

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 23-05
MAY 26, 2023

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 23-05

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. on May 26, 2023, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

Mr. Kuehne presided as President/Chair and called the meeting to order at 9:07 a.m.

Ms. Herman took a roll call:

Present: Copper, Henry, Kosiba, Kuehne, Miller, Stanish, Stefan
Absent: None

Also Present: Messrs Kazemi and Caumo from Wilshire Associates were present at the meeting, as well as Mr. Buis, Mr. Pieterse, and Ms. Bonita Wurst from Gabriel Roeder Smith & Company.

(23-05-01) (Appointment of Jeffrey A. Stulir as an Employee Trustee for the term ending December 31, 2023) The appointment of an Employee Trustee is necessary to fill the vacancy created by Tracie Mitchell's termination of IMRF participation. This will be for a term ending December 31, 2023. Pursuant to the IMRF Board Charter, staff and the Board have identified a former employee trustee who continues to be qualified and willing to serve on the Board.

It was moved by Mr. Stefan and seconded by Ms. Copper to appoint Jeffrey Stulir to the vacant Employee Trustee seat and the Audit, Benefit Review, Investment, and Legislative Committees for a term ending December 31, 2023.

Vote:

ALL VOTED AYE - MOTION CARRIED

7 AYES; 0 ABSENT

(23-05-02) (2022 Actuarial Valuation Report - 2022 Gain/Loss Analysis - Mark Nannini and Gabriel Roeder Smith & Company) Mr. Mark Buis, Ms. Bonita Wurst, and Mr. Francois Pieterse from Gabriel Roeder Smith Company presented IMRF's Annual Actuarial Valuation as of December 31, 2022, and IMRF's Gain/Loss Analysis, noting that the objective of the Analysis is to calculate employer rates for 3,385 rate groups for the 2024 calendar year; measure financial position and funding progress; substantiate changes in financial position that occurred during the year; and update on the Pandemic experience and actuarial standards of practice.

Highlights of the presentation included:

- IMRF experienced a net loss in 2022 mostly due to pay increases greater than assumed.
- Average 2024 rates will be slightly higher than 2023 rates for most employers.
- 2025 rates will be affected by:
 - Continued emergence of Tier 2;
 - Continued recognition of \$3.9 billion unrecognized investment losses;
 - Market volatility (up/down tendencies) for 2023; and
 - Potential ongoing pandemic impact.
- IMRF is now 98.2% funded (90.8% based on market value); which is well above the national average.

GRS also discussed Funding Policies and presented the following conclusions:

- No changes are needed at this time.
- Prior to 2026, IMRF should consider alternate Amortization Periods for 'new' liability.
- IMRF has historically followed best practices.
- Helps achieve fundamental objectives
 - Strong funded position
 - Stability in Contribution Rates

(23-05-03) (1st Quarter 2023 Investment Performance Report - Angela Miller-May and Wilshire Associates) Mr. Kazemi and Mr. Dan Caumo presented the 1st Quarter Investment Performance Report.

The highlights are as follows:

- IMRF market value as of March 2023 is \$49.49 billion
- IMRF total fund return for 1Q2023 was 4.30% versus the Total Fund Benchmark return of 5.11%
- U.S. equity markets posted strong returns for the quarter on the back of positive inflation and employment data
- IMRF U.S. Equity Portfolio underperformed the benchmark during the quarter, returning 6.09% versus 6.71%
- International equity markets advanced in the first quarter of the year despite increased volatility in the global banking sector
- IMRF International Equity Portfolio outperformed the benchmark during the quarter, returning 7.68% versus 6.87%
- Fixed income markets were largely positive for the quarter as rates fell, and the collapse of SVB and Credit Suisse resulted in a flight-to-quality
- IMRF Fixed Income Portfolio outperformed the benchmark during the quarter, returning 3.24% versus 3.08%
- All asset class allocations remain within the rebalancing range in the Investment Policy
- Overall, Q1 showed a very encouraging performance by internal managers
- Genesis remains on the "watch list"

(23-05-04) (Investment Reports - Angela Miller-May) CIO Angela Miller-May reported that the total fund value as of May 24, 2023, was \$49.2 billion. She further reported that as of May 24, 2023, the Domestic Equity portfolio was down -1.17%; the International Equity portfolio was down -1.41%; the Fixed Income portfolio was down -1.74%; the Private Real

Assets portfolio was up .36%; the Alternative Investments portfolio was up 1.02%; and the cash portfolio was down -72.69%. Overall, IMRF's portfolio was down in value by -1.42% on May 24, 2023. Furthermore, the following benchmark returns were reported as of May 24, 2023:

S&P 500	-1.15%
Custom U.S. Equity Benchmark 93% Russell 3000 Index 7% FTSE Global Core Infrastructure 50/50 Index (Net)	-1.21%
MSCI ACWI Ex-U.S. Broad International equity market benchmark	-1.87%
Bloomberg Aggregate Broad U.S. bond market benchmark	-1.85%

Ms. Miller-May reminded everyone of IMRF's Investment Philosophy which includes the following:

- IMRF is a long-term and patient investor that has exceeded its expected rate of returns over the long investment horizon.
- Asset allocation is the primary driver of long-term total fund returns and IMRF is disciplined to their Asset Allocation Targets.
- Strategic Decisions will prevail in determining asset allocation rather than tactical or short-term market timing decisions.
- Investment Structure and Rebalancing is vital in complying with asset allocation targets.
- Diversification is key across all asset classes and is the main defense against realizing losses.

Monthly Minority Manager Utilization and Brokerage reports were given as information as well.

In addition, the Wilshire monthly report for April 2023 was posted for review. Highlights of the summary included:

- IMRF ended April 2023 with a market value of \$49.9 billion, up for the month by approximately \$400 million. IMRF returned 0.67% during the month, underperforming the Total Fund Benchmark, which returned 1.57%. Growth and defensive assets were generally positive to begin the new quarter despite softening economic data refueling recession concerns.
- The broad U.S. Equity market was up for the month, while small cap stocks trailed large cap. The U.S. Equity Portfolio underperformed the benchmark during April, returning .58% versus 1.14%. In aggregate, investment manager performance in Large Cap Growth was the largest contributor to relative underperformance.
- International Equity markets were positive for April. The International Equity Portfolio underperformed the benchmark during April, returning 1.66% versus 1.74%. The portfolios allocation to Emerging Markets and Small Cap was the largest contributor to relative underperformance.
- Fixed income markets were generally positive as rates declined on the short and intermediate end of the curve. The Fixed Income Portfolio slightly underperformed the benchmark during the month,

returning .68% versus .70%. Investment manager performance in CorePlus was the largest contributor to relative underperformance.

- As of April 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.

(23-05-05) (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.

(A) Schedules - For the months of March & April 2023

- 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.
- Schedule S - Prior Service Adjustments

(B) Approval of Minutes

Regular Board Meeting from March 31, 2023; and Special Board Meeting from December 7, 2022.

(C) Bids

Bloomberg AIM Renewal - 2 years

Sole Source: Bloomberg Finance, L.P.
Approved Bid: Not to Exceed \$624,300

Boardroom AV Refresh - Site Preparation
Sole Source: West DuPage Construction, Inc. & Russ King Electric
Approved Bid: Not to Exceed \$50,000

Death Match Audit Services - 3 Year Renewal
Sole Source: Pension Benefit Information (PBI)
Approved Bid: \$318,186

Dell PowerEdge MX7000 Chassis (2)
Approved Bidder: Dell Technologies
Approved Bid: \$327,811

Future of Work Consulting Services
Approved Bidder: Mercer (US) Inc.
Approved Bid: \$177,000

2023 Service Express Hardware Maintenance Renewal
Approved Bidder: Continuum Solutions, Inc.
Approved Bid: Not to Exceed \$75,000

2023 Sitecore Maintenance Renewal (3-years)
Sole Source: Sitecore
Approved Bid: \$94,921.14

Executive and Employee Trustee Elections - Printed Materials
Approved Bidder: Tab Services
Approved Bid: \$23,061

Executive and Employee Trustee Elections - Ballot Tabulation
Approved Bidder: Tab Services
Approved Bid: \$8,464

Information Technology Security Auditing Services
Approved Bidder: CliftonLarsonAllen (CLA)
Approved Bid: \$40,425

S&P Opco, LLC(a subsidiary of S&P Dow Jones Indices LLC, a division of S&P Global)
Sole Source: S&P Opco, LLC
Approved Bid: at least \$25,000 with an additional amount based on assets replicating the underlying index per the schedule outlined herein, pending legal review

5-Year Westlaw Subscription Renewal
Sole Source: Thomson Reuters
Approved Bid: Not to Exceed \$57,306.48

(D) Participation of New Units of Government

TOIRMA
County: Sangamon
2023 Employer Rate: 23.91%
Effective Participation Date: June 1, 2023
Number of Employees: 2

Village of Dieterich
County: Effingham
2023 Employer Rate: 8.34%
Effective Participation Date: June 1, 2023
Number of Employees: 4

Lake Villa Fire Protection District
County: Effingham
2023 Employer Rate: 4.96%
Effective Participation Date: June 1, 2023
Number of Employees: 1

(E) April & May 2023 Financial Reporting Packages

(F) January & February 2023 Statement of Fiduciary Net Position

(G) Impact of 2023 Year-To-Date Investment Income of Employer Reserves,
Funding Status and Average Employer Contribution Rate

(H) Schedule T - Report of Expenditures (March 2023 & April 2023)

It was moved by Mr. Kosiba, seconded by Ms. Henry to approve the items on the Consent Agenda.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

(23-05-06) (Report of the Audit Committee Meeting) The Chair of the Audit Committee gave a report of the meeting that was held on May 26, 2023. He reported that the Committee approved/accepted the following:

- November 18, 2022 Audit Committee Meeting minutes; reapproved May 27, 2022 Audit Committee Meeting minutes;
- The 2022 SOC 1 Type 2 engagement of the Illinois Municipal Retirement Fund;
- Preliminary work for 2023 Horizon System Implementation
- The 2023 Plante Moran Contract for Audit and 2023 SOC 1 Type 2 Report with annual adjustments
- The CliftonLarson Allen LLP bid for the IT Security Services Audit Services RFP

It was moved by Mr. Stefan, seconded by Ms. Stanish to approve the actions/recommendations from the Audit Committee meeting on May 26, 2023.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

(23-05-07) (Report of the Benefit Review Committee Meeting) The Chair of the Benefit Review Committee gave a report of the meeting that was held on May 25, 2023.

He reported that the Committee approved the open session minutes from March 30, 2023.

He also reported that in the case of Ms. Serdar (f/k/a Stefanech) denial of total and permanent disability benefits, Ms. Serdar appeared for the hearing via videoconference along with her attorney, Ron Fladhammer. After discussion between the Committee, staff, and the appellant, Ms. Serdar was granted a continuance for the August Benefit Review Committee meeting to collect additional documentation. No action was taken at the May Benefit Review Committee.

It was moved by Mr. Miller, seconded by Mr. Stefan, to approve the following recommendation of the Benefit Review Committee:

- To adopt the findings and conclusion of the IMRF hearing officer in the Christopher See case. The findings and conclusion were that former IMRF participant Christopher See did not qualify for reinstatement and transfer of service credit he earned from 1999 to 2000 as a Correctional Officer through McHenry County to SERS because the position did not qualify for transfer under Section 7-139.8 of the Illinois Pension Code.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

(23-05-08) (Report of the Investment Committee Meeting) The Chair of the Investment Committee gave a report of the meeting that was held on May 25, 2023.

It was moved by Ms. Henry, seconded by Mr. Miller, to approve the following actions/recommendations of the Investment Committee:

- Proposed Internally Managed Portfolio
 - o Authorize a Professional Services mandate to S&P Dow Jones Indices (S&P DJI) to deliver index data to IMRF, pending satisfactory legal due diligence;
 - o Authorize the launch of a new U.S. Small Capitalization Multi-Factor Portfolio to be managed by Staff benchmarked to the S&P DJI SmallCap 600 Index utilizing the S&P SJI SmallCap 600 QVML Top 90% Index.
 - Funding source for the recommended portfolio will be existing public market mandates. Staff recommends redemption of IMRF's holdings within the DFA Small Cap Value Collective Investment Trust (CIT) and termination of the DFA Small Cap Value mandate.
 - Transition to be managed by an external transition manager (IMRF's minority brokerage goals will be met).
 - o Authorize staff to complete all documentation necessary to execute this recommendation, subject to satisfactory legal due diligence.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

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

- For Private Equity
 - Authorize a commitment of up to \$50 million to H.I.G. Bayside Loan Opportunity Fund VIII, L.P., subject to satisfactory legal due diligence;
 - Authorize a commitment of up to \$50 million to KKR Ascendent Fund SCSP, L.P., subject to satisfactory due diligence;
 - Authorize a commitment of up to \$30 million to Lightbank Fund III, L.P., subject to satisfactory due diligence;
 - Authorize a commitment of up to \$75 million to Vistria Fund V, L.P., subject to satisfactory due diligence; and,
 - Authorize staff to complete all documentation necessary to execute these recommendations.
- For Real Estate
 - Authorize a commitment of up to \$75 million to Crow Holdings Realty Partners Fund X, L.P., subject to satisfactory legal due diligence;
 - Authorize a commitment of up to \$35 million to EnCap Energy Capital Fund XII, L.P., subject to satisfactory legal due diligence; and,
 - Authorize staff to complete all documentation necessary to execute these recommendations.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

****Board took a break from 10:30-10:40a.m.***

(23-05-09) (Approval of Trustee Election Procedures) Associate General Counsel Shuliga explained that IMRF will administer two Trustee elections in 2023 when employers will elect one Executive Trustee and active members will elect one Employee Trustee. Staff is proposing a ballot return due date of December 5, 2023, and ballot tabulation dates from December 6-12, 2023.

IMRF will administer an election for one Executive Trustee position with a five-year term beginning January 1, 2024. Executive Trustee Sue Stanish's current term expires on December 31, 2023.

IMRF will also administer an election for one Employee Trustee position with a two-year term beginning January 1, 2024. This position is open due to Tracie Mitchell's resignation from the Board.

The Trustee election will be administered similarly to past elections. Section 7-175.1 of the Illinois Pension Code requires that the Board set the dates for ballot return and counting, as well as name the judges and clerks of the election. Election judges coordinate various activities and make administrative decisions allowing for a smooth election process. The clerks are responsible for completing specific activities during the election process.

Staff recommends that the Board approve a ballot return due date of December 5, 2023 and ballot counting dates of between December 6-12, 2023 for both elections.

Staff also recommends that the Board approve the appointment of the following IMRF staff members to serve as judges and clerks for the 2023 Trustee election.

Judges

Bonnie Shadid Kristin Grossman

Clerks

Tannia Acevedo John Krupa Daniel Martinez Keyla Vivas
Rick Baier Nick Kurz Maureen O'Brochta
Kathleen DePaulo Anne-Marie Lilly Denise Streit

It was moved by Ms. Copper, seconded by Mr. Stefan, to approve Staff's recommendations regarding ballot return and counting dates, as well as the appointment of the judges and clerks for the 2023 Trustee election.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT

Associate General Counsel Shuliga asked the Board for permission to include future Approval of Trustee Election Procedures on consent agenda. The Board gave permission.

(23-05-10) (Appreciation of Service - Beth Janicki Clark) Executive Director Brian Collins explained to the Board that Beth Janicki Clark is not present due to family health issues. However, the target date for her retirement remains June 22, 2023, and he is hopeful that she can be present at the August meeting where this item will be covered.

(23-05-11) (Legislative Update) IMRF's Government Affairs Manager gave a report on current legislative activity. She reported that the 103rd General Assembly has been in session each week since the last Board meeting, except for the two weeks in April for their annual spring break. The General Assembly is scheduled to adjourn on May 19th, although they have through May 31st before the vote requirements are affected (any bills passed after 5/31 must have a super majority in order to be effective immediately). She provided a list of all pension bills that would affect IMRF.

She also informed that, looking only at pension bills, the number of bills still active continues to be noticeably lower than in other years. Also noticeably different is that most active bills have relatively little opposition.

Currently, only two of the bills that pertain to IMRF are still active, one of which contains the majority of the Board's Legislative Agenda. None of the bills to which IMRF is opposed are currently active.

The main bill that remains active is Senate Bill 1824, sponsored by Senator Karina Villa and Representative Janet Yang Rohr, which includes most of the proposals in the Board's 2023 Legislative Agenda. The provisions in the bill are:

- Requiring all new IMRF Authorized Agents to complete an IMRF-provided training course;
- Allowing trustees who change jobs within a Board term to remain on the Board;
- Creating additional exemptions to Accelerated Payments; and
- Making two technical corrections to the Pension Code.

The bill passed the Senate unanimously in March. It then passed the House Pension Committee on April 20th and the full House on May 9th. All votes on the bill were unanimous.

The other active bill, Senate Bill 1924 sponsored by Senator Michael Halpin and Representative Lance Yednock, would, in the provision applicable to IMRF, add Regional Offices of Education to the list of employers for which members are not limited to the final employer for the use of unused, unpaid sick leave. It passed the full Senate in March and the full House on May 11th. The vote was not unanimous, but the opposition was focused on the non-pension-related provisions in the bill. The Board is neutral on this bill.

(23-05-12) (Litigation Update) The following is an update of the currently pending or recently concluded litigation:

**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 related 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. The parties have recently agreed to a list of qualified experts. The experts will assist the arbitration panel in resolving questions of econometric causation and calculation of alleged damages.

**KEITH GARDNER v. BOARD OF TRUSTEES OF IMRF et al.
(DUPAGE COUNTY 2021 MR 1377; THIRD DISTRICT APPELLATE COURT 3-22-0404)**

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 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 appealed the decision.

Status: The retroactive denial of temporary disability benefits to Mr. Gardner was affirmed by the Circuit Court. Mr. Gardner has filed a notice of appeal and three motions to extend the time for filing his opening brief. Therefore, this matter is still in the midst of its briefing schedule.

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: As the parties exchange expert reports and additional information became available, the Plaintiffs recently amended the complaint for damages. Discussions of proper valuation and potential resolution of these claims are ongoing.

GLENCORE PLC (UNITED KINGDOM INVESTOR GROUP ACTION)

Summary: A group of investors is seeking recovery through the UK's Financial Services and Markets Act against multinational commodity trading and mining company, Glencore PLC. The claim is based on alleged misstatements and omissions concerning Glencore's operations in the Democratic Republic of Congo. Specifically, the entity failed to disclose that its business operations in the DRC were secured through possible corrupt means. Once knowledge of the bribery and corruption scheme became public, the price of Glencore's securities declined significantly, causing substantial losses for investors.

Status: IMRF has opted to participate in one of the investor group actions. The action is still gathering qualified investors for the group action and pleadings have not yet been filed. The litigation of these claims will be handled by an outside English counsel. Staff is working with English counsel and IMRF's investment managers to establish standing for each group of shares that may be recoverable in this action.

VERONICA MONTOYA v. BOARD OF TRUSTEES OF IMRF et al.
(DUPAGE CTY 2022 MR 756)

Summary: Montoya was the transportation coordinator for Rockford School District 205. She applied for and was granted temporary disability benefits from IMRF for the maximum statutorily permitted amount of time. Upon evaluation for total and permanent disability benefits and after an administrative hearing, the IMRF Board denied Montoya's claim for total and permanent disability benefits. Montoya appealed the decision.

Status: IMRF staff has filed its responsive pleading and this matter is in the midst of a briefing schedule.

LISA BEGUHL v. IMRF
(DUPAGE COUNTY 2023 MR 103)

Summary: Ms. Beguhl's claim for temporary disability benefits was closed based on her failure to submit the necessary documents needed for review.

Ms. Beguhl is still working with IMRF staff to submit the necessary documentation to allow for her claim to be reopened. Therefore, this litigation is premature. Additionally, the complaint has a number of defects which warrant dismissal notwithstanding the timing of the litigation.

Status: Ms. Beguhl submitted the necessary documentation to IMRF to reopen her disability claim. This litigation is now moot and the case will be voluntarily dismissed without any further activity from IMRF.

GIVENS v. IMRF (U.S. EEOC 440-2022-09088)

Summary: This is a charge of discrimination by a current employee through the U.S. Equal Employment Opportunity Commission.

Status: IMRF has submitted its position statement and is cooperating with the EEOC investigation.

(23-05-13)(Horizon Update) Executive Director Brian Collins began the presentation with introductions and continued with a slide presentation. He explained some issues that developed during and after Pilot testing that affect the milestones of progress. Due to these issues, staff is starting a "replanning" phase during the month of June. Therefore, the Go Live date must be postponed until a later date. Staff will update the Board with the results from the replanning efforts. He mentioned that the total cost of the project is still in line with the budget.

Ray Smith from Provaliant further explained the progression of the Horizon Project from the beginning until now, including milestones and check marks. He assured that we are very close to accomplishing the milestones and are in a very good place. He further explained that most organizations are more focused on the finish date than the quality of the product. However, IMRF has always been more focused on quality. Mr. Kuehne asked Ray Smith and Pierre Chamberland (from TELUS) to describe the defects in the system, which they did. For example, some defects were due to employer payroll systems not being able to communicate with the Horizon system during employer pilot testing. Mr. Kosiba raised his concerns about the project, the expenses, the timeframe, and the issues. He expressed that he is very disappointed. He requested to add Horizon costs broken out separately on the Consent Agenda to help monitor expenses. Ms. Henry commented that if the defects are caused by TELUS, IMRF should not be charged. TELUS should be held accountable and said it should not be an "open checkbook" for getting the system up and running. She requested a list of vendors related to the Horizon project, what was paid to them and when. The Board expressed concerns about the cost, the defects, and getting control over the costs. Mr. Collins explained that the defects they are finding and fixing are a normal part of the process, and all the costs are normal as well. He firmly believes that we are within a reasonable timeframe to finish and the costs are in line with the enormous nature of this project and it will result in a top-quality product. He further explained that no additional money was paid or expenses added without the approval of the Board. Mr. Smith added that Provaliant reviews the contract and the payments, and he assured the Board that it is not an "open checkbook". Mr. Collins emphasized that staff has been completely

transparent with this project all along and will continue to be transparent.

(23-05-14) (Report of the Executive Director) Executive Director Brian Collins gave an update on the 1st Quarter 2023 Strategic Goals. He also provided information on FOIA requests and an updated personnel report as well. Furthermore, Mr. Collins explained the "Future of Work" project that was incorporated into the 2023-2025 Strategic Plan. Staff has already started to meet with the consultant and everyone is very excited.

(23-05-15) (Trustee Forum) The Chair reported that there were the following two new requests for travel to conferences:

- Natalie Copper - NASP Annual Financial Services Conference, Philadelphia, PA on July 23-27, 2023
- Gwen Henry - IFEBP Advanced Trustees & Administrators Institute, Boston, MA on September 20-October 2, 2023

It was moved by Mr. Kuehne, seconded by Kosiba, to approve the two travel requests for Trustee conferences.

Vote:

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

A list of upcoming conferences for 2023 was included as information.

Finally, a chart was included that shows the number hours of training each Trustee has earned so far in 2023.

(23-05-16) (Adjournment) It was moved by Ms. Copper, seconded by Mr. Kosiba, to adjourn the Board Meeting at 12:07 p.m., and to reconvene at 9:00 a.m. on August 25, 2023.

VOTE:

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



President



Date



Secretary



Date

