the following will apply:

- a. a Member's applicable 415(b) limit will be applied to the Member's annual benefit in the Member's first limitation year without regard to any automatic cost of living adjustments;
- b. to the extent that the Member's annual benefit equals or exceeds the Limit, the Member will no longer be eligible for cost of living increases until such time as the benefit plus the accumulated increases are less than the 415(b) limit;
- c. thereafter, in any subsequent limitation year, a Member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable 415(b) limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the Treasury Regulations thereunder.

12. Effect of COLA with a Lump Sum Component on 415(b) Testing

On and after January 1, 2009, with respect to a Member who receives a portion of the Member's annual benefit in a lump sum, a Member's applicable

Limit will be applied taking into consideration cost of living increases as required by Code Section 415(b) and applicable Treasury Regulations.

13. 415(c) Limit

After-tax member contributions or other annual additions with respect to a Member may not exceed the lesser of \$40,000 (as adjusted pursuant to Code Section 415(d)) or 100% of the Member's compensation.

- a. Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a Member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.
- b. For purposes of applying the 415(c) limits only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation § 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under Code Section 414(h) shall not be treated as compensation.
- c. Unless another definition of compensation that is permitted by Treasury Regulation § 1.415(c)-2, or successor regulation, is specified by the plan, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)).
 - i. However, for limitation years beginning on and after January 1, 1998, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Section 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning on and after January 1, 2001, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).
 - ii. For limitation years beginning on and after January 1, 2009, compensation for the limitation year will also include compensation paid by the later of 21½ months after an employee's severance from employment or the end of the limitation year that includes the date of the employee's severance from employment if:
 - A. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or
 - B. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

- iii. Back pay, within the meaning of Treasury Regulation § 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

14. Service Purchases under Section 415(n)

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a Member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of Code Section 415(n) will be treated as met only if:

- a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or
- b. the requirements of Code Section 415(b) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).
- c. For purposes of applying this section, the plan will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph and will not fail to meet the percentage limitation under Code Section 415(c)(1)(B) solely by reason of this section.
- d. For purposes of this section the term "permissive service credit" means service credit—
 - i. recognized by the plan for purposes of calculating a Member's benefit under the plan,
 - ii. which such Member has not received under the plan, and
 - iii. which such Member may receive only by making a voluntary additional contribution, in an amount determined under the plan, which does not exceed the amount necessary to fund the benefit attributable to such service credit.
 - iv. Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may include service credit for periods for which there is no performance of service, and, notwithstanding clause (B), may include service credited in order to provide an increased benefit for service credit which a Member is receiving under the plan.
- e. The plan will fail to meet the requirements of this section if—
 - i. more than five years of nonqualified service credit are taken into account for purposes of this subparagraph or
 - ii. any nonqualified service credit is taken into account under this paragraph before the Member has at least five years of participation under the plan.
- f. For purposes of paragraph (e), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to
 - i. service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment described in Code Section 415(k)(3)),
 - ii. service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (A)) of an education organization described in Code Section 170(b)(1)(A)(ii) which is a public, private, or

- sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,
- iii. service as an employee of an association of employees who are described in clause (i), or
 - iv. military service (other than qualified military service under section 414(u)) recognized by the plan.
- g. In the case of service described in clause (i), (ii), or (iii), such service will be nonqualified service if recognition of such service would cause a Member to receive a retirement benefit for the same service under more than one plan.
 - h. In the case of a trustee-to-trustee transfer after December 31, 2001, to which Code Section 403(b)(13)(A) or Code Section 457(e)(17)(A) applies (without regard to whether the transfer is made between plans maintained by the same employer)-
 - i. the limitations of paragraph (e) will not apply in determining whether the transfer is for the purchase of permissive service credit, and
 - ii. the distribution rules applicable under federal law to the plan will apply to such amounts and any benefits attributable to such amounts.
 - i. For an eligible participant, the limitation of Code Section 415(c)(1) shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of the plan as in effect on August 5, 1997. For purposes of this paragraph, an eligible participant is an individual who first became a participant in the plan before January 1, 1998.

15. Modification of Contributions for 415(c) and 415(n) Purposes

Notwithstanding any other provision of law to the contrary, the plan may modify a request by a Member to make a contribution under this rule if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

- a. If the law requires a lump sum payment for the purchase of service credit, the plan may establish a periodic payment plan for the Member to avoid a contribution in excess of the limits under Code Section 415(c) or 415(n).
- b. If payment pursuant to subparagraph (a) will not avoid a contribution in excess of the limits imposed by Code Section 415(c) or 415(n), the plan may either reduce the Member's contribution to an amount within the limits of those sections or refuse the Member's contribution.

16. Repayments of Cashouts

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under the plan shall not be taken into account for purposes of Code Section 415, in accordance with applicable Treasury Regulations.

17. Reduction of Benefits Priority

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the Member's defined benefit component under any defined benefit plans in which the Member participated, such reduction to be made first with respect to the plan in which the Member most recently accrued benefits and thereafter in such priority as shall be

determined by the plan and the plan administrator of such other plans; and next, by reducing the Member's defined contribution component benefit under any defined benefit plans; and next by reducing or allocating excess forfeitures for defined contribution plans in which the Member participated, such reduction to be made first with respect to the plan in which the Member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such Member.

General Counsel stated that IMRF's current procedures for non-disability appeals are provided for in Board Resolution 2019- 02-11(c). Staff recommends the Board adopt the proposed resolution which supersedes Board Resolution 2019-02-11(c), and corrects and clarifies the current procedures.

Non-Disability Appeal Procedures (including non-medical disability claims)

I. Administrative Staff Determination

1. Staff Determination The IMRF administrative staff is responsible for the daily claims- processing function of the Fund, including processing of all claims for benefits or service credit or any other claims against or relating to the Fund.
2. Benefit Oversight Committee The purpose of the Committee is to review all requests for hearing on non-disability claims before the Benefit Review Committee or the Administrative Hearing Officer. The Committee shall determine whether such hearing requests are appropriate and ready for a hearing before the Benefit Review Committee or the Administrative Hearing Officer. The Committee shall be composed of the Executive Director, the Customer Service Director, the General Counsel, the Disability Manager, and the Benefits Manager.

II. Hearing

1. Petition Any person or employer adversely affected by an administrative staff determination not involving a disability claim (medical) may petition for a hearing. The petition must be in writing but may be in any format and need merely inform the Fund of the petitioner's desire for a hearing.

The petition should be directed to the Associate General Counsel in the IMRF Oak Brook office and must be received by IMRF no later than sixty-three (63) days after the date of the administrative staff determination letter. Failure to timely file an appeal petition shall result in the administrative staff determination becoming a final administrative decision, for purposes of the Administrative Review Law, on the sixty-fourth (64th) day after the date of the staff determination letter.

2. Acknowledgment of Petition; Statement of Claim Upon the filing of a petition for a hearing, the Associate General Counsel shall send an acknowledgment of the petition informing the claimant that he/she is

required to file a Statement of Claim within ninety-one (91) days of the date of the appeal acknowledgement letter. On any acknowledgement of a petition by an appealing party, the Associate General Counsel shall copy any other interested party who may be impacted by the appeal. The Statement of Claim shall include:

- o the petitioner's name, MID or employer number, and address
- o the name and address of the petitioner's authorized representative, if any, a statement of the facts forming the basis for the appeal, which may include any new or additional evidence
- o any documents or other materials the petitioner wishes to be considered in conjunction with the appeal
- o an explanation of the relief sought

The Statement of Claim shall be limited to 20 pages, excluding exhibits. If typewritten, the pages must be 8-1/2" x 11", paginated, one-sided with 12-point font, double-spaced text. Exhibits shall be marked in a manner to allow electronic scanning. The petitioner shall file at least one unbound copy of the Statement of Claim with the Associate General Counsel. The Statement of Claim may be filed electronically with the Associate General Counsel.

In the event that a petitioner fails to submit a Statement of Claim, for matters heard by the Administrative Hearing Officer, consideration of the appeal will be based solely upon the written materials that are already in the IMRF file on the due date for the Statement of Claim, and will be decided without hearing. For matters heard by the Benefit Review Committee, the appeal will be considered at the first available hearing date occurring after the expiration of ninety-one (91) days from the date of the appeal acknowledgement letter.

If an interested party who is impacted by the staff determination wishes to file their own Statement of Claim following the acknowledgement of appeal, the interested party's Statement of Claim is subject to the same requirements as a Statement of Claim filed by the petitioner, including that it must be filed with the Associate General Counsel within ninety-one (91) days of the date of the appeal acknowledgement letter, unless the petitioner's Statement of Claim has been received and the Associate General Counsel schedules the appeal for hearing.

3. Presiding Authority An Administrative Hearing Officer will hear appeals of staff decisions except for those decisions which are heard by the Board of Trustees Benefit Review Committee as described in this section below. The hearing officer will be an independent attorney licensed to practice law in Illinois, designated by the Board of Trustees.

The Board of Trustees Benefit Review Committee will hear appeals of staff decisions regarding the following:

- o Benefit calculation errors and resulting benefit recoupment
- o Annuitant return to work issues (non-ERI related)

4. Scheduling of Hearing Upon receipt of the petitioner's Statement of Claim, the claim shall be assigned to a hearing date within a reasonable time as determined by the Associate General Counsel. However, if the Statement of Claim reveals that the appeal only concerns legal, as opposed to factual issues, or if no Statement of Claim is filed and it appears from the staff determination that the appeal only concerns legal, as opposed to factual issues, a formal hearing will not be held, and the Benefit Review Committee or Administrative Hearing Officer, as appropriate, will decide the appeal based solely upon the written record.
5. Notification Upon scheduling of a hearing, a petitioner shall be provided with written notice of the date and place of the hearing and the subject matter of the hearing. The petitioner or his/her representative will be provided with all documentation and other materials to be presented at the hearing by the administrative staff. Whenever practicable, the notice and the documentation will be provided to the petitioner electronically. An interested party, who was provided notice of the appeal, will also be notified of the date and place of the hearing and its subject matter.
6. Continuances and Extensions of Time Continuances of the hearing date and other extensions of time may be granted to the petitioner upon request, if received more than 14 days before the scheduled hearing date.

An appeal will normally be considered at the first available hearing date after the receipt of the petitioner's Statement of Claim, however the Associate General Counsel may reasonably postpone the scheduling of a hearing at his or her discretion.

Absent extraordinary circumstances, no more than one continuance or extension shall be granted.

7. Late Submissions Any documents or other materials that are submitted in addition to a Statement of Claim must be received by IMRF no later than twenty (20) days prior to the scheduled hearing date. In the event that the Associate General Counsel schedules a hearing prior to the ninety-one (91) day deadline for any interested party to submit a Statement of Claim, the interested party must submit any documents it wishes to be considered no later than twenty (20) days prior to the scheduled hearing date. Any additional materials received less than twenty (20) days before the hearing date will be considered a late submission. Whenever a petitioner makes a late submission, the petitioner will be offered the following alternatives:
 - o The petitioner can proceed with the hearing as scheduled; however, the late submission will only be considered at the discretion of the Administrative Hearing Officer or the Benefit Review Committee.
 - o The petitioner can request, and receive, a postponement of the hearing until the earliest available future date in order to allow for consideration of the late submission.

If a hearing is postponed in order to allow for consideration of the late submission, any additional materials submitted within twenty (20) days of the re-scheduled hearing date will only be considered at

the discretion of the Administrative Hearing Officer or the Benefit Review Committee.

8. Failure to Appear In the event that a petitioner fails to appear on the scheduled hearing date, the consideration of the appeal will be based solely upon the written materials that are already in the IMRF file. At the request of the Administrative Hearing Officer or the Benefit Review Committee, the Associate General Counsel may present a case on behalf of the IMRF administrative staff position.
9. Representation The petitioner may be represented by counsel or a designated spokesperson at the hearing. The Associate General Counsel or his/her designated representative shall present the IMRF administrative staff position.

10. Conduct of the Hearing

- a. Appearance The petitioner is not required to personally appear at the hearing and may be represented solely by the Statement of Claim on file. In the alternative, at the petitioner's discretion, the petitioner or his/her representative may appear in person or the hearing may be conducted via telephone or video conference. An interested party, or their designated representative, may also appear at the hearing.
- b. Procedures The Chairman of the Benefit Review Committee or the Administrative Hearing Officer shall conduct a full and fair hearing; maintain order and make a sufficient record for a full and true disclosure of the facts and issues. The hearing shall be informal and the rules of evidence shall not apply. The petitioner shall be limited to no more than 30 minutes to present their appeal. An interested party who has submitted a Statement of Claim may present their appeal subject to the 30 minute time limit only if the interested party has set forth a basis of appeal in its Statement of Claim that is different from that of the petitioner, as determined by the Administrative Hearing Officer or Benefit Review Committee.

The Benefit Review Committee or the Administrative Hearing Officer shall be provided with a copy of the Statement of Claim, a statement of the position of the administrative staff, which shall include the administrative staff determination, and such other documentation as is available.

Members of the Benefit Review Committee or the Administrative Hearing Officer may ask questions necessary for better understanding of the facts or law.

The Benefit Review Committee or the Administrative Hearing Officer may determine that additional information or further investigation is required before a decision can be made. If so, the hearing shall be continued and the staff directed as necessary.

Hearings before the Benefit Review Committee shall be open to the public, unless the chair, for good cause shown and pursuant to the applicable provisions of the Open Meetings Act, shall determine

otherwise. A quorum of the Committee is needed for all of its hearings.

At the discretion of the Administrative Hearing Officer or the Benefit Review Committee, a pre-hearing meeting may be held to discuss and resolve procedural issues related to the participation of multiple parties at the hearing.

- c. Record of Proceedings A record of proceedings shall be kept which shall be in the form of a non-verbatim summary report. The petitioner or other interested party may obtain a verbatim record of the hearing by arranging for a court reporter. The petitioner or other interested party is responsible for paying the actual costs entailed. The Associate General Counsel shall be the custodian of the documents and the record of proceedings.
- d. Determination (Benefit Review Committee) Upon conclusion of all evidence and arguments, the Benefit Review Committee shall deliberate and make its decision as to the disposition of the claim. The vote of at least a majority of the committee shall be required for any decision of the Benefit Review Committee. The Benefit Review Committee shall render one of the following recommendations to the full Board of Trustees:
- Affirmance of the administrative staff determination
 - Reversal of the administrative staff determination
 - Request the development of an alternative resolution
 - In the case of deadlock, continuation of the claim for consideration by the full Board of Trustees.
- When the Benefit Review Committee acts as hearing officer, the recommendation of the Benefit Review Committee will be reviewed by the full Board of Trustees.
- e. Determination (Administrative Hearing Officer) Upon conclusion of all evidence and arguments, the Administrative Hearing Officer shall prepare written findings of fact and conclusions of law to support a recommendation to the Board of Trustees. That recommendation shall be:
- Affirmance of the administrative staff determination
 - Reversal of the administrative staff determination
 - Request the development of an alternative resolution

III. Board of Trustees Benefit Review Committee

1. Recommendation of the Board of Trustees Benefit Review Committee When the Board of Trustees Benefit Review Committee does not act as hearing officer, the Committee will consider the recommendation of the Administrative Hearing Officer. The Benefit Review Committee shall review the recommendation of the Administrative Hearing Officer, and may, at the discretion of the Committee, question the Administrative Hearing Officer about his or her recommendation. The Benefit Review Committee shall then render one of the following recommendations to the full Board of Trustees:
- o Affirmance of the administrative staff determination
 - o Reversal of the administrative staff determination
 - o Request the development of an alternative resolution.

Meetings of the Benefit Review Committee shall be open to the public, unless the chair, for good cause shown and pursuant to the applicable provisions of the Open Meetings Act, shall determine otherwise. A quorum of the Committee is needed in order to make a recommendation to the full Board of Trustees.

IV. Final Administrative Decision

1. Decision of the Full Board of Trustees The full Board of Trustees will consider the recommendation of the Benefit Review Committee in making the decision for the Fund as to the disposition of the appeal. At least five (5) affirmative votes shall be required for any decision of the Board of Trustees. The Board of Trustees shall render one of the following decisions:
 - o Affirmance of the administrative staff determination
 - o Reversal of the administrative staff determination
 - o Request the development of an alternative resolution.The Board of Trustees will normally consider an appeal at the first available meeting following receipt of the recommendation or, if the appeal only concerns legal, as opposed to factual issues, after expiration of the aforementioned ninety-one (91) day period.
2. Final Administrative Decision A decision of the Board of Trustees either affirming or reversing the determination of the administrative staff shall be a final administrative decision for purposes of review under the Illinois Administrative Review Act (735 ILCS 5/3-101 et seq.). Remand of the proceedings to the Administrative Hearing Officer by the Board of Trustees shall not be considered a final decision, nor shall requesting the development of an alternative resolution be considered a final decision.
3. Remand In the case of a remand of the proceedings to the Administrative Hearing Officer or the Benefit Review Committee, the Administrative Hearing Officer or the Benefit Review Committee shall present the requested information to the full Board of Trustees at the next regularly scheduled meeting, and the Board of Trustees shall make its final administrative decision.
4. Notice of Decision IMRF Staff shall send written notice of the decision of the Board of Trustees to the petitioner and, if applicable, the petitioner's representative. In any case where an interested party is impacted by the decision, IMRF Staff shall also send written notice of the decision of the Board of Trustees to that interested party and its representative.

General Counsel reported that IMRF's current procedures for disability appeals are provided for in Board Resolution 2015-035- 01(b). Staff recommends a minor corrections and an amendment to the deadline to submit documents for consideration. The proposed resolution would supersede Board Resolution 2015- 035-01(b).

Appeal Procedures (Disability-Medical)

I. Administrative Staff Determination

1. Staff Determination The IMRF Administrative staff is responsible for the daily claims-processing function of the Fund, including processing of all claims for disability benefits.

II. Hearing

1. Petition Any person adversely affected by the disposition of a disability claim by the administrative staff may petition for a hearing before the Board of Trustees Benefit Review Committee. The petition must be in writing on a Form 5.70 "Request For A Hearing". A copy of this form is sent to the member at the time staff denies or terminates disability benefits. The completed 5.70 form should be returned to the Disability Manager in the IMRF Oak Brook office and must be received by IMRF no later than sixty-three (63) days after the date of the staff disposition letter. Failure to timely file a 5.70 form shall result in the staff disposition becoming a final administrative decision, for purposes of the Administrative Review Law, on the sixty-fourth (64th) day after the date of the staff disposition letter.
2. Acknowledgment of a Request for a Hearing Upon the filing of the Request For A Hearing, the Disability Manager shall send an acknowledgment of the Request.
3. Scheduling of Hearing Upon receipt of the Request For Hearing, the Disability Manager will schedule the hearing as follows:
 - o If the Hearing Request indicates that additional medical information WILL NOT be submitted for consideration, the hearing will be scheduled for the next available meeting of the Board of Trustees Benefit Review Committee.
 - o If the Hearing Request indicates that additional medical information WILL be submitted for consideration, the hearing will be scheduled for the next available meeting of the Board of Trustees Benefit Review Committee following the review of the additional medical information.

Additionally, if the appeal only concerns legal, as opposed to factual issues, or if the "Statement of Claim" portion of the 5.70 form is not completed and it appears from the staff determination that the appeal only concerns legal, as opposed to factual issues, a formal hearing before the Benefit Review Committee will not be held, and the Board of Trustees will decide the appeal via Board Schedule H.

4. Notification Upon scheduling of a hearing before the Benefit Review Committee, a petitioner shall be provided with written notice of the date, time and place of the hearing. Due to the volume of medical records, the petitioner will not routinely be provided with all of the documentation and other materials to be presented to the Benefit Review Committee by the administrative staff. However, copies of any or all of those materials will be provided to the petitioner or his/her representative upon request.
5. Continuances and Extensions of Time. Continuances of the hearing date and other extensions of time may be granted to the petitioner upon request. The Benefit Review Committee will normally consider an appeal at the first available meeting after the receipt of the petitioner's medical information. If the petitioner does not submit additional medical

information within ninety-one (91) days from the date of receipt, by IMRF, of the Request For A Hearing Form 5.70, the Benefit Review Committee will consider the appeal at the first available meeting after the expiration of the foregoing ninety-one (91) day period. Additional medical information or other materials must be received by IMRF no later than twenty (20) days prior to the scheduled hearing date. All additional materials received less than twenty (20) days before the hearing date will be considered a "late submission". Whenever a claimant makes a late submission, the Benefit Review Committee will offer the member the following alternatives:

1. The member can proceed with the hearing as scheduled; however, the Benefit Review Committee WILL NOT consider the late submission; or
2. The member can request, and receive, a postponement of the hearing until the earliest available future date in order to allow for consideration of the late submission.

If a hearing is postponed in order to allow for consideration of the late submission, any additional materials submitted within twenty (20) days of the re-scheduled hearing date WILL NOT be considered by the Benefit Review Committee or by the full Board of Trustees.

In the event that a petitioner fails to appear on the scheduled hearing date, the Benefit Review Committee's consideration of the appeal will be based solely upon the written materials that are already in the IMRF file and no hearing will be held.

6. Representation The petitioner may be represented by counsel or a designated spokesperson at the hearing. The Disability Manager or his/her designated representative shall present the IMRF administrative staff position.
7. Conduct of the Hearing
 - a. Appearance The petitioner is not required to personally appear at the hearing and may be represented solely by the medical records and related documentation on file with IMRF. In the alternative, at the petitioner's discretion, the petitioner or his representative may appear in person, or the hearing may be conducted via telephone or video conference.
 - b. Procedures The Chairman of the Benefit Review Committee shall conduct a full and fair hearing, maintain order and make a sufficient record for a full and true disclosure of the facts and issues. Three members of the Benefit Review Committee shall constitute a quorum and a quorum is needed for all hearings. The hearing shall be informal and the rules of evidence shall not apply. Any part of the evidence may be received in written form. The Committee shall be provided with a copy of the Statement of Claim, a statement of the position of the administrative staff, which shall include the administrative staff determination, and such other documentation (medical records, etc.) as is available. Members of the Benefit Review Committee may ask questions necessary for better understanding of the facts or law. The hearing shall be open to the public unless the chair, for good cause shown and pursuant to the applicable

provisions of the Open Meetings Act, shall determine otherwise. An IMRF employer (participating municipality or participating instrumentality) may provide written materials to IMRF staff for incorporation into the packet submitted to the Benefit Review Committee and the full Board of Trustees. Such documents are subject to the 20-day rule as provide in Section II(5). An employer may also attend hearings of the Benefit Review Committee and meetings of the full Board of Trustees and can make audio recordings of said hearings and meetings. An employer also has standing to, in a separate proceeding, contest a rate increase that might be assessed due to a decision of the Benefit Review Committee and the full Board of Trustees. However, an employer normally does not have standing to actively participate in an individual's appeal of an administrative staff determination.

c. Record of Proceedings A record of proceedings shall be kept which shall be in the form of a non-verbatim summary report. The petitioner may obtain a verbatim record of the hearing taken by a court reporter by making a timely request and paying the actual cost entailed. The Disability Manager shall be the custodian of the documents and record of proceedings.

d. Determination Upon conclusion of all evidence and arguments, the Benefit Review Committee shall, in private deliberation, make its decision as to the disposition of the claim. The vote of at least a majority of a quorum shall be required for any decision of the Benefit Review Committee. The Benefit Review Committee shall render one of the following decisions: affirmance of the administrative staff determination; reversal of the administrative staff determination; remand of the proceedings to the administrative staff for further investigation; or, in the case of a deadlock, continuation of the claim for consideration by the full Board of Trustees.

The decision shall be in the form of a recommendation to the full Board of Trustees.

Where an appeal is to be decided via Schedule H, any one member of the Committee can request that the matter be removed from said Schedule and placed on a future Committee agenda for hearing and recommendation.

III. Final Administrative Decision

5. Decision of the Full Board of Trustees The full Board of Trustees will consider the recommendation of the Benefit Review Committee in making the decision for the Fund as to the disposition of the appeal. The Board will also decide appeals in which a formal hearing has not been held before the Benefit Review Committee. At least five (5) affirmative votes shall be required for any decision of the Board of Trustees. The Board of Trustees shall render one of the following decisions: affirmance of the administrative staff determination or reversal of the administrative staff determination. The Board of Trustees will normally consider an appeal following receipt of the Benefit Review Committee's recommendation, or if the appeal concerns legal, as opposed to factual issues, after the expiration of the aforementioned ninety-one (91) day period.

6. Final Administrative Decision A decision of the Board of Trustees either affirming or reversing the determination of the administrative staff shall be a final administrative decision for purposes of review under the Illinois Administrative Review Act (735 ILCS 5/3-101 et seq.)

7. Notice of Decision The Disability Manager shall send written notice of the decision of the Board of Trustees to the petitioner and, if applicable, the petitioner's representative.

It was moved by Ms. Copper, seconded by Ms. Henry, to approve the above Board Resolutions.

Vote: Unanimous Voice Vote
Absent: None

(20-02-11)(Chief Investment Officer Compensation) It was moved by Mr. Kuehne, seconded by Ms. Henry, to recommend a 4.75% increase for the Chief Investment Officer, effective January 1, 2020.

Vote: Unanimous Voice Vote
Absent: None

(20-02-12) (Legislative Update) The Legislative Liaison gave a report to the Board on current legislative activity.

She noted that the second half of the 101st General Assembly began on January 28th, and has been in session for three weeks since convening. The deadline for new bills to be introduced was February 14th in both chambers, although bills can always be amended to include new language.

The Legislative Liaison reported that Senate Bill 2533 (moves the Tier 2 language for the IMF regular plan from Article 1, the General Provisions article, into Article 7, the IMRF Article), passed out of the Senate Committee and is currently before the full Senate.

Next, the Legislative Liaison noted that Senate Bill 2795 (amends the SURS, IMRF and TRS Articles of the Pension Code to put in compliance with a recent change to the Internal Revenue Code), has also passed out of the Senate Committee and is now before the full Senate.

Discussion followed.

(20-02-13) (Litigation Update) The following is an update of the currently pending or recently concluded litigation:

The following is an update of the currently pending or recently concluded litigation:

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 sued investors who sold their Tribune stock at the time of the buyout by the Sam Zell

group. 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 was served in January of 2012 and shares defense counsel with a group of public pension funds. The stockholders' motion to dismiss the intentional fraudulent transfer claim was granted on January 6, 2017 and the claim against them was dismissed. Another portion of this claim against the stockholders was previously dismissed on motions and that decision was upheld on appeal. No claims are currently pending against the group of shareholders that IMRF is a part of, but there is a chance that some form of a claim could be revived. These chances recently became much slimmer as the Litigation Trustee's motion to amend the complaint to include a federal constructive fraudulent conveyance claim against the shareholders was denied and recently a motion to reconsider this was also denied by the Second Circuit. IMRF continues to monitor this litigation.

THOMAS SHEAHAN v. MEABF AND IMRF (COOK COUNTY 17 CH 14040)

Summary: This is a case in which the Plaintiff is attempting to reinstate creditable service with the MEABF as a result of the prior *Village of Oak Brook v. Sheahan* and *Sheahan v. IMRF* litigation. IMRF was added as a co-defendant. MEABF also filed a cross-claim against IMRF for payment of interest on the disputed funds.

Status: Plaintiff has filed a Third Amended Complaint. The parties agreed to proceed on cross- motions for summary judgment. The cross-motions for summary judgment are fully briefed and oral argument is set for March 10, 2020.

WILLIAMSON COUNTY v. IMRF (WILLIAMSON COUNTY 18 MR 215; ILLINOIS SUPREME COURT 125330)

Summary: This is administrative review of IMRF's final administrative decision to terminate the IMRF participation of the Williamson County Commissioners.

Status: The Circuit Court judge found that Public Act 99-900 is unconstitutional; and, therefore, reversed the IMRF administrative decision. IMRF staff has filed an appeal with the Illinois Supreme Court. The Illinois Supreme Court granted IMRF's motion for partial remand requiring the Circuit Court to clarify its finding of unconstitutionality. The Circuit Court amended its judgment, limiting its unconstitutional finding to the recertification requirement for county board members within 90-days of a general election. The parties have filed their respective opening briefs. IMRF's reply brief is due February 24, 2020 and oral argument is set for March 18, 2020.

JEFF BOYD v. IMRF (ROCK ISLAND COUNTY 18 MR 514)

Summary: This is administrative review of IMRF's final administrative decision to remove Plaintiff's service credit and salary related to his service as Sheriff.

Status: Plaintiff has filed an amended complaint and IMRF has filed its responsive pleading. Plaintiff previously filed a motion to supplement the record and a motion to continue the hearing. Both motions were denied. Since then, Plaintiff has filed a new motion seeking a default judgment against IMRF. Plaintiff's motion for default was denied. A briefing schedule has been entered on the substantive administrative review claim. Plaintiff's brief is due January 3, 2020; IMRF's response brief is due January 31, 2020; Plaintiff's reply brief is due February 14, 2020; and oral argument is set for February 28, 2020.

BRENDA HORTON v. IMRF (COOK COUNTY 18 CH 10774)

Summary: This is administrative review of IMRF's closure of Plaintiff's disability claim.

Status: IMRF's Motion to Dismiss the Amended Complaint was granted on December 6, 2019. Plaintiff has filed an appeal which is in its early stages with the First District Appellate Court, and the court has not yet set a briefing schedule.

RICHARD CHAPPELL v. IMRF, ET AL. (COOK COUNTY 18 CH 12400)

Summary: This is administrative review of IMRF's final administrative decision to remove omitted service credit from the Plaintiff based on the employer conducting its own audit and determining that the Plaintiff was not an employee during the months in question. Plaintiff has named both IMRF and his former employer, River Forest Township, as defendants in the lawsuit.

Status: The Circuit Court reversed the IMRF administrative decision. The Circuit Court found that IMRF does not have the authority to revisit its granting of omitted service credit more than 35 days after it initially granted the service. Staff believes that the Court misapplied the 35 day appeal deadline from the Administrative Review Law. An appeal has been filed with the First District Appellate Court. IMRF has filed its opening brief and is awaiting Plaintiff's response brief. Oral argument has not yet been set on this appeal.

GORDON v. IMRF (U.S. EEOC 440-2019-00509)

Summary: This is an EEOC charge of discrimination by a current employee.

Status: IMRF filed its position statement and is awaiting further direction from the EEOC.

**SUSAN MOYLEN-KREY v. IMRF and MAINE TOWNSHIP
(COOK COUNTY 2019 CH 439)**

Summary: This is administrative review of IMRF's final administrative decision to remove certain service credit from Plaintiff based on the governing board's failure to recertify the elected assessor position as an IMRF qualifying position. Plaintiff has named both IMRF and Maine Township, as defendants in the lawsuit.

Status: IMRF filed the administrative record and a briefing schedule has been entered. After setting an initial briefing schedule, Plaintiff's counsel and counsel for co-defendant have both sought extensions of time. Therefore, IMRF's and Maine Township's briefs are now due February 28, 2020; Plaintiff's reply brief is due March 13, 2020 and the court will set the matter for argument thereafter.

LYMORE v. IMRF (IDHR 2019 CF 2599)

Summary: This is a claim of wrongful termination before the Illinois Department of Human Rights filed by a former employee.

Status: IMRF filed its position statement and is awaiting further direction from the IDHR.

NAMEOKI TOWNSHIP v. IMRF (MADISON COUNTY 2019 MR 1345); RANDALL PRESSWOOD v. IMRF (MADISON COUNTY 2019 MR 1346); TAMMY HANFELDER v. IMRF (MADISON COUNTY 2019 MR 1347)

Summary: This is administrative review of IMRF's decision to deny claims for retroactive service by the Township Supervisor and Assessor of Nameoki Township. The denials were based on the Township's failure to recertify the eligibility of the elected positions during the 2017 recertification cycle.

Status: The three separate cases have been consolidated to a single proceeding. Plaintiffs' briefs are due February 26, 2020; IMRF's response brief is due April 11, 2020; Plaintiffs' reply briefs are due May 2, 2020; and the matter is set for oral argument on June 19, 2020.

HOUSTON v. IMRF (SANGAMON COUNTY 2019 MR 726)

Summary: Plaintiff is appealing the closure of her claim for temporary disability. She failed to submit the necessary documentation after multiple written requests. Pursuant to Board Resolution 2011-12-13, her claim for disability was closed.

Status: IMRF presented its motion to dismiss this case on November 18, 2019, and we are awaiting a ruling from the court.

THOMAS PENN V. IMRF (DUPAGE COUNTY 2019 MR 1395); THOMAS PENN v. COUNTY OF PEORIA, SCOTT SORREL, SHAUNA MUSSELMAN, and IMRF (DUPAGE COUNTY 2019 MR 1392); COUNTY OF PEORIA v. IMRF and THOMAS PENN (DUPAGE COUNTY 2019 MR 1398)

Summary: The former long-time public defender for Peoria County, Thomas Penn, and the County have been disputing for several years whether Penn was eligible for IMRF participation during his tenure as the public defender. After initially litigating in the Circuit Court for Peoria County, the parties were ordered to seek an administrative determination from IMRF. At its December meeting, the IMRF Board of Trustees adopted the hearing officer's recommended decision finding that Penn was an employer for IMRF purposes, worked the hourly standard for the years in question, but could not be granted omitted service credit without

certification from the employer's authorized agent.

Status: In total, three lawsuits were filed appealing IMRF's administrative decision. Penn filed a claim for administrative review arguing that IMRF does have the authority to grant omitted service credit without certification from the employer's authorized agent. Penn also filed a writ of mandamus asking the court to order the County's authorized agent to certify his omitted service applications. IMRF is named as a nominal party to the mandamus action. The County also filed a claim for administrative review challenging IMRF's conclusions regarding Penn's status as an employee and meeting the hourly standard. The two administrative review actions have been consolidated into a single action before Judge Fullerton, with the mandamus action also pending before him. The County's and Mr. Penn's opening briefs are due March 12, 2020; IMRF's consolidated response brief is due April 9, 2020; the County's and Mr. Penn's reply briefs are due April 23, 2020; and this matter is set for argument on June 4, 2020.

MAINE TOWNSHIP v. IMRF and SUSAN MOYLEN-KREY
(DUPAGE COUNTY 2020 CH 1)

Summary: In addition to the pending administrative review action filed by Maine Township Assessor Susan Moylen-Krey in Cook County, Maine Township has filed a declaratory judgment action in the Circuit Court for DuPage County challenging IMRF's authority to investigate and determine the eligibility for participation by elected officials. Maine Township currently has an administrative appeal pending with IMRF, but is asking the Court to stop the administrative appeal through this lawsuit.

Status: Staff filed a motion to dismiss the Township's complaint which is set for presentment on March 3, 2020.

COLLINSVILLE AREA RECREATION DISTRICT v. IMRF, et al.
(MADISON COUNTY 2018 MR 1093)

Summary: In the 2018 election, the voters approved a resolution to dissolve the Collinsville Area Recreation District ("CARD"). By law, it cannot legally dissolve until its debts are paid. It has ceased operating and accruing additional debt, but CARD has a substantial amount of debt unrelated to its IMRF liability. CARD brought this action seeking a declaration from the court as to how it should continue to exist and operate while it pays down its substantial debt. IMRF, along with nearly all of the surrounding municipal entities, were named as nominal parties in order to bring all potentially interested parties before the court.

Status: IMRF has filed an appearance and will participate in the litigation. Staff believes that it will be able to resolve CARD's IMRF liability separate from its other substantial debts.

STRUBLE v. IMRF (DUPAGE COUNTY 2019 MR 1393)

Summary: This is administrative review of IMRF's decision to deny total and permanent disability benefits to the member. The Board was not persuaded that the evidence rose to the level of total and permanent

disability under the Pension Code.

Status: IMRF filed the administrative record, and the court has set a briefing schedule on the complaint. The court is set to rule on August 3, 2020, after the conclusion of the briefing.

(20-02-14) (Strategic Plan Update) The Organizational Excellence Officer gave an overview to the Board of IMRF's 2017-2019 Strategic Plan that included a summary of accomplishments.

Next, the Organizational Excellence Officer reviewed the Action Plans for the 2020-2022 Strategic Plan. She noted that the 2020-2022 Strategic Plan has been designed to accommodate the large amount of organizational change occurring within the upcoming years, and that fewer Action Plans exist to ensure staff are able to support the needs of IMRF's Horizon Project implementation.

(20-02-15) (Report of the Executive Director) The Executive Director discussed the status of the Horizon Project and noted that the project was in a scheduled "re-assessment" stage that will be completed mid-year. This re-assessment will result in an adjustment of both the scope of the 1.0 and 1.1 system deliveries (not overall scope), as well as the timeline for implementation. Overall, the Horizon team remains excited and optimistic about the final Horizon project.

(20-02-16) (Trustee Comments) Trustee Miller recognized the passing of Daniel Pierce, President of the North Shore Water Reclamation District. Mr. Pierce leaves behind a legacy of community and public service accomplishments including 20 years in the Illinois State Legislature, 12 years as Mayor of Highland Park and 15 years as a Trustee for the North Shore Water Reclamation District. Trustee Miller stated that Mr. Pierce was a mentor and will be missed.

(20-02-17) (Executive Session) The Chair called for a motion to go into executive session to discuss executive compensation pursuant to Section 2 (c) 1 of the Open Meetings Act.

It was moved by Ms. Copper, seconded by Ms. Stanish, to go into executive session pursuant to Section 2 (c) 1 of the Open Meetings Act.

A roll call vote was taken.

Aye: Williams, Copper, Henry, Kuehne, Miller, Stanish, Stafford, Wallace
Nay: None
Absent: None

Upon return to open session, it was moved by Ms. Henry, seconded by Mr. Kuehne, to post a compensation increase according to law in the amount of 15.89% for the Executive Director.

Aye: Henry, Kuehne, Stanish, Stafford, Wallace
Nay: Williams, Copper, Miller
Absent: None

(20-02-18) (Adjournment) It was the moved by Ms. Copper, seconded by Ms. Stanish, to adjourn the Board Meeting at 11:20 a.m., to reconvene in the Fund offices, 2211 York Road, Suite 400, Oak Brook, Illinois, at 9:00 a.m. on March 20, 2020.

Vote: Unanimous Voice Vote
Absent: None

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.