

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**MINUTES OF**  
**REGULAR MEETING NO. 22-03**  
**MARCH 25, 2022**



ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 22-03

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. on March 25, 2022, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

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

Ms. Herman took a roll call:

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

Absent: None

*\*Trustee Henry attended the meeting via MS Teams.*

*Ms. Copper asked for a moment of silence to remember Maureen Enright, former Executive Assistant, who passed suddenly.*

Ms. Dean from Wilshire Associates was present for the meeting.

(22-03-01) (Investment Manager Activities - Wilshire Associates)

Ms. Dean presented the performance summary for January/February 2022. She explained how the Russian conflict is impacting the market. Very high inflation is causing the federal government to be uncomfortable, causing increases in interest rates. She is expecting a dramatic increase in interest rates. These things are what brought the market down year-to-date. She further explained that next month we will see a new target asset allocation plan.

Below are the performance highlights for January/February 2022.

*January 2022*

- The Illinois Municipal Retirement Fund ended January 2022 with a market value of \$54.7 billion, down for the month by approximately \$2.1 billion. IMRF returned -3.80% during the month, underperforming the Total Fund Benchmark which returned -3.31%. Total Fund underperformance was primarily driving by an overweight to U.S. Equity and manager underperformance within U.S. and Non-U.S. Equities.
- The U.S. Equity Portfolio underperformed the Russell 3000 Index during the month, returning -6.27% versus -5.88%. In aggregate, investment manager performance in Large Cap Growth was the largest detractor to relative performance; however, the Portfolio's allocation to Small Cap Value and Listed Infrastructure helped offset a portion of Large Cap Growth.

- The Internally Managed Scientific Beta Portfolio outperformed the benchmark during January, returning -4.53% versus -4.76%. Since inception, the strategy has outperformed the benchmark, returning +14.15% versus +13.41%.
- The Internally Managed GSAM-Factor Diversity Portfolio underperformed the benchmark during the month, returning -6.11% versus -5.85%.
- The Public Real Assets Portfolio underperformed its benchmark during the month, but provided a strong diversification benefit, returning -3.02% versus -2.67% for the benchmark.
- The International Equity Portfolio underperformed the benchmark during January, returning -4.77% versus -3.69%. In aggregate, investment managers in both Large Cap Growth, Large Cap Core and Small Cap underperformed their respective benchmarks. Investment managers in Large Cap Value helped offset a portion of underperformance, returning +1.30% during the month.
- The Fixed Income Portfolio outperformed the benchmark during the month, returning -1.95% versus -2.15%. Investment manager outperformance within Core was a notable contributor to outperformance, while the Portfolio's allocation to Bank Loans provided strong diversification, returning +0.38%, as interest rates rose during January.
- As of January month-end, all underlying asset class allocations in the Portfolio are within the stated four percentage point rebalancing range as outlined by the current Statement of Investment Policy.

#### *February*

- The IMRF ended February 2022 with a market value of \$53.8 billion, down for the month by approximately \$904 million. IMRF returned -1.40% during the month, outperforming the Total Fund Benchmark which returned -1.49%. Total Fund outperformance was primarily driven by strong investment manager performance in Real Estate and Alternatives.
- The U.S. Equity Portfolio outperformed the Russell 3000 Index during the month, returning -2.45% versus -2.52%. In aggregate, investment manager performance in Small Cap Growth and Small Cap Value was among the largest contributors to relative performance.
- The Internally Managed Scientific Beta Portfolio performed in-line with the benchmark during February, returning -2.12% versus -2.09% for the benchmark. Since inception, the strategy has outperformed the benchmark, returning +12.67% versus +11.99%.
- The Internally Managed GSAM-Factor Diversity Portfolio outperformed the benchmark during the month, returning -2.49% versus -2.74%.
- The Public Real Assets Portfolio outperformed its benchmark during the month and provided a strong diversification benefit, returning -0.02% versus -0.27% for the benchmark.
- The International Equity Portfolio underperformed during February, returning -2.88% versus -1.98%. In aggregate, investment managers in Large Cap Value, All Cap, Small Cap and Emerging Markets underperformed their respective benchmarks. Investment managers in Large Cap Core and Large Cap Growth helped offset a portion of underperformance during the month.
- The Fixed Income Portfolio underperformed the benchmark during the month, returning -1.24% versus -1.12%. In aggregate, investment

manager underperformance in Core Plus was the largest detractor to relative outperformance, while the Portfolio's dedicated allocations to Bank Loans and High Yield Bonds helped offset a portion of underperformance.

- As of February month-end, all underlying asset class allocations in the Portfolio are within the stated four percentage point rebalancing range as outlined by the current Statement of Investment Policy.

(22-03-02) (Investment Reports) CIO Angela Miller-May reported that the total fund value as of March 23, 2022 was \$53.6 billion, which reflects a change in percentage of -0.45%. She further explained that as of March 23, 2022, our International Equity portfolio was down -1.00%; our Fixed Income portfolio was down -2.47%; and our Real Estate portfolio was down -0.27%. However, our Domestic Equity portfolio was up +1.21%; and our Alternative Investments portfolio was up +1.28%. The cash portfolio was down -56.53%, but this was due to reallocation.

Furthermore, the following benchmark returns were reported:

S&P 500	-6.19%
Russell 3000	-6.32%
<i>Broad U.S. equity market benchmark</i>	
MSCI ACWI Ex-U.S.	-6.08%
<i>Broad International equity market benchmark</i>	
Bloomberg Aggregate	-5.82%
<i>Broad U.S. bond market benchmark</i>	

(22-03-03) (Consent Agenda) The President/Chair presented an agenda consisting of a Consent Agenda. The following items remained on the Consent Agenda since no Board member asked for their removal.

Schedules - Dated March 2022

- |              |   |
|--------------|---|
| 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.

Approval of Minutes

Minutes of February 11, 2022 Board Meeting  
Minutes of February 11, 2022 Board Meeting Executive Session

Bids

Cybersecurity Consulting Services  
Sole Source Vendor: Sentinel Technologies, Inc.  
Sole Source Bid: \$325,000/year

Guardium Licensing for the UAT Environment  
Sole Source Vendor: Guardium  
Sole Source Bid: Not to Exceed a total amount of \$142,400

KTA Additional Imaging Volume and OCR  
Sole Source Vendor: Kofax TotalAgility (KTA)  
Sole Source Bid: \$94,250

March 2022 Financial Reporting Package

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

Statement of Fiduciary Net Position - February 2022

Schedule T - Report of Expenditures

It was moved by Mr. Miller, seconded by Mr. Kosiba, to approve the items on the consent agenda.

**Vote:**

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

(22-03-04) (Cybersecurity Presentation) The Chief Security Officer, Mark Chevchek gave a presentation on cybersecurity and IMRF's risks of becoming a cyber-attack victim. He stressed that the risks of computer systems being hacked are higher now than ever because everything is saved on-line, infrastructure is on the cloud, and there is a lot more interconnectivity. Therefore, all these factors are causing a dramatic increase in cybersecurity premiums (premium rates increasing by 100-300%).

He explained the five main cybersecurity goals that should be implemented:

1. Protect organizational assets to ensure the confidentiality, integrity and availability are aligned to the criticality of the business and value of information.
2. Strengthen and advance the security program to a level of maturity commensurate with the risk appetite.
3. Promote a risk-aware culture.
4. Advance the security capabilities to meet the evolving business need and the dynamic threat landscape.
5. Maintain resiliency and minimize the occurrence of cyber incidents or breaches.

This presentation was for information purposes only. No action was taken. However, Ms. Henry asked for more detailed information specific to IMRF be presented to the Board in a future Executive Session.

(22-03-05) (Resolution Revising the Positions Authorized to Act on Behalf of the Board of Trustees with Respect to the Master Trust Account)  
General Counsel Beth Janicki Clark explained this resolution to the Board. The proposed resolution modified the title of a staff position to reflect the current staffing of the Investments Department. She explained that the Board of Trustees authorized a set list of individual positions who are authorized to act for and on behalf of the Board with respect to the authorities and responsibilities of the Master Trust. Currently, the named positions include the Executive Director, the Chief Investment Officer, the Chief Financial Officer, the Comptroller, and the Investment Officer-Operations. These positions are considered authorized signers for certain financial and investment matters.

At the end of 2021, the acting Investment Officer-Operations retired. This position is no longer a named position within the department; the comparable position is Investment Officer-Private Markets. Staff suggests that the individuals in the Investment Officer-Private Markets role take on this authority. The recommended resolution updates the list to instead include the title of Investment Officer-Private Markets.

The proposed resolution is included below.

WHEREAS, the Board of Trustees is duly appointed and acting under the Illinois Municipal Retirement Fund established pursuant to the laws of the State of Illinois:

WHEREAS, the Board of Trustees has entered into a Master Trust Agreement with the Northern Trust Company for the purpose of managing and operating its investment assets;

NOW THEREFORE it is hereby:

RESOLVED that the personnel in the following positions are each authorized to act for and on behalf of the Board of Trustees with respect to the authorities and responsibilities of the Board of Trustees under the Master Trust:

- Executive Director
- Chief Investment Officer
- Chief Financial Officer
- Comptroller
- Investment Officer - Private Markets

It was moved by Mr. Kosiba, seconded by Ms. Mitchell, to approve the above resolution that will supersede Resolution 1989-06-03.

**ROLL CALL VOTE:**

**AYE: COPPER, HENRY, KOSIBA, KUEHNE, MILLER, MITCHELL, STANISH, STEFAN**

**NAY: NONE**

**ABSENT: NONE**

**8 AYES; 0 NAYS - MOTION CARRIED**

(22-03-06) (Resolution Authorizing the Prudent Divestment of Russian Investments) General Counsel Beth Janicki Clark explained this resolution to the Board. She explained that as a result of Russia's unprovoked attack on Ukraine, many pension funds nationwide are prudently divesting or considering divesting from Russian assets. The proposed resolution follows suit with those other funds. The proposed resolution is below.

WHEREAS, on February 24, 2022, the Russian Federation began an unprovoked full-scale military invasion of the democratic country of Ukraine; and

WHEREAS, Russia's attack on Ukraine has created a humanitarian crisis in that country and neighboring countries, caused widespread devastation and loss of human life, including the lives of innocent civilians; and

WHEREAS, the IMRF Board condemns the actions taken by Russia and applauds the multitude of global responses in the form of humanitarian aid and sanctions; and

WHEREAS, IMRF began prudently reducing exposure to Russian investments in January of 2022 while maintaining its fiduciary responsibilities to the Fund and its participants; and

WHEREAS, IMRF's exposure to Russian assets on February 23, 2022, was approximately \$84 million, representing 0.16% of the total Fund value and as of March 9, 2022, IMRF's exposure to Russian assets has decreased to approximately \$23 million representing a 0.04% of the total Fund value; and

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees that:

IMRF staff, without requiring further directions from the Board, is authorized to continue to carry out the orderly and prudent divestment of Russian equity/debt/EMFX in a manner consistent with their fiduciary duties and with the goal of reducing risk and potential loss to the IMRF portfolio.

It was moved by Ms. Mitchell, seconded by Mr. Kuehne, to approve the above resolution.

**ROLL CALL VOTE:**

**AYE: COPPER, HENRY, KOSIBA, KUEHNE, MILLER, MITCHELL, STANISH, STEFAN**

**NAY: NONE**

**ABSENT: NONE**

**8 AYES; 0 NAYS - MOTION CARRIED**



(22-03-07) (Report of the Benefit Review Committee Meeting) The Chair of the Benefit Review Committee gave a report on the meeting that was held on March 24, 2022.

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

- Grant a continuance to the May BRC meeting for the next hearing in the case of Mr. James Principe (Denial of Temporary Disability)
- Reverse the staff decision denying total and permanent disability benefits to Mr. Kevin Gill. The Committee finds that Mr. Gill's testimony is credible and persuasive. Based on the medical records and testimony in this matter, the Committee finds that Mr. Gill meets the eligibility requirements for total and permanent disability benefits as set forth in Section 7-150.
- Affirm the staff determination that Ms. Gayle Price violated the return to work rules; accrued a total prepayment of \$26,016.01; and that the employer is liable for one half of the prepayment. Finally the Committee recommends that Mrs. Gayle's portion of the prepayment be recovered over a 10-year period.
- Request that the Legislative Committee evaluate the employer liability statute to allow for up to 100% employer liability, rather than 50%, since employers have the necessary information and tools to track the number of hours worked by its staff.
- Adopt the findings and conclusion of the IMRF hearing officer in the Thomas Pollard case.
- Adopt the findings and conclusion of the IMRF hearing officer in the Russell Zohfeld case.
- Adopt the findings and conclusion of the IMRF hearing officer in the Kody Moore case.
- Adopt the findings and conclusion of the IMRF hearing officer in the Geunyoung Pak case.
- Adopt the findings and conclusion of the IMRF hearing officer in the St. Charles Library District case.
- Defer Ms. Ruth McGee's case to allow staff to gather additional documentation that may reflect Mrs. McGee's marital status at the times relevant to this appeal. This matter to be set for the May Benefit Review Committee meeting.
- Adopt the findings and conclusion of the IMRF hearing officer in the Thomas Barwin case.
- Adopt the findings and conclusion of the IMRF hearing officer in the Jeffrey Boaden case.

**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(22-03-08) (Report of the Investment Committee Meeting) The Chair of the Investment Committee gave a report on the meeting that was held on March 24, 2022.

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

For Private Equity

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- Authorize a commitment of up to \$50 million to FirstMark Capital Fund VI, L.P., and FirstMark Opportunities Fund IV, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$50 million to Waud Capital Partners Fund VI, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$25 million to BPOC Fund VI, L.P., subject to satisfactory legal due diligence; and,
- Authorize a commitment of up to \$75 million to Valor Fund VI, L.P., subject to satisfactory legal due diligence; and
- Authorize Staff to complete all documentation necessary to execute these recommendations.

For Real Estate

- Authorize a commitment of up to \$30 million to Newport Capital Partners Fund III, L.P., subject to satisfactory legal due diligence; and,
- Authorize a commitment of up to €20 million to Ares Project Horizon Co-Investment, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations.

For Asset Allocation Implementation Update

- Authorize the following actions subject to satisfactory legal due diligence and suitable liquidity/market conditions:
  - Termination and full withdrawal of the NTI S&P Growth Index account (approximately \$3.6 billion)
  - Termination and full withdrawal of the Standish-Mellon (Insight) Emerging Markets Debt account (approximately \$200 million)
  - Allocation up to \$200 million to Brookfield Global Listed Infrastructure
  - Allocation up to \$200 million to Cohen & Steers Global Listed Infrastructure
  - Allocation up to \$1.0 billion to IMRF Factor Diversity Portfolio
  - Allocation up to \$500 million to IMRF Scientific Beta HFI Portfolio
  - Allocation up to \$1.0 billion to Barings Global Loan Fund
  - Allocation up to \$300 million to MacKay Shields High Yield Bond
  - Residual cash from redemptions utilized to fund benefit payments, Private Markets investments, and liquidity needs as necessary
- Authorize Staff to complete all documentation necessary to execute these recommendations

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

**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(22-03-09) (Executive Director Compensation) General Counsel presented the proposed salary increase of 4.5% for Executive Director Brian

Collins, retroactive to January 1, 2022. She explained that, in accordance with Illinois law, this proposed salary increase has been posted, per the direction of the Board at the February Board meeting.

It was moved by Mr. Kuehne, seconded by Mr. Stefan to approve a salary increase of 4.5% for the IMRF Executive Director, retroactive to January 1, 2022.

**ROLL CALL VOTE:**

**AYE: COPPER, HENRY, KOSIBA, KUEHNE, MILLER, MITCHELL, STANISH, STEFAN**

**NAY: NONE**

**ABSENT: NONE**

**8 AYES; 0 NAYS - MOTION CARRIED**

(22-03-10) (Legislative Update) The Government Affairs Manager gave an update to the Board on current legislative activity.

She reported that the General Assembly continues to meet and is on track to adjourn in early April. She informed that there are currently seven bills pertaining to IMRF that are still active, including two of the bills that make up the Board's 2022 legislative agenda. However, none of the bills to which IMRF is opposed are currently active.

Senate Bill 3651 - this bill creates an exemption for accelerated payments that arise due to workers' compensation payments. This is part of the Board's 2022 legislative agenda. It passed the Senate unanimously on 2/24/22 and passed the House pension committee on 3/17/22.

Senate Bill 3652 is the second active IMRF legislative agenda bill. It aligns the suggested employer resolution to adopt an Early Retirement Incentive with the statutory language regarding limitations on ERI retirees returning to work for an IMRF employer. It also passed the Senate unanimously on 2/24/22 and the House pension on 3/17/22.

Senate Bill 3778 would add two additional SERS job titles to the list of those SERS members that can transfer their IMRF service to SERS. The Board is neutral on this bill. It passed the Senate on 2/24/22 and the House pension committee on 3/17/22.

Senate Bill 3785 would open a window allowing inactive IMRF members to transfer service credit earned as a county correctional officer out of IMRF and into a downstate police pension fund. The Board is neutral on this bill. It passed the Senate on 2/16/22 and the House pension committee on 3/17/22, both unanimously.

House Bill 4209 would open a window allowing active members of an Article fund to transfer IMRF service earned in a public safety position to the Article 3 plan and makes equivalent changes for former SERS members. It passed the House on March 1<sup>st</sup> and is now in the Senate.

House Bill 4459 would add Regional Offices of Education to the list of employer types from which members are not limited to the final employer only for unused, unpaid sick leave. It also makes other non-pension-related changes for ROEs. The Board is neutral on this bill. It passed the House unanimously on 3/3/22 and is now in the Senate. It does not yet have a Senate sponsor.

House Bill 4646 would require all employers to allow IMRF employee trustees at least 20 days to attend IMRF Board and committee meetings and seminars. It would also require IMRF to reimburse employers for the actual cost of a substitute employee during that time (currently, IMRF is only permitted to reimburse amount of the member's salary). An identical requirement is already in place for employee trustees who are employed by an employer covered by the Illinois School Code. The Board supports this bill. The bill passed the House on 2/23/22 and is now in the Senate.

(22-03-11) (Litigation Update) The Associate General Counsel gave the following 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. The Trustee sought review of the denial by the U.S. Supreme Court, which the shareholders opposed, and the Court has now declined to take up the case. Additionally, the Second Circuit recently dismissed the Trustee's *intentional* fraudulent conveyance claims against the shareholders. As expected, the Trustee sought review before the U.S. Supreme Court. Fortunately, the U.S. Supreme Court has declined to hear the case. Therefore, after a full decade of litigation, the Tribune case is finally closed.

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

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

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

**DUNDEE TOWNSHIP PARK DISTRICT v. IMRF, et al. (KANE COUNTY 2021 MR 581)**

**Summary:** IMRF found that annuitant Sherylynn King returned to work in an IMRF qualifying position with the Dundee Township Park District. IMRF further found that the employer knowingly failed to enroll Ms. King or otherwise notify IMRF to suspend her pension. Therefore, IMRF assigned one-half of the prepayment liability to the employer. The Park District has filed a Complaint for Administrative Review and Declaratory Judgement challenging the assignment of liability to the employer on several grounds. The Park District disputes that it "knowingly" failed to notify IMRF; that its conduct in this case did not warrant the maximum 50% liability; and that the assignment of liability to the employer constitutes an unconstitutional excessive fine.

**Status:** After IMRF's second motion to dismiss, the Park District has abandoned its constitutional claims. This case is now proceeding solely on the administrative review count. The Court has set a briefing schedule culminating in a hearing currently scheduled for April 21, 2022.

**LARRY BAULER v. BOARD OF TRUSTEES OF IMRF et al. (DUPAGE COUNTY 2021 MR 0989)**

**Summary:** Bauler retired from the Wheaton Park District under the ERI enhancement in 2001. In 2013, Bauler began working for the City of Wheaton. The ERI Enhancement statute prohibits an individual who received the enhancement from working for any IMRF participating employer. After an administrative hearing, the Board found that Bauler's work for the City of Wheaton violated the ERI statute and assessed a prepayment of \$209,318.25. Bauler appeals that decision.

**Status:** Following IMRF's motion to dismiss, Bauler has filed an amended complaint which addressed the deficiencies raised by the motion and staff has filed the Administrative Record. The Court has set a briefing schedule culminating in a hearing currently scheduled for April 14, 2022.

**WILLIAM SAUNDERS v. MICHAEL S. HEDRICK v. IMRF and COUNTY OF LAKE (US DIST. COURT FOR the NORTHERN DISTRICT OF ILL 2020 cv 6835)**

**Summary:** This is a legal malpractice lawsuit in which retired IMRF member William Saunders alleges that his former attorney committed malpractice by failing to consider pension implications in his representation of Saunders in an employment claim against Saunders' former employer. The defendant attorney has added a third-party complaint against the County of Lake and IMRF alleging that each owes contribution if Saunders is successful in his core claim against Hedrick.

**Status:** Staff has filed a motion to dismiss which has been fully briefed. The parties await a ruling from the Court. In the underlying case, the defendant has also filed a motion for summary judgment which may resolve the litigation in its entirety. However, the Court has not yet set a briefing schedule on the substance of the motion so a decision is not imminent.

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

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

**Status:** A U.S. District Court for the Southern District of New York declined to exercise jurisdiction over claims to Petrobras shares traded in Brazil. Therefore, these claims are pending before the Market Arbitration Chamber of the Brazilian Stock Exchange. IMRF has participated in proceedings to establish its right to a claim, but the actual calculation of individual damages for each claimant has not yet been addressed.

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

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

**Status:** Staff have filed the administrative record and await a briefing schedule from the Court.

**TAMEKA WILSON v. IMRF (IDHR 2022CR0504)**

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

**Status:** IMRF is cooperating with the IDHR investigation.

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

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

**Status:** IMRF is cooperating in the investigation of the new EEOC charge and will file an appropriate responsive pleading in the lawsuit.

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

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



**Status:** Although the parties have engaged in pre-litigation settlement discussions, this matter is now proceeding to formal litigation. With the filing of the initial pleading, we await a response from the defendants.

(22-03-12) (Report of Executive Director) The Executive Director updated the Board on the successful progress of the Horizon Project.

The Executive Director also provided information on FOIA requests and an updated personnel report. Mr. Kosiba had a question about the vacancy of 4 Field Representative positions. Ms. Seputis addressed his concern explaining that a new plan will be in place soon where certain field staff will be designated to employers and some field staff will be designated to members. Brian Collins informed that staff hopes to have the four vacancies filled within the next few months.

(22-03-13) (Appreciation of Service) The Executive Director recognized Yolanda Schwarts who is retiring after 13 years of service, and he asked the Board to approve the following resolution.

WHEREAS, Yolanda Schwarts, Technical Architect, has faithfully served IMRF from January 2009 through May 2022, and;

WHEREAS, Yolanda Schwarts held positions in the Information Services Department, first as a Programmer Analyst, then as a Senior Programmer Analyst, and since February 2021 as a Technical Architect, and;

WHEREAS, Yolanda Schwarts developed, enhanced, and fixed functionality by documenting requirements, designing solutions, and then testing code, and;

WHEREAS, Yolanda Schwarts supported many business areas in SPECTRUM for member and employer support, including enrollments, past service, wage reporting, management reporting, correspondence and IMRF's secure sites (Member Access and Employer Access), as well as the Imaging system, and;

WHEREAS, Yolanda Schwarts played a significant role in the IMRF annual closing for several years overseeing that all automatic processes and the generation of statements for our members and employers, as well as the delivery of information to internal departments of IMRF, was delivered on time, and;

WHEREAS, Yolanda Schwarts has actively participated in supporting the Horizon Project by providing statistics to the Horizon Project Team, creating regression testing cases, and reviewing the data mapping from SPECTRUM to Horizon as part of the data conversion project, and;

WHEREAS, Yolanda Schwarts demonstrated IMRF's Values of Accountability and Accuracy by working many hours of overtime to ensure deadlines were met and functionality was thoroughly tested, and;

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

It was moved by Mr. Kosiba, seconded by Ms. Mitchell, to approve the resolution for Appreciation of Service for Yolanda Schwarts.





**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(22-03-14) (Trustee Forum) The Chair reported that there was one new request submitted by Ms. Henry to attend the World Investment Forum, sponsored by FTSE Russell, in Bluffton, SC, from June 6-8, 2022.

It was moved by Mr. Kosiba, seconded by Ms. Stanish, to approve Ms. Henry's request to attend the World Investment Forum as stated above.

**Vote:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

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

(22-03-15) (Executive Session) The Chair called for a motion to go into executive session to discuss Collective Bargaining matters.

It was moved by Mr. Stefan, seconded by Mr. Kuehne, to go into Executive Session at 10:20a.m., for Collective Bargaining matters.

**ROLL CALL VOTE:**

**AYE: COPPER, HENRY, KOSIBA, KUEHNE, MILLER, MITCHELL, STANISH, STEFAN**

**NAY: NONE**

**ABSENT: NONE**

**8 AYES; 0 NAYS - MOTION CARRIED**

The Board came out of Executive Session at 10:43 a.m.

(22-03-16) (Board Self-Evaluation) The Board was joined by Julia Nicholson, Governance Consultant, to review the results of their recent self-evaluation.

(22-03-17) (Adjournment) It was the moved by Mr. Kosiba, seconded by Ms. Mitchell, to adjourn the Board Meeting at 11:53 a.m., and to reconvene at 9:00 a.m. on May 27, 2022.

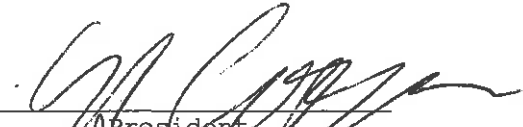
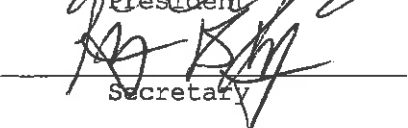
**ROLL CALL VOTE:**



**AYE: COPPER, HENRY, KOSIBA, KUEHNE, MILLER, MITCHELL, STANISH, STEFAN**

**NAY: NONE**

**ABSENT: NONE**

**8 AYES; 0 NAYS - MOTION CARRIED**

  
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President  
  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Date  
  
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Date

