

ILLINOIS MUNICIPAL RETIREMENT FUND
MINUTES OF
REGULAR MEETING NO. 25-05
MAY 30, 2025

ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 25-05

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:50 a.m. on May 30, 2025, in the Fund Office at 2211 York Road, Suite 400, Oak Brook, Illinois.

Ms. Henry presided as President and called the meeting to order.

Ms. Herman took a roll call:

Present: Copper, Henry, Stafford, Stefan, Townsend
Absent: Cycholl, Isaac, Miller

Ms. Weymouth and Ms. O'Bradovich from Callan were also present at the meeting; as well as Mr. Buis and Mr. Pieterse from Gabriel Roeder Smith & Company.

(25-05-01) (2024 Actuarial Valuation Report - 2024 Gain/Loss Analysis - Mark Nannini and Gabriel Roeder Smith & Company) Mr. Mark Buis, and Mr. Francois Pieterse from Gabriel Roeder Smith Company presented IMRF's Annual Actuarial Valuation as of December 31, 2024, and IMRF's Gain/Loss Analysis, noting that the objective of the Analysis is to calculate employer rates for 3,416 rate groups for the 2026 calendar year; measure financial position and funding progress; explain changes in financial position that occurred during the year; and discuss amortization.

Highlights of the presentation included:

- IMRF experienced a net actuarial investment loss on a smoothed basis over the last 5 years. In addition, there were pay increases greater than assumed.
- Average 2026 rates are slightly higher than 2025 rates for most employers.
- 2027 rates will be affected by:
 - Continued emergence of Tier 2;
 - Market volatility (up/down tendencies) for 2025
- IMRF is now 95.8% funded (95.8% based on market value); which is well above the national average.

Looking ahead, GRS explained the following:

- Assuming IMRF earns 7.25% for the next 3 years, average projected contribution rates would slowly decrease:
 - Estimated 2027 rate (Regular): 7.06%
 - Estimated 2028 rate (Regular): 6.95%
 - Estimated 2029 rate (Regular): 6.85%
- This is due to continued impact of lower cost for Tier 2 members

- Future is highly uncertain!
 - o Actual rates will depend on actual experience and potential changes to assumptions/methods/benefits provisions
 - o Favorable investment experience would mitigate this
 - o This is the perfect example of why actuaries use asset smoothing

Francois then continued with explaining amortization. What is amortization:

- o The difference between the actuarial accrued liability and the funding value of assets (unfunded liability) should be paid off in a systematic manner
- o Similar to a mortgage, the unfunded liability is amortized over a period of years
- o The amortization payment is one component of the annual contribution
- o The amortization period will vary from system to system, but needs to comply with actuarial standards of practice
- o The amortization period was set to 30 years with the December 31, 2008 through December 31, 2011 valuation.
- o Starting with December 31, 2012 valuation the period reduced by 1 year; December 31, 2024 valuation used a 17-year amortization period.

Francois then informed that Board that amortization will be further discussed more in-depth at the November 2025 Board meeting.

(25-05-02) (1st Quarter 2025 Investment Performance Report - Angela Miller-May and Callan) Ms. O'Bradovich and Ms. Weymouth presented the 1st Quarter Investment Performance Report.

The highlights are as follows:

- o IMRF's market value as of March 31, 2025 was \$55.2 billion, an increase from the 4Q24 ending value of \$54.9 billion.
- o The Total Fund returned 0.97% for the quarter versus the benchmark return of 0.38%. The Fund's quarterly return ranked in the 28th percentile of peers. Over the last year, the Fund returned 5.64% relative to the benchmark return of 7.79% and ranked at the 47th percentile of peers.
- o The IMRF U.S. Equity portfolio returned -3.76% for the quarter but fared better than the benchmark return of -4.06%. Over the last year, the U.S. Equity portfolio gained 4.44% relative to the benchmark return of 7.68%.
- o The IMRF International Equity portfolio gained 5.51% for the quarter and outperformed the benchmark return of 5.23%. Over the last year, the International Equity portfolio returned 6.31% and led the benchmark return of 6.09%.
- o The IMRF Fixed Income portfolio finished slightly ahead of the benchmark for the quarter, returning 2.49% versus 2.44%. Over the last year, the Fixed Income portfolio returned 5.47% and exceeded the benchmark return of 5.37%.
- o The IMRF Private Real Assets portfolio recorded a 0.11% return for the quarter and fell short of the 0.92% benchmark return. Over the last year, the Private Real Assets performed in line with the benchmark, returning 1.42% versus 1.43%.
- o All asset classes are within the rebalancing range as stated in the Investment Policy.

(25-05-03) (Investment Reports) - CIO Angela Miller-May reported that total fund value as of May 28, 2025, was \$56.828 billion. She further reported that as of May 28, 2025, the Domestic Equity portfolio was up .63%; the International Equity portfolio was up 6.53%; the Fixed Income portfolio was up 3.40%; the Private Real Assets portfolio was up 1.55%; the Alternative Investments portfolio was up 3.57%; and the cash portfolio was up 7.52%. Overall, IMRF's portfolio was up in value by 2.98% on May 28, 2025, compared to what it was on March 31, 2025. Furthermore, the following benchmark returns were reported as of May 28, 2025:

S&P 500	5.87%
Custom U.S. Equity Benchmark	5.57%
93% Russell 3000 Index	
7% FTSE Global Core Infrastructure 50/50 Index (Net)	
MSCI ACWI Ex-U.S.	4.26%
Broad International equity market benchmark	
Bloomberg Aggregate	-1.25%
Broad U.S. bond market benchmark	

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 Callan monthly report for March was posted for review. Highlights of the summary included:

IMRF ended March with a market value of \$55.18 billion, a decrease of \$.91 billion from the prior month. IMRF returned -1.76% during the month, outperforming the -2.03% return of its benchmark. Current policy states that when the actual allocations of the asset classes differ by more than four percentage points from their policy targets, a recommendation for rebalancing will be made to the Board of Trustees. As of March month end, all asset classes are within the policy target ranges.

The U.S. equity market recorded losses for the month, with large caps outperforming small caps, large-cap value leading growth, and small-cap growth outperforming small-cap growth. IMRF's U.S. equity portfolio returned -5.43%, relative to the -5.28% return for the U.S. Equity Custom Benchmark. IMRF's public real assets allocation, large cap and small cap equity composites trailed their respective benchmarks.

Global ex-U.S. equities outperformed domestic markets for the month, with emerging markets leading developed markets. The IMRF international equity composite returned -0.16% outperforming the MSCI ACWI ex-U.S. benchmark which returned -0.23% in March. The international large cap composite outperformed its respective benchmark for the month, while the international small cap, and emerging markets composites trailed their respective benchmarks for the month.

IMRF's fixed income composite returned -0.12%, narrowly underperforming the Fixed Income Customer Benchmark -0.08%. The high yield allocation finished ahead of its respective benchmark, while active core, core plus and bank loans composites trailed their respective benchmarks.

(25-05-04) (Investments) Investments Committee Chairperson, Ms. Copper, informed that there was no quorum for the May 29, 2025 meeting, so there was a motion by Mr. Stafford, seconded by Mr. Stefan to dismiss the Investment Committee allowing the Board to take action on investment commitments without recommendations from the Committee.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

Investment Committee Chairperson, Ms. Copper is asking the Board to authorize the following commitments subject to satisfactory legal due diligence.

- Up to \$50 million to Charlesbank Equity Fund XI, L.P.
- Up to \$50 million to Great Hill Equity Partners Fund IX, L.P.
- Up to \$75 million to Khosla Ventures, L.P., Khosla Ventures Seed G, L.P., and Khosla Ventures Opportunity III, L.P.
- Up to \$125 million to Blue Owl Real Estate Fund VII, L.P.
- Authorize staff to complete all documentation necessary to execute this recommendation.

It was moved by Mr. Stefan and seconded by Ms. Copper to approve:

- Up to \$50 million to Charlesbank Equity Fund XI, L.P.
- Up to \$50 million to Great Hill Equity Partners Fund IX, L.P.
- Up to \$75 million to Khosla Ventures, L.P., Khosla Ventures Seed G, L.P., and Khosla Ventures Opportunity III, L.P.
- Up to \$125 million to Blue Owl Real Estate Fund VII, L.P.
- Authorize staff to complete all documentation necessary to execute this recommendation.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-05-05) (Consent Agenda) The President presented an agenda consisting of a Consent Agenda.

(A) Approval of 2025 Trustee Election Deadlines and Roles

General Counsel Vladimir Shuliga explained that in 2025, IMRF will administer five Trustee elections for six Trustee positions. Active members will elect two Employee Trustees; annuitants will elect one Annuitant Trustee, and employers will elect three Executive Trustees. The proposed ballot due date and tabulation dates are included below. The Board also appoints staff to serve as judges and clerks to administer the election. IMRF will administer the following elections in 2025. All current terms will expire December 31, 2025.

Trustee Position Type	Length of New Term	Current Trustee in Position
Annuitant	Five years (1/1/2026-12/31/2030)	William Stafford
Employee	Five years (1/1/2026-12/31/2030)	Douglas Cycholl
Employee	Five years (1/1/2026-12/31/2030)	Jason Isaac
Executive	Five years (1/1/2026-12/31/2030)	Gwen Henry
Executive	Three years (1/1/2026-12/31/2028)	Peter Stefan
Executive	Two years (1/1/2026-12/31/2027)	Brian Townsend

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.

IMRF staff administers the process for electing IMRF Trustees. 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. The Board appoints staff to these positions to administer the Trustee elections.

Staff recommends that the Board approve the following ballot return and counting dates. Note that the proposed ballot return and ballot counting dates are the same for all three of the Executive Trustee elections.

Position	Ballot Return Date	Ballot Counting Date(s)
Annuitant	December 5, 2025	December 6-12, 2025
Employee	December 5, 2025	December 6-12, 2025
Executive	December 11, 2025	December 12-16, 2025

Staff also recommends that the Board approve the appointment of the following IMRF staff members to serve as judges and clerks for the 2025 Trustee election.

Judges

Bonnie Shadid Kristin Grossman

Clerks

Tannia Acevedo	Laurie Duszynski	Anne-marie Lilly	Keyla Vivas
Barb Cisler	Jill Fietl	Daniel Martinez	
Kathleen DePaulo	Nick Kurz	Juan Sifuentes	

(B) Schedules - For the months of March & April 2025

- 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

(C) Approval of Minutes

Regular Board Meeting minutes from March 28, 2025

(D) Bids

Adobe Acrobat Pro and Standard Subscriptions
Approved Bidder: Software House International (SHI)
Approved Bid: \$40,251.25

Fortra Automate Renewal
Approved Bidder: VCloud, Inc.
Approved Bid: \$35,641.50

Bloomberg AIM Renewal - 2 years
Sole Source: Bloomberg Finance L.P.
Approved Bid: \$729,600 (not to exceed)

2025 Trustee Elections - Printed Materials
Approved Bidder: TAB Services
Approved Bid: 47,340.00

2025 Trustee Elections - Ballot Tabulation

Approved Bidder: TAB Services
Approved Bid: \$22,428.00

Obsolete Information Services Equipment Disposal
Approved Bidder: Data Slayer
Approved Bid: \$16,918.00

Authorize a Professional Services mandate to Hamilton Lane to provide Private Markets Portfolio Management software.

Authorize IMRF staff to complete all documentation necessary to execute this recommendation, subject to satisfactory legal due diligence.

(E) Participation of New Unit of Government/Instrumentality

Cambridge Public Library District
County: Henry
2025 Employer Rate: 6.71%
Effective Participation Date: July 1, 2025
Number of Employees: 2

Jo Daviess Carroll CTE
2025 Employer Rate: 9.39%
Effective Participation Date: July 1, 2025
Number of Employees: 5

(F) March/April 2025 Financial Reporting Packages

(G) March/April 2025 Statement of Fiduciary Net Position

(H) Impact of 2025 Year-To-Date Investment Income of Employer Reserves, Funding Status and Average Employer Contribution Rate

(I) Schedule T - Report of Expenditures (March & April 2025)

It was moved by Mr. Townsend and seconded by Mr. Stafford to approve the items on the Consent Agenda.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-05-06) (Report of the Audit Committee Meeting) Mr. Stefan, the Chair of the Audit Committee, gave a report of the meeting that was held on May 30, 2025.

The minutes of the February 21, 2025 Audit Committee Meeting were approved.

Tim Bowling and George Golemes of Plante Moran presented the SOC 1 Type 2 report to the Committee. An unmodified opinion was issued and staff cooperative with the successful SOC 1 Type 2 process.

Kristin Hunt and Manju Patnaik of Plante Moran presented the results of the 2024 Financial Statement Audit. A drafted unmodified opinion was issued for the ACFR. Schedule of Changes in Fiduciary Net Position by Employer, and

Census Attestation by Employer with a drafted unmodified opinion was discussed and will be ready in the near future.

Review of the 2024 Financial Statement Audit by Plante Moran, which will include the Fiduciary Net Position by Employers schedules and Census Attestation by employer. A final opinion will be issued by Plante Moran on all three items later in June 2025.

The Audit Committee approved/accepted the following:

- 2024 Annual Comprehensive Financial Report of the Illinois Municipal Retirement Fund
- 2024 SOC 1 Type 2 Engagement of the Illinois Municipal Retirement Fund
- New Internal Audit Charter
- New Internal Audit Office Job Description
- Internal Audit Communication Plan
- Internal Audit Strategic Plan
- Internal Audit Performance Scorecard Methodology

It was moved by Mr. Stefan and seconded by Ms. Copper, to approve the above actions/recommendations from the Audit Committee meeting on May 30, 2025.

(25-05-07) (Report of the Benefit Review Committee Meeting) Since Mr. Miller (Chair) and Mr. Cycholl (Vice Chair) were absent, the Committee appointed Ms. Copper as Chairperson Pro Tem. So, Ms. Copper gave the report of the Benefit Review Committee that was held on May 30, 2025.

The Committee approved the minutes from the March 27, 2025 BRC meeting.

It was moved by Mr. Townsend and seconded by Mr. Stafford, to approve the following recommendations of the Benefit Review Committee:

- In the Keith Gardner case, the Committee recommends that the Board affirm the staff decision denying total and permanent disability benefits. Based on the medical documentation provided by Mr. Gardner and the expert reports, Mr. Gardner does not meet IMRF's definition of total and permanent disability. The evidence shows that Mr. Gardner is capable of performing sedentary work sufficient to establish gainful activity. Therefore, the Committee finds that Mr. Gardner does not meet the eligibility requirements for total and permanent disability benefits as set forth in Section 7-150.
- In the Raul Bernal case, the Committee recommends that the Board affirm the staff decision that Mr. Bernal violated the return-to-work rules and accrued a total overpayment of \$8,051.14, and that 50% of the overpayment liability would be charged to Mr. Bernal, to be collected at a rate to be negotiated by IMRF staff, and that the Fox Valley Park District should be held liable for 50% of the overpayment.
- In the Kirk Reusch case, the Committee recommends that the Board adopt the findings and conclusion of the IMRF hearing office. Staff is to negotiate a repayment agreement up to an eight-year term of repayment.

- In the Custer Township case, the Committee recommends that the Board adopt the findings and conclusion of the IMRF hearing officer.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-5-08) (Appointment of Board Officers) Ms. Henry explained that the Officer Nominating Committee recommends the following trustees to be nominated and elected to the Board Offices for the remainder of 2025:

- Vice President - Doug Cycholl
- Secretary - Bill Stafford

The new officers will assume their responsibilities effective immediately.

It was moved by Ms. Henry and seconded by Mr. Cycholl to appoint the following Board officers:

- Vice President - Doug Cycholl
- Secretary - Bill Stafford

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-05-09) (Legislative Update) General Counsel Vladimir Shuliga gave a report on current legislative activity. He reported that, except for the week of April 14th, the General Assembly has met each week since the March Board meeting. They are currently scheduled to adjourn the spring 2025 session on Saturday, May 31st.

Mr. Shuliga further informed that, as was the case in 2024, the General Assembly has done very little work on pensions this year. Only eight pension bills affecting any system are active and only two of those would affect IMRF. None of the pending bills make any benefit changes or real substantive changes. Most deal with operational changes in various Articles of the Pension Code.

The first, **Senate Bill 1456 (Martwick)**, would require the State Treasurer to develop an educational program for pension fund trustees. Time spent on these courses would count toward the Board's annual training requirements. Regular attendance at Board meetings could not be used toward these training requirements. It would apply to all pension funds and is pending before the full Senate. The Board has taken no position on the bill. The Senate deadline for passage in that Chamber has been extended for this bill; the same would need to happen in the House if it were to pass to that chamber as the deadline has also passed.

Also active is **House Bill 79 (Haas/Anderson)**. It would allow SLEP retirees to return to work as a school security officer for up to 1,000 hours without jeopardizing their pension. It has passed the House, as well as the Senate Pension committee and is now before the full Senate. The Board also took no position on this bill.

Still pending is a potential bill to make changes to the Tier 2 plan for all systems. Working groups have been convened in the House to negotiate various

changes. The only provision that would definitely be included when/if legislation does move would be to increase the wage reporting cap to match that of Social Security in order to allow them not to participate in Social Security. There are other provisions being discussed, although no agreement has been made at this point. Also being discussed are changes in the retirement age, the amount and timing of the annual pension increase, and the final rate of earnings period. Also on the table is a change in what service "counts" toward maintaining Tier 1 status, which could include IMRF SLEP members.

These Tier 2 discussions have also included a DROP (deferred retirement option plan). While many of the DROP proposals have included all members of TRS and SURS, they have always been limited only to SLEP members of IMRF. They are now focusing only on public safety and are looking at Cook County and IMRF deputy sheriff plans, Chicago and downstate police and fire, police officers participating in SURS, and state police and firefighters in SERS. There has not been an agreement as to what it would include or its infrastructure, however, nor even if it would be included at all.

Also being discussed is a potential omnibus bill containing agreed technical proposals from several systems. Currently included in this potential bill is the elected official eligibility proposal from the Board's 2025 legislative agenda, which would recognize continued contributions to IMRF by the employer and the member for participants who switch, with the same employer, from a non-elected position to an elected position, as an affirmative election to participate as an elected official. This legislation is awaiting final approval and is expected to be introduced about a week before scheduled adjournment.

Board Springfield Drive-Down

Trustee Copper and Isaac attended the 2025 Springfield Drive-Down.

The event began by attending a hearing of the Senate Pensions committee. Only one bill was posted for a hearing: House Bill 79 (Haas/Anderson), which was fortunately a bill that applies to IMRF (discussed above). While waiting for the hearing to begin, Sen. Chris Balkema (R-Channahon) introduced himself to the Board and talked a bit about the pensions in general and his experiences with IMRF as a former member and chair of the Grundy County Board.

We were able to meet with Sen. Neil Anderson (R-Andalusia), minority spokesperson of the Senate Pensions committee, Sen. Robert Martwick (D-Chicago), chair of that committee after the Senate committee hearing. We also met with Rep. Janet Yang Rohr (D-Naperville), Chair of the House Personnel & Pensions committee and Rep. Stephanie Kifowit (D-Oswego), chair of the House pensions appropriations committee (some substantive, non-appropriations bills are also being assigned to this committee). We also met with Rep. Lisa Davis (D-Chicago), a new member of the General Assembly and of the House pensions appropriations committee. Finally, the group met with Rep. Jay Hoffman (D-Collinsville). Rep. Hoffman is an Assistant Majority Leader in the House and is working with the House working groups to discuss potential Tier 2 changes. We also dropped off materials with other legislators who were not in their offices at that time. We also met with Will Lovett from the Illinois Education Association and Joanna Webb-Gauvin of AFSCME, both of whom handle pension issues for their organizations.

Each meeting was positive, and all legislators were very complimentary of IMRF.

(25-05-10) (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 X.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. Recently, the parties have been briefing issues regarding Petrobras' supplemental expert report. The Arbitration Panel will not be accepting additional responses until they have filed their preliminary report.

**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 appealed the Circuit Court's decision. The Appellate Court issued its decision on October 16, 2023, which reversed the decision of the Circuit Court. The Appellate Court determined that IMRF should not have retroactively denied Mr. Gardner temporary disability benefits. IMRF determined not to pursue an appeal to the Supreme Court. The case was remanded back to the Circuit Court, who in turn remanded it back to IMRF on December 13, 2023. IMRF is now reviewing the member's eligibility for total and permanent disability benefits. The court has left the case open in the event the total and permanent disability application is denied and the member wishes to pursue an appeal of that determination. No future status date has been set.

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. 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. The first case management conference was held on May 21-24, 2024, and a second conference was held on November 26-28, 2024. The Court has made directions for disclosure by Glencore and the Director Defendants, with disclosure to be provided in various tranches until April 30, 2025.

GIVENS v. IMRF (U.S. EEOC 440-2022-09088; N.D. ILL. 1:23-CV-14101)

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

Status: Discovery on the case has completed, and the parties are in the midst of the summary judgment briefing schedule. Additionally, the parties are exploring a potential settlement.

JULI BRUZZDZINSKI v. BOARD OF TRUSTEES OF IMRF et al.
(DUPAGE COUNTY 2024 MR 412)

Summary: Bruzdinski retired from IMRF effective July 1, 2023, and disputed application of the 125% rule to her retirement benefit. The 125% rule is an anti-pension-spiking provision of the Pension Code which caps certain wages in the final three months of the final rate of earnings period from consideration in the pension calculation. After hearing before the IMRF hearing officer, the IMRF Board denied Bruzdinski's request for an exception to the Pension Code, leaving per pension as statutorily calculated. Bruzdinski appealed the decision.

Status: After successfully dismissing the individual defendants from the suit, IMRF filed the administrative record. The Plaintiff sought to add additional documents to the record which were not part of the proceedings, which the court struck on December 18 based on IMRF's motion. The hearing on the case was held May 9, 2025. On May 21, 2025, the court issued its judgment, which affirmed the IMRF Board of Trustees and its calculation of Bruzdinski's pension amount.

PAUL JAEGER v. BOARD OF TRUSTEES OF IMRF et al.
(COOK CTY 2024 CH 0557; FIRST DISTRICT APPELLATE COURT 1-25-0557)

Summary: Mr. Jaeger was a custodian for Evergreen Park School District 231. He applied for temporary disability benefits from IMRF based upon generalized anxiety and unspecified psychological development disorder. Upon evaluation for temporary disability benefits and after an administrative hearing, the IMRF Board denied Jaeger's claim for temporary disability benefits. Jaeger appealed the decision.

Status: The trial court issued a final ruling on February 27, 2025, in favor of IMRF. The court held that the IMRF Board decision was not clearly erroneous, and that there were no due process or fairness issues in the administrative proceedings. Jaeger filed an appeal to the First District Appellate Court on March 26, 2025. The parties are awaiting the circuit court record from Cook County.

THOMAS SHEEHAN v. IMRF
(JO DAVIESS COUNTY 2024 MR 9)

Summary: Sheehan was a police chief for the Village of Stockton. He 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 Sheehan's claim for total and permanent disability benefits. Sheehan appealed the decision.

Status: The case was filed on July 31, 2024; however, no summons has yet been issued by the clerk. IMRF waits to be properly served before filing an appearance and responsive pleading.

ABN AMRO BANK N.V. (NETHERLANDS INVESTOR GROUP ACTION)

Summary: A group of investors is seeking recovery through the against ABN Amro Bank N.V., the third-largest bank in the Netherlands. The claim is based on allegations that ABN persistently failed to disclose information about the bank's serious internal deficiencies that facilitated criminal activity within the bank. Specifically, the entity failed to disclose to investors that the company's internal policies were inadequate and did not comply with international anti-corruption laws and regulations, which resulted in materially false and misleading statements. The Dutch government announced an investigation on the matter in 2019, and ABN ultimately settled with Dutch prosecutors in April 2021.

Status: IMRF has recently 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 Dutch counsel. Staff is working with Dutch counsel and IMRF's investment managers to establish standing for each group of shares that may be recoverable in this action.

TERRENCE HEFFRON v. BOARD OF TRUSTEES OF IMRF, et al.
(DUPAGE COUNTY 2025 MR 54)

Summary: Mr. Heffron retired from IMRF effective June 1, 2023, and began receiving a reciprocal retirement based on service credit from the State Employees' Retirement System (SERS). In 2024, SERS advised Heffron that he would have received a higher pension benefit had he retired independently with each system. A staff determination was made, which denied his request to change his benefit election based on Board rule and the Reciprocal Act. After hearing before the IMRF hearing officer, the IMRF Board denied Heffron's request to change his benefit election and retire independently with IMRF. Heffron appealed the decision.

Status: The complaint was filed on January 22, 2025. IMRF has filed a motion to dismiss based on defects in the complaint. The motion was briefed, and a

status was held on April 21, 2025. The Court set a new status date for June 20, 2025, but may issue a written opinion and order on the motion to dismiss prior to that date.

IMRF v. MICHAEL SUNZERE
(DUPATE COUNTY 2025 SC 3021)

Summary: In June 2024, IMRF issued Michael Sunzere, a terminated IMRF member, a separation refund. It was quickly discovered that he had actually received a duplicate of this payment. IMRF attempted to reclaim the funds from his financial institution but was unable to do so. Sunzere at first appeared willing to repay the overpayment, however, did not follow through with the repayment plan. Staff sought and received authority from the IMRF Board in December 2024 to initiate a lawsuit to reclaim the funds. In January 2025, IMRF sent a final demand letter to Sunzere, and did not receive a response.

Status: IMRF recently initiated a small claims lawsuit in DuPage County. Sunzere will have the opportunity to agree to a repayment plan overseen by the court. The first status date is set for June 9, 2025.

(25-05-11) (Strategic Planning Process: Steps 2&3 - STEP & SWOT Analyses) IMRF's Organizational Excellence Officer, Michael Everett, presented the updated 2026-2028 Strategic Planning Process - Steps 2 (STEP Analysis) and 3 (SWOT Analyses). He explained that the STEP Analysis is an external analysis providing an overview of macro-environmental factors that could impact the organization. Such factors include Societal, Technological, Economic, and Political. Additionally, a SWOT Analysis is a structured planning method that evaluates the strengths, weaknesses, opportunities, and threats of an organization. Next, the Board members and Directors were split into 4 teams for a group exercise where each group agrees to and writes down any societal, technological, economic, and political factors that IMRF could face. After that, each group identified some strengths, weaknesses, opportunities, and threats IMRF may face in 2026-2028. The next steps will be to summarize key Strategic Challenge, Advantage, and Opportunities; and validate IMRF's Core Competencies (July). Then, at the August Board meeting the Board will establish Strategic Objectives.

(25-05-12) (Workspace Improvement Project Update) General Counsel Vladimir Shuliga gave an update on the 800 Commerce building. He explained that the Directors believed the best way to create excitement for the building was to let staff experience the building firsthand, so as a part of our all-staff Town Hall, 200+ staff members successfully toured the new building, and many were impressed right from the start. He continued to inform that all Village requirements for the demolition permit have been met, and as of 4pm on 5/29 the permit has been issued. The project team has been hard at work keeping everything on scheduled. The next step on the schedule is to order the furniture. Three bids were obtained and now staff is asking the Board to approve the funding for the furniture. Although the budget was \$3,073,378 for furnishings, staff is requesting that the Board authorize up to \$2,782,632 for furnishings at 800 Commerce. This total is based on the quote from Miller Knoll.

Mr. Townsend asked about some costs and potential issues that can be impacted by tariffs. He wants staff to keep their eyes open in case the Board may have to approve additional funds.

It was moved by Ms. Copper and seconded by Mr. Stafford to authorize up to \$2,782,632 for furnishings at 800 Commerce.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-05-13) (Report of the Executive Director) Executive Director Brian Collins gave an operational update. He reported that since going Live with Horizon, the total contributions received from employers is \$1,516,597,347, as of April 30, 2025; and \$3,810,442,557 total payments were made during this same timeframe. Additionally, retirement claims processing remains stable. Furthermore, the Closing process was very successful, as well as external communication efforts. He also informed that the Contact Center was very successful in reducing the long hold times from 86 minutes in August/September of 2024 to 12 minutes in May 2025. They did this by hiring additional staff and creating innovative training and additional call queues. He concluded the presentation stating that the Fund collection, payment delivery, claims processing, and closing remain on track; we will continue to focus on external communications and the Member Contact Center.

Mr. Collins also provided the 2025 First Quarter Strategic Objectives Update report as well as information on FOIA requests and personnel.

(25-05-14) (Trustee Forum) An updated Conference log was given as information to the Board.

In addition, an updated list of conferences was provided for all to review. Also provided was a chart listing the training hours each Trustee accrued so far in 2025.

(25-05-15) (Approval of Settlement Agreement) General Counsel Vladimir Shuliga presented a Settlement Agreement between LaDawn Givens and IMRF.

It was moved by Ms. Copper and seconded by Mr. Stafford to approve the Settlement Agreement between LaDawn Givens and the Illinois Municipal Retirement Fund as presented.

VOTE:

ALL VOTED AYE - MOTION CARRIED

5 AYES; 3 ABSENT

(25-05-16) (Adjournment) It was moved by Ms. Copper and seconded by Mr. Townsend to adjourn the Board Meeting at 12:28 p.m., and to reconvene at 9:00 a.m. on August 29, 2025.

VOTE:

ALL VOTED AYE - MOTION CARRIED

8 AYES; 0 ABSENT



President



Date



Secretary



Date