

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 20-08
AUGUST 28, 2020

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 20-08

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held electronically via GoToMeeting at 9:00 a.m. on August 28, 2020.(Per Executive Order 2020-44 and 5-ILCS 120/7(e). The Public was able to participate telephonically by dialing: 1-786-535-3211. Access Code: 933-866-037.

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

Ms. Enright took a roll call:

Present: Henry, Kuehne, Miller, Stanish, Stafford, Williams*,Copper
Absent: Wallace

*Trustee Williams was present telephonically.

Ms. Dean and Mr. Kazemi from Wilshire Associates, and Ms. Mangat from CEM Benchmarking were also present electronically via GoToMeeting. Members from the Public were present telephonically.

(20-08-02) (2nd Quarter 2020 Investment Performance Report - Wilshire Associates) Ms. Dean and Mr. Kazemi from Wilshire Associates presented a report on IMRF's investment performance during the 2nd quarter of 2020.

Ms. Dean and Mr. Kazemi presented the following 2nd Quarter 2020 performance highlights as of June 30, 2020:

- IMRF ended June 2020 with a market value of \$43.1 billion, up for the quarter by approximately \$4.6 billion.
- For the quarter, IMRF outperformed its benchmark +12.61% (Net of Fees) versus +11.65%. The Fund's 2nd Quarter return ranks at the 17th percentile relative to peers, and remains near or above the top quartile over longer time horizons.
 - The Fund's 10-year return of 8.83% (Net of Fees) ranks at the 21st percentile relative to peers.
- Domestic Equity composite (+24.00%, Net of Fees) outperformed the Russell 3000 benchmark (+22.03%)for the quarter, and ranked in the top quartile (19th percentile) during the 2nd Quarter.
- International Equity composite (+17.09%, Net of Fees) outperformed the MSCI ACWI ex-US benchmark (+16.12%), and ranked just below the median (62% percentile) during the 2nd Quarter.
- Fixed Income composite return (+4.72%, Net of Fees) benefited from a strong credit environment during the quarter and outperformed the Bloomberg Barclays US Aggregate Index benchmark (+2.90%) and ranked around median (58th percentile) during the quarter.

- The asset class allocations are within the rebalancing range of +/-4%.

(20-08-02) (Investment Manager Activities - Wilshire Associates) Ms. Dean and Mr. Kazemi from Wilshire Associates presented a report on IMRF's Performance for the month of July.

Messrs. Born and Kazemi presented the following monthly performance highlights as of April 30, 2020:

- The market value of IMRF ended July 2020 with a market value of \$44.3 billion, up for the month by approximately \$1.2 billion. IMRF returned +3.61% for the month of July, outperforming the Total Fund Benchmark of +3.37%.
- The U.S. Equity Portfolio underperformed the benchmark for the month of July returning +5.28% versus +5.68%.
- The Public Real Assets Portfolio outperformed its benchmark for the month of July returning +3.25% versus +2.46%.
- The International Equity Portfolio outpaced the return of the benchmark for the month of July, +4.79% versus +4.46%.
- The Fixed Income Portfolio outperformed its benchmark during the month of July, +1.89% versus +1.49%.

The Chief Investment Officer reported that the fund value as of August 26, 2020 was \$45.9 billion. She further reported that as of August 26, 2020, our Domestic Equity portfolio was up 6.51% versus the benchmark of 6.40%; International Equity portfolio was up 4.99% versus the benchmark of 5.05%, and our Fixed Income portfolio was down -0.66% versus the benchmark of -0.79%. As of August 26, 2020, the Total Fund was up 4.81%.

Questions and discussion followed.

(20-08-03) (2020 Annual Economic Opportunity Investment Report) The Chief Investment Officer presented the 2020 Annual Illinois Economic Opportunity Investment Report. She reported under Public Act 96-0753, this report must be submitted to the Governor and General Assembly annually by September 1st.

It was moved by Ms. Stanish, seconded by Mr. Kuehne, to approve submission of the 2020 Annual Economic Opportunity Investment Report.

Roll Call Vote:

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

(20-08-04) (Pension Administration Benchmarking Presentation) Ms. Mangat, Vice President of CEM Benchmarking, Inc. (CEM) along with Ms. Goerdt, IMRF's Organizational Excellence Officer, presented highlights of IMRF's benefit administration benchmarking results for the fiscal year 2019.

Ms. Goerdt noted that participating in this benchmarking analysis not only provides important benchmarking metrics, but helps IMRF identify customer service activities offering improvement possibilities. This is consistent with IMRF's ongoing *Journey of Excellence* initiatives, and with IMRF's approach to continuous process improvement.

As a result of analyzing CEM reports, IMRF has implemented numerous service improvements over the years.

Ms. Mangat presented the following key highlights from the 2019 CEM Report:

- IMRF's total service score increased from 87 to 89 between 2012 and 2019.
- IMRF is in the top decile of the CEM universe.
- IMRF's total pension administration cost of \$93 per active member and annuitant was \$29 below the peer average of \$122, primarily because of the overall lower support cost per member, but specifically for IT strategy, database & applications, major projects, legal and other support services.

Ms. Goerdt stated that IMRF is operating at the top decile for service while staying at the median for costs. This is aligned with our strategic objective to provide the highest quality service levels to our members and employers at a median cost. Our excellent CEM results compared to our peers was called out as a strength in our 2019 Baldrige Award winning Feedback Report.

The presentation was followed by discussion.

(20-08-05) (Consent Agenda) The Chair presented an agenda consisting of a Consent Agenda. The following items remained on the Consent Agenda since no Board member asked for their removal.

Approval of Minutes

Regular Meeting 20-05-29
Special Board Meeting 20-06S-05
Special Board Meeting 20-07S-30

Schedules - Dated June, 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 F - Benefits Terminated.

Schedule G - Administrative Benefit Denials.

Schedule R - Prior Service - New Governmental Units

Schedules - Dated July, 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.
- Schedule R - Prior Service - New Governmental Units

Schedules - Dated August, 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.

Bids

Avaya Telephony System Enhancements & Horizon Integration-Change Order 3.0
Approved Bidder: Altura
Change Order 3.0: \$80,589.55 increase to ceiling (\$968,456.78 new ceiling amount)

Sitecore Support Services
Approved Bidder: Inflection Point Systems, Inc.
Approved Bid: \$48,000.00.

Microsoft Software Assurance 2019 - Addendum 1
Approved Ceiling Increase: \$359,206.88.

Mainframe Support - Time & Material
Approved Bidder: Glasshouse Systems, Inc.
Approved Bid: \$26,500.00 (Not To Exceed \$33,500.00)

Contract Management (Effacts) Software - 3 Year Renewal
Approved Bidder: Wolter Kluwer
Approved Bid: \$25,623.56.

Disaster Recovery Backup Storage
Approved Bidder: Dell Technologies
Approved Bid: \$76,797.64.

Sale of IMRF Vehicles
Staff Recommendation: To Declare One Chevy Impala and Three Ford Escapes Surplus,
and Authorize Staff to Sell the Vehicles to CarMax.

Nimble Storage Expansion Shelf - Oak Brook
Approved Bidder: American Digital Corporation
Approved Bid: \$87,150.97.

June, July & August 2020 Financial Reporting Packages

Impact of 2020 Year-To-Date Investment Income of Employer Reserves, Funding
Status and Average Employer Contribution Rate (June, July & August 2020)

Statement of Fiduciary Net Position (April, May & June 2020)

Schedule T - Report of Expenditures (June, July & August 2020)

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

Roll Call Vote:

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

(20-08-06) (Benefit Review Committee Meeting) The Chair of the Benefit Review Committee reported on the Benefit Review Committee Meeting that was held via GoToMeeting on August 27, 2020.

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

- To consider all late submissions and affirm the staff decision denying total and permanent disability benefits to Maricarmen Moy. The Committee did not find Maricarmen Moy's testimony to be credible where she was able to craft multiple rebuttal memoranda, even with assistance, and was able to recall and articulate job duties and specific clients from more than five years ago. Moreover, the Committee was not persuaded that Maricarmen Moy's vertigo and dizziness were disabling conditions where her physician continues to clear her for driving and she in fact continues to drive. Therefore, the Committee was persuaded by the medical consultants' opinions that the objective medical evidence did not show that a disabling condition prevents Maricarmen Moy from engaging in gainful activity as required by Section 7-150.
- To affirm the staff decision denying total and permanent disability benefits to Aurthela Jackson. The Committee affirmed staff's denial on two independent bases, each of which are sufficient for denial on their own. The Committee was not persuaded that the medical records supported Aurthela Jackson's subjective complaints of weakness and fatigue. The Committee was persuaded by the medical consultant's opinion that the objective medical evidence did not show that a disabling condition prevents Aurthela Jackson from engaging in gainful activity as required by Section 7-150(a)(1). Secondly, the Committee found that Aurthela Jackson has failed to submit to a reasonable physical examination in violation of Section 7-150(b)(4) where she has cancelled or refused to attend a functional capacity evaluation on three occasions.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of Taylorville Sanitary District.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of O'Fallon School District.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of Brandie Edwards.
- To adopt the findings and conclusion of the IMRF hearing officer in the case of John Hull, and to recover the applicable prepayment by recovering 100% of the member's pension benefit pursuant to Section 7-217(c).
- To adopt staff recommendation to renew the contracts of Susan Davis Brunner and Ottosen DiNolfo Hasenbalg & Castaldo.

Roll Call Vote:

Aye: Henry, Kuehne, Miller, Stanish, Stafford, Williams, Copper

Nay: None

Absent: Wallace

(20-08-07) (Investment Committee Meeting) The Chair of the Investment Committee reported on the Investment Committee Meeting that was held via GoToMeeting on August 27, 2020.

The Chief Investment Officer gave a presentation to the Investment Committee that included recommendations on the 2020 MWBE Manager-of-Managers Search and Public Markets, followed by presentations from MWBE Manager-of-Managers (Attucks Asset Management, LLC and Xponance).

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

For the 2020 MWBE Manager-of-Managers Search

- Allocation of up to \$100 million to Attucks for Fixed Income MWBE MoM account, subject to satisfactory legal due diligence;
- Allocation of up to \$100 million to Xponance for an International Equity MWBE MoM account, subject to satisfactory legal due diligence;
- Allocation of up to \$125 million to GlobeFlex, subject to satisfactory legal due diligence;
- Allocation of up to \$125 million to Brown, subject to satisfactory legal due diligence;
- Recommendations to be funded from existing public markets investments; and,
- Authorize staff to complete all documentation necessary to execute this recommendation.

The Chief Investment Officer gave a Real Estate presentation during the Investment Committee Meeting that included recommendations, followed by presentations from two Real Estate managers (Starwood Distressed Opportunity Fund XII and Torchlight Debt Fund VII).

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 \$50 million to Torchlight Debt Fund, VII L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$100 million to Starwood Distressed Opportunity Fund XII, L.P., subject to satisfactory legal due diligence; and,
- Authorize staff to complete all documentation necessary to execute this recommendation.

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

Roll Call Vote:

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

(20-08-08) (Approval of Resolutions) General Counsel presented the following resolutions for Board approval.

Resolution Regarding Return To Work

General Counsel recommended that the Board adopt the following proposed revised resolution that will make the return to work rules easier for retirees, employers, and IMRF staff to abide by and enforce. The proposed revisions would also align the return to work rules with the statutory language of Section 7-144.

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

WHEREAS, Section 7-144 of the Pension Code requires suspension of annuity payments of an IMRF retiree who returns to work as an employee with a participating employer and works more than 599 hours annually (or 999 hours annually with a participating employer that has adopted a resolution pursuant to subsection (e) of Section 7-137 of the Pension Code); and

WHEREAS, Section 7-144 of the Pension Code requires an IMRF retiree who returns to work as an employee with a participating employer and works more than 599 or 999 hours (as applicable) to be re-enrolled as a participating employee; and

WHEREAS, the determination of the hours worked for an IMRF retiree who returns to work as an employee shall commence on the month and day upon which the annuitant is first employed with the participating employer following the effective date of the annuity; and

WHEREAS, it is necessary that the Board of Trustees adopt policies for purposes of efficiently administering the IMRF retiree return-to-work requirements of Section 7-144.

THEREFORE BE IT RESOLVED that the following policies shall apply to IMRF retirees who return to work with a participating employer:

A) Participation and enrollment of retirees

1. Retirees shall be considered to have returned to IMRF-qualifying employment only after working 600 or 1,000 (as applicable) within a twelve-month period. Only hours actually worked may be counted towards this amount. Hours paid but not worked, such as paid time off, vacation time, or sick time, are not counted.

2. When a retiree hits 600/1,000 hours, the retiree must be enrolled immediately in IMRF if the retiree continues employment with that participating employer, regardless of additional hours expected or reasons that 600/1,000 hours were reached.
3. The determination of 600/1,000 hours in a year will be counted from the first day of employment for the employer after the retiree becomes an annuitant. This date will remain fixed as to that employer, regardless of any subsequent terminations or rehiring.
4. If the retiree worked for that employer before it adopted the 1,000-hour standard, the retiree is under a 600-hour standard for that employer.
5. When the retiree terminates employment and again retires, a new retirement application is required and the enhanced pension will be effective the first of the month following the month of the latest termination.
6. The determining factors for common-law employment versus independent contractor status remain the same.
7. All retirees should contact IMRF before returning to work, for a discussion of the rules and issues to consider.
8. If a retiree begins employment in a position in which participation would be mandatory if a non-retiree were working in that position (i.e. the position normally requires 600/1,000 of work per year), and the retiree wishes to immediately enroll in participation, the retiree may voluntarily suspend their pension. The request must be in writing and is effective upon receipt in IMRF offices in accordance with 40 ILCS 5/7-217(e). If the retiree does not voluntarily suspend their pension, they will continue to receive their pension until the time they are enrolled under these rules.

B) Suspension of a retiree's pension

1. After the retiree hits 600/1,000 hours and is enrolled, the pension will be suspended while the retiree continues employment with that participating employer and performs services.
2. To avoid enrollment and suspension of the pension, the retiree must stop working at 599/999 hours. The retiree can begin working again on or after the one-year anniversary date of the employment start date with that employer. To avoid enrollment and suspension, this will be repeated annually while the retiree is employed by that employer.
3. If a retiree terminates employment after re-enrolling, the retiree may return to work for that employer again after the next following anniversary of the employment start date as defined above in Section (A)(3). If the retiree returns to work sooner than that date, they must be enrolled immediately regardless of expected hours and the pension must be suspended.

4. If a retiree hits 600/1,000 hours and completely severs the employment relationship with the employer in that same month, the pension will not be suspended.
5. Re-enrollment will be required if the retiree hits 600/1,000 hours and does not sever the employment relationship, regardless of how few hours over 599/999 is actually worked.

C) To the extent that these rules modify the existing return to work rules set by this Board, these rules will be applicable to all annuitants, both present and future, on January 1, 2021.

After questions and discussion, it was moved by Mr. Kuehne, seconded by Ms. Henry, to adopt the above resolution.

Roll Call Vote:

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

Resolution Regarding Irregular Service

General Counsel presented the following resolution for Board approval that would phase out the current Irregular Service Resolution so that IMRF's rules are aligned with the Pension Code. She noted that irregular service has no basis in the Pension Code.

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

WHEREAS, Section 7-200 of the Illinois Pension Code authorizes the Board of Trustees to make decisions on participation and coverage; and

WHEREAS, the Board of Trustees has historically permitted individuals who work in a qualified position twelve months each year, but receive their pay irregularly or sporadically, to receive twelve months of service credit despite not receiving pay in each calendar month; and

WHEREAS, this type of service, termed "irregular service", was established by the Board of Trustees, but has no further basis in the Illinois Pension Code and is, in fact, in direct conflict with the Illinois Pension Code; and

WHEREAS, IMRF should award service credit only as expressly provided under the Illinois Pension Code.

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

- A)As of the effective date of this resolution, individuals hired into a position which receives irregular pay will only receive service credit in the months in which the individual receives pay which is consistent with the cash basis rule set forth in the Pension Code.
- B)Any individuals who have been credited with irregular service as of the effective date of this resolution will continue to receive irregular service credit through December 31, 2020, as long as that individual continues to serve in that particular position or office at their IMRF participating employer.
- C)This resolution does not impact seasonal employees as defined in 40 ILCS 5/7-109.1.
- D)As of January 1, 2021, no member may earn irregular service credit.

This resolution will become effective as of its date of adoption.

After questions and discussion, it was moved by Ms. Henry, seconded by Mr. Stafford, to adopt the above resolution.

Roll Call Vote:

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

(20-08-09) (Litigation Update) 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 as the result of further appeals. 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. Review of this denial by the US Supreme Court is being sought and the shareholder group will be opposing this. 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: The circuit court cancelled oral argument and ruled based on the written briefs. The Court ruled that MEABF must accept the return of funds from Sheahan's failed transfer to IMRF. IMRF has paid the judgment. Sheahan filed a post-judgment brief seeking for additional findings related to a potential MEABF pension. The motion does not impact IMRF, but staff will continue to monitor this litigation until it is closed.

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: The Court affirmed IMRF's final administrative decision. The Plaintiff has appealed the circuit court decision. The appellate court has set a briefing schedule to conclude on October 27, 2020. A hearing date will be set sometime thereafter.

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 the midst of an extended briefing schedule due to the pandemic. The Appellate Court has not set a date for oral argument.

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. This matter has been fully briefed and argued, and we await a decision from the appellate court.

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. This matter is fully briefed, but the court has postponed oral argument due to the pandemic. The matter is now tentatively set for oral argument on November 5, 2020.

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 an investigatory fact-finding conference was held in early April. Plaintiff's claim was dismissed by the IDHR for a lack of substantial evidence. As with all IDHR dispositions, the plaintiff was granted a right to sue letter and may still pursue this matter by filing a lawsuit in circuit court. Staff will continue to monitor this matter until the time for filing expires.

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. This matter is fully briefed and oral argument was held on June 19, 2020. The parties await the court's decision.

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 Court affirmed IMRF's administrative decision in its entirety and ordered the County to certify Mr. Penn's applications for omitted service credit. The County has filed a motion to reconsider which is fully briefed and awaits argument before the Court. The resolution of the motion will determine the direction of the case.

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 in which a briefing schedule has been entered; however, the argument has been continued due to the pandemic. IMRF's motion to dismiss was granted based on the Township's failure to exhaust its administrative remedies. The Court directed the Township to proceed with its administrative appeal which is still pending before the administrative hearing officer.

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. Plaintiff is still adding other local municipal entities as nominal defendants. This matter is set for a status on August 28.

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: The Circuit Court reversed the IMRF Board decision to deny total and permanent disability benefits. The Court found that the Board substantially relied on Dr. Rao's report in making the denial. In examining the report, the Court concluded that it failed to properly consider or account for the plaintiff's well-documented subjective complaints of pain. Staff does not recommend appealing the decision.

(20-08-10) (Report of the Executive Director) The Executive Director discussed some issues relating to the upcoming Trustee elections.

Next, the Executive Director highlighted the progress on strategic objectives and key strategies during the second quarter of 2020 that support IMRF's 2020-2022 Strategic Plan.

Trustee Henry left the meeting at 10:45 a.m.

(20-08-11)(Trustee Forum) The Chair reported the following Trustee requested authorization from the Board for the following conference:

Bill Stafford	6 th Annual Redefining Fixed Income Virtual Conference Institutional Investor October 21-23, 2020
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It was moved by Ms. Copper, seconded by Mr. Kuehne, to approve the above Trustee request.

Roll Call Vote:

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

(20-08-12) (Board Self-Evaluation) The General Counsel and Board Members discussed how to proceed with future Board self-evaluations.

It was the consensus of the Board that in lieu of having an in-person meeting to review the completed annual self-evaluation surveys, that a summary report be drafted of the survey results and sent to Board Members.

(20-08-13) (Adjournment) It was the moved by Ms. Copper, seconded by Mr. Stafford, to adjourn the Board Meeting at 10:50 a.m., to reconvene at 9:00 a.m., November 13, 2020.

Roll Call Vote:

Aye: Kuehne, Miller, Stanish, Stafford, Williams, Copper

Nay: None

Absent: Henry, Wallace

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.