

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**MINUTES OF**  
**REGULAR MEETING NO. 25-11**  
**NOVEMBER 21, 2025**



ILLINOIS MUNICIPAL RETIREMENT FUND

MEETING NO. 25-11

REGULAR MEETING

OF THE

BOARD OF TRUSTEES

The Regular Meeting of the Board of Trustees was held at 9:00 a.m. on November 21, 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, Cycholl, Henry, Isaac, Miller, Stafford, Stefan, Townsend  
(attended on MS Teams)

Absent: None

Ms. Weymouth and Ms. O'Bradovich from Callan were also present at the meeting. In addition, Francois Pieterse and Bonnie Worst from Gabriel Roeder Smith & Company were also present.

There were no public comments.

(25-11-01) (Amortization Policy) Mr. Pieterse and Ms. Worst from Gabriel Roeder Smith & Company gave a presentation regarding Amortization Policy. They explained the difference between the actuarial accrued liability and the funding value of assets (unfunded liability) should be paid off in a systematic manner. Similar to a mortgage, the unfunded liability is amortized over a period of years. The amortization payment is one component of the required annual contribution. The amortization period will vary from system to system but needs to comply with actuarial standards of practice. Similar to most employers, IMRF uses a closed 30-year period beginning with the 2011 valuation, which affected the 2013 contribution rates. (Remaining period in 2024 valuation was 17 years.) For unfunded liabilities incurred after 2026, IMRF uses a 15-year open ("rolling") amortization period. This results in two layers of unfunded liability: original layer to be fully extinguished at the end of 2042 and all new unfunded liability after 2026 to be amortized over rolling (open) 15 years. They explained there is a new concept called Layered Amortization. In 2014, the Conference of Consulting Actuaries, in their Public Plans Community White Paper recommended layered amortization as best practice. Layered amortization creates a new unfunded (overfunded) layer each year, while also maintaining the amortization schedule for any current unfunded (overfunded) liability. The purpose is to avoid 'resetting' of the amortization period that typically occurs once the period gets low and avoid an open (rolling) period which will never fully pay off the unfunded liability.

Summary below:

- Since the current IMRF policy was adopted, there have been 2 major changes in actuarial best practices
- ASOP 4 was adopted which requires the actuary to:
  - o Assess whether the unfunded liabilities is expected to be fully amortized
  - o Provide statement as to whether actuarial determined contribution meets the definition of a reasonable ADC (and if not, compute and disclose a reasonable ADC)
- The CCA published a white paper on amortization best practices for public pension plans
  - o Recommends against the use of open ("rolling") amortization periods
  - o Recommends layered amortization as model (best) practice
- The current IMRF policy uses open amortization periods (UAL not fully amortized)
- The current IMRF policy may cause some ADCs to not meet the definition of reasonable ADC after 2026 (particularly some of the smaller employers)
- The current IMRF amortization policy has become outdated and should be updated

GRS is making the following recommendations:

- Adopt 15-year single layered amortization (10-year layered for instrumentalities) beginning with the December 31, 2026 2027 actuarial valuation
- Note that this would first impact employer rates determined by the December 31, 2027 valuation which impacts employer rates in 2029
- Note that any potential impact on employer rates would be minimal
- Help achieve 100% funded and reduce contribution volatility
- Results in current actuarial best practice (used by most systems)
- Updating the policy now allows staff the needed time to implement

Ms. Henry asked how long it would take to implement. GRS anticipates about one year. Mr. Collins believes doing this earlier rather than later will allow for a smoother transition. It would avoid having unfunded liability in perpetuity, which is bad practice. So, he believes this is the right time to transition. Mr. Stefan is in favor of the new policy. The Board would like to put this item on the December Board meeting agenda for further discussion and approval.

(25-11-02) (Dynamic Investment Return Assumptions) Mr. Pieterse and Ms. Worst from GRS explained that in 2024 the Board adopted a proposed concept of looking at the Dynamic Investment Return annually. Based on the current results of the test, the Board could adopt a reduction in the discount rate of 5 basis points (effective December 31, 2025) and still have overall lower contributions next year. However, market returns are volatile, and this test would most likely not pass if the 2025 return on the market value were to drop below 11% prior to year end. It may be better to wait until there are more pent-up unrecognized gains, and hypothetical reduction in contribution rate is larger.

Discussion ensued. Mr. Stefan feels this is the perfect time to change since there is no pressure from market losses. Mr. Miller is skeptical about dropping our rates just because others are dropping their rates. Mr. Townsend feels this might not be the right time to change. He believes

IMRF should try to perform at a much higher rate than the median. Mr. Miller and Ms. Copper agree this is not the right time to change. Mr. Collins suggested that this same presentation should be presented to the Board every November to reassess. The Board agreed to have this item on future November Board meeting agendas.

(25-11-03) (3<sup>rd</sup> Quarter 2025 Investment Performance Report) Ms. O'Bradovich and Ms. Weymouth presented the 3<sup>rd</sup> Quarter Investment Performance Report.

The highlights are as follows:

- o IMRF's market value as of September 30, 2025 was \$60.2 billion, an increase from the Second Quarter ending value of \$58.3 billion.
- o The Total Fund returned 4.24% for the quarter versus the benchmark of 5.67%. The Fund's quarterly return ranked in the 50<sup>th</sup> percentile of peers. Over the past year, the Fund returned 10.72% relative to the benchmark return of 12.14% and ranked in the 26<sup>th</sup> percentile of peers.
- o The IMRF U.S. Equity portfolio returned 6.74% for the quarter but lagged the benchmark return of 7.87%. Over the last year, the U.S. Equity portfolio gained 14.23% relative to the benchmark return of 16.70%
- o The IMRF International Equity portfolio gained 6.27% for the quarter and trailed the benchmark of 6.89%. Over the last year, the International Equity Portfolio returned 18.08% and lead the benchmark return of 16.45%.
- o The IMRF Fixed Income portfolio returned 2.09% for the quarter, slightly ahead of the benchmark return of 2.02%. Over the last year, the Private Real Assets portfolio returned 1.86% and underperformed the benchmark return of 3.38%.
- o All asset classes are within the rebalancing range as stated in the Investment Policy.

(25-11-04) (Investment Reports) - CIO Angela Miller-May reported that total fund value as of November 19, 2025, was \$59,645 billion. She further reported that as of November 19, 2025, the Domestic Equity portfolio was up 3.87%; the International Equity portfolio was down -2.30%; the International Equity portfolio was down -1.39%; the Fixed Income portfolio was up 0.30%; the Private Real Assets portfolio was up 0.30%; the Alternative Investments portfolio was up 3.85%; and the cash portfolio was down -32.36%. Overall, IMRF's portfolio was down in value by -.96% on November 19, 2025, compared to what it was on September 30, 2025. Furthermore, the following benchmark returns were reported as of November 19, 2025:

S&P 500	-2.82%
Custom U.S. Equity Benchmark	-2.77%
93% Russell 3000 Index	
7% FTSE Global Core Infrastructure 50/50 Index (Net)	
MSCI ACWI Ex-U.S.	-2.42%
Broad International equity market benchmark	
Bloomberg Aggregate	-0.12%
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 September was posted for review. Highlights of the summary included:

The highlights are as follows:

- o **Total Fund** - The Illinois Municipal Retirement Fund ("IMRF") ended September with a market value of \$60.22 billion, an increase of \$1.12 billion from the prior month. IMRF returned 1.87% during the month, trailing the 2.50% return of its benchmark. Current policy states that when the actual allocation 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 September month end, all asset classes are within the policy target ranges.
- o **U.S. Equity** - The U.S. Equity market posted strong gains for the month, with growth stocks outperforming value and large caps leading small caps. IMRF's U.S. Equity portfolio returned 2.46%, underperforming the 3.35% return of the U.S. Equity Custom Benchmark. The large cap equity composite underperformed its benchmark. The small cap equity composite also trailed its benchmark. IMRF's public real assets allocation outperformed its benchmark.
- o **International Equity** - Global ex-U.S. equities advanced in September, with emerging markets outperforming developed markets. The IMRF international equity composite returned 3.17%, underperforming the MSCI ACWI xUS benchmark by 0.43%. The international large cap composite, international small cap and emerging markets composite all trailed their respective benchmarks.
- o **Fixed Income** - Fixed income posted gains for the month amid falling yields and tightening spreads. IMRF's fixed income composite returned 1.05%, modestly outperforming the Fixed Income Custom Benchmark, which returned 1.01%. The active core, core plus and bank loan allocations finished ahead of their respective benchmarks. However, the high yield composite underperformed its benchmark.

(25-11-05) (Consent Agenda) The President presented an agenda consisting of a Consent Agenda.

(A) Schedules - For the months of May, June, July 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

(B) Approval of Minutes

Amended Board Meeting minutes from May 30, 2025

Regular Board Meeting minutes from August 29, 2025

(C) Bids

2025 Provaliant Consulting Services  
Sole Source: Provaliant Consulting  
Approved Bid: \$988,280.00

Declare 2-2016 Chevy Impalas as Survey and Sale of IMRF Vehicles  
Sole Source: CarMax  
Approved Bid: \$22,000.00

2026 Microsoft Products and Services Agreement (MPSA)  
Approved Bidder: Software House International  
Approved Bid: \$191,816.30

Executive Coaching Services  
Approved Bidder: Ama La Vida Coaching  
Approved Bid: \$4,500/year per leader for 3-years  
Approved Bidder: The Partnership for Public Service

Approved Bid: \$2,640/year per Leader for 3-years

Financial Services information Sharing and Analysis Center (FS-ISAC) - 3  
Year Membership

Sole Source: FS-ISAC

Approved Bid: \$36,984.00 for 3-years

Microsoft DCE and DQL Server Software Assurance Renewal

Approved Bidder: Software House International (SHI)

Approved Bid: \$495,604.50

Obsolete Information Services Equipment Disposal (value of \$178,355)

Sole Source: Data Slayer

Approved Bid: \$3,521.50

Zerto 1Y Subscription Renewal

Sole Source: Continuum Solutions, Inc.

Approved Bid: \$55,800.00

Insurance Renewals

Sole Source: Gallagher Risk Management

Approved Bid: \$297,285.00 - includes coverage for the following:

Commercial Property Package - \$26,645

Business Automobile - \$12,342

Workers Compensation - \$41,804

Commercial Umbrella - \$19,483

Fiduciary Dishonesty - \$16,577

Fiduciary Liability - \$78,264

Cyber Network Security - \$102,170

(D) Participation of New Unit of Government/Instrumentality

Douglas County Soil and Water Conservation District

County: Douglas

2025 Employer Rate: 6.84%

Effective Participation Date: December 1, 2025

Number of Employees: 1

Knox County Multi Township South Assessment District

County: Knox

2025 Employer Rate: 8.54%

Effective Participation Date: December 1, 2025

Number of Employees: 2

(E) 2025 Financial Reporting Packages

(F) 2025 Statement of Fiduciary Net Position

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

(H) Schedule T - Report of Expenditures

It was moved by Ms. Copper and seconded by Mr. Miller to approve the items  
on the Consent Agenda.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-06) (Report of the Audit Committee Meeting) Mr. Stefan presented the report of the Audit Committee meeting that was held on November 21, 2025.

The Committee approved the minutes from the May 30, 2025 Audit Committee regular session meeting as well as the closed session meeting minutes from May 30, 2025.

He also reported that the 2025 IT General Controls Audit was presented by Christian Hansen, Baker Tilly. The assessment focused on critical control families including Contingency Planning, Awareness & Training, System and Information Integrity, Configuration Management, Access Control, Risk Assessment, System and Communications Protection, Supply Chain Risk Management, Physical and Environmental Protection, Identification and Authentication, and Audit and Accountability.

The 2025 IT General Controls Audit resulted in 4 findings or gaps and 1 process improvement out of the 40 controls tested.

- Risk Assessment - medium vulnerabilities were found.
- Configuration Management - medium vulnerabilities were found.
- Awareness and Training - medium vulnerabilities were found.
- Program Management - low vulnerabilities were found
- Supply Chain 3<sup>rd</sup> Party Risk Management - recommendation to implement a periodic review process.

The Audit Committee accepted the 2025 IT General Controls Audit Results Performed by Baker Tilly.

The Audit Committee also accepted the 2026 Internal Audit Plan, Required Communication, and Activities Updates for Q2 and Q3.

(25-11-07) (Report of the Benefit Review Committee Meeting) Mr. Miller presented the report of the Benefit Review Committee meeting that was held on November 20, 2025.

The Committee approved the minutes from the August 28, 2025 BRC meeting.

It was moved by Mr. Miller and seconded by Ms. Copper, to approve the following recommendations of the Benefit Review Committee:

- In the Cynthia Bacher and the Rockford Park District case, the Committee recommends that the Board affirm the staff decision that Ms. Bacher violated the return-to-work rules and accrued a total overpayment of \$1,929.74, and that 50% of the overpayment liability would be charged to Ms. Bacher, to be collected at a rate of \$100 per month, and that the Rockford Park District should be held liable for 50% of the overpayment. Re-enrollment is to be waived.
- In the Chris Conklin and Indian Prairie School District case, the Committee recommends that the Board affirm the staff decision that Mr. Conklin violated the return-to-work rules and accrued a total overpayment of \$37,383.04, and that 50% of

the overpayment liability would be charged to Mr. Conklin, to be collected over 120 months, and that the Indian Prairie School District should be held liable for 50% of the overpayment.

- In the Timothy Roe and Union School District case, the Committee recommends that the Board affirm the staff decision that Mr. Roe violated the return-to-work rules and accrued a total overpayment of \$23,467.51, and that 50% of the overpayment liability would be charged to Mr. Roe, to be collected over 120 months, and that the Union School District #46 should be held liable for 50% of the overpayment.
- In the Ruth Denoyer case, the Committee recommends the Board overturn the staff determination and find that no separation violation occurred based on the unique circumstances of the case, and the lack of fiduciary implications based on these circumstances.
- In the Paul Hettich case, the Committee recommends that the Board defer the matter to the next meeting and direct staff to seek information on the nature of Mr. Hettich's employment with Lake County.
- In the Maria Page case, the Committee recommends that the Board defer the matter to the next meeting and direct staff to seek information from the former spouse.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-08) (Investment Committee Report) Ms. Copper presented the report of the Investment Committee meeting that was held on November 20, 2025. She reported that the Committee approved the minutes from the August 28, 2025 meeting. The Investment Committee recommends that the Board approve the following recommendations:

For Alternatives Recommendations:

- Authorize a commitment of up to \$125,000,000 to Blue Owl Asset Special Opportunity Fund IX, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$30,000,000 to Harpoon Ventures Fund IV, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$75,000,000 to MC Credit Fund IV, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$75,000,000 to OceanSound Partners Fund III, L.P., subject to satisfactory due legal diligence.
- Authorize a commitment of up to \$75,000,000 to TPG Twin Brook Direct Lending Evergreen Fund, L.P., subject to satisfactory due legal diligence.
- Authorize staff to complete all documentation necessary to execute these recommendations.

For Private Real Estate Recommendations:

- Authorize a commitment of up to \$25,000,000 to Partners Group Direct Infrastructure Fund IV, L.P., subject to satisfactory legal due diligence.
- Authorize Staff to complete all documentation necessary to execute these recommendations.

In addition, the Committee approved Option I approach to responsible contractor oversight. The Investment Committee voted to keep the current due diligence process, and no formal policy was adopted.

It was moved by Ms. Copper and seconded by Mr. Isaac to approve the above recommendations from the Investment Committee.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-08) (Legislative Committee Report) Mr. Stefan presented the report of the Legislative Committee meeting that was held on November 20, 2025. The Committee approved the minutes of the February 20, 2025 Legislative meeting. The Committee recommends that the Board approve the following items for inclusion in the 2026 legislative agenda:

- Allow the Board to review the circumstances of any return-to-work and separation of service violation and assign liability for the overpayment based on the proportional liability between the employer and the member.
- Increase the death benefit from \$3,000 to \$8,000 for those who first retire on or after the effective date of the legislation.
- Revise the definition of creditable service in the first month of IMRF participation even if a member does not receive reportable earnings in that month.

It was moved by Mr. Stefan and seconded by Mr. Miller to approve the items above for inclusion in the 2026 legislative agenda.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

The Committee also discussed the following proposals:

- A prohibition on current or former IMRF employees serving on the IMRF board. A corresponding proposal to prohibit trustees from being hired as employees was also discussed. Staff was directed to research and present proposed language at a future legislative committee meeting.
- Staggering IMRF board membership elections so as to not experience disruptive turnover in any given year. The consensus of the Committee was to table this proposal.
- Reclassifying the IMRF voluntary additional contribution (VAC) plan as a Roth Plan. Staff was directed to research the feasibility of this proposal and present the findings at a future legislative committee meeting.

- Amending the separation of service statutory requirement so as to not require separation from non-qualifying employment with a secondary IMRF employer. Staff was directed to research and present proposed language at a future legislative committee meeting.

**The Board took a break at 10:28am and resumed the meeting at 10:35am.**

(25-11-10) (A Resolution on FOIA Procedures) General Counsel Vladimir Shuliga explained that the resolution below is a update to the current resolution for FOIA Procedures and he asked that the Board approve the updated resolution.

WHEREAS, the Illinois Freedom of Information Act (FOIA) required establishment of procedures for access by the public to records of the Illinois Municipal Retirement Fund; and

WHEREAS, the Board of Trustees of the Illinois Municipal Retirement Fund, as fiduciaries of a governmental pension fund, believe that the Fund's records should be available at reasonable times for public inspection, to the extent that disclosure does not violate individual privacy; and

WHEREAS, the Board of Trustees has previously adopted Resolution 2015-08-12(c), which establishes procedures for the implementation of FOIA by IMRF; and

WHEREAS, it is appropriate that Resolution 2015-08-12(c) be rescinded and replaced by the following procedures.

THEREFORE, it is hereby RESOLVED that the Board of Trustees adopts the following procedures to implement the Illinois Freedom of Information Act and to govern disclosure of the records of the Illinois Municipal Retirement Fund:

1. Records Subject to Public Inspection  
All IMRF records shall be subject to public inspection except:
  - Individual member files privileged under section 7-197 of the Illinois Pension Code
  - Any records held by the Fund that are exempt from disclosure under FOIA
2. Persons Entitled to Inspect Records  
All persons shall be entitled to inspect IMRF records.
3. Hours of Inspection  
Records shall be available for inspection at the Fund's offices between 8:30am and 4:30pm on days when the Fund is open for business.
4. Employee To Whom Requests Should be Directed  
Kristin Grossman, Staff Attorney  
Illinois Municipal Retirement Fund

**Address until December 31, 2025:**  
2211 York Road  
Oak Brook, Illinois 60523

**Address on and after January 1, 2026:**  
800 Commerce Drive  
Oak Brook, Illinois 60523

5. Inspection and Disclosure Procedures

- Persons appearing at the IMRF offices will be afforded the right to inspect original records upon oral or written request. The records will be furnished as soon as reasonably possible unless the requested records require substantial file research or a significant number of records are requested. In this event, the person will be informed when the records will be available for inspection or when copies can be mailed.
- Records requested for non-commercial purposes will be furnished within 5 business days (or 10 business days if an extension is required and notification to the requestor is given within the original 5 days), unless such request is deemed a "recurrent" or "voluminous" request, as those terms are defined by FOIA.
- A response for requests for records to be used for commercial purposes [as defined at FOIA section 2 (c-10)] will be furnished within 21 business days. That response will either: a) provide an estimate of the time required to provide the records requested and an estimate of the fees to be charged; or 2) deny the request; or 3) notify the requestor the request is unduly burdensome and extend an opportunity to reduce the request to manageable proportions; or 4) provide the records requested.
- Upon payment of the published fees, copies of the requested records will be provided.
- The required fees must be paid before the copies are made.
- Copies will be made by staff personnel and the person inspecting records shall not be entitled to make copies.

#### 6. Fees

- First 50 hard copy pages: no fee
- Additional pages over 50: 15 cents for each copy page (black and white, letter or legal-sized copies only)
- Electronic copies via email or on electronic media provided by the requester: no fee
- All other copies will be charged at the actual cost to IMRF to make the copies (color copies, CD, etc.)
- Copy fee is waived for requests made by a member of the new media, non-profit public service organization or other organization who is requesting the information in the public interest.
  - A request is deemed to be "in the public interest" if the main purpose of the request is to use and provide such information to advance the health, safety, welfare or legal rights of the general public and is not for the personal or commercial benefit of the requester.
  - The requester must state the specific purpose of the request and indicate that the request is in the public interest in order to receive a fee waiver.
- Copy fee may be waived by Executive Director for good cause shown in other instances
- Labor fees (commercial requests only): \$10 per hour for searching for and retrieving requested records for each hour after the first 8 hours
- Retrieval fees (commercial requests only): Actual cost of retrieving and transporting records from an offsite storage company

7. Denial Procedures

- If the request for records for non-commercial purposes is denied, written notice shall be given to the requestor within 5 business days or (if extended by written notice) within 10 business days and with the details required by section 9 of FOIA.
- Denials of requests for records to be used for commercial purposes will be provided in writing within 21 business days after receipt of the request.

8. Appeal Procedures

- Appeal from denials of requests for records under FOIA may be appealed to the Circuit Court of DuPage County.

It was moved by Mr. Miller, seconded by Mr. Isaac to approve the above Resolution on FOIA Procedures.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-11) (A Resolution on Police Transfers of Service Credit)

General Counsel Vladimir Shuliga explained that Public Act 104-0284 opened a transfer window which allows current IMRF SLEP members to transfer into IMRF service credit earned with a police pension fund under Article 3 of the Pension Code beginning January 1, 2026. Current Board Resolution 2022-05-10 was passed in 2022 when the last transfer window was open which allowed such transfers and provided guidance on completing these transfers. This proposed resolution is modeled after the 2022 resolution and would apply to the 2026 transfer window and any other future transfer windows which may open between these funds.

Public Act 104-0284 amends Section 7-139.1a of the Pension Code and reopens a six-month window during which current IMRF SLEP participants may choose to transfer their previously earned Article 3 police pension credit into IMRF. This is the second time that a transfer window of this nature has been opened, the first being in 2022, when Section 7-139.1a was added to the Pension Code and opened a six-month window for such transfers. At that time, the Board passed Resolution 2022-05-10 which gave guidance to staff and members to effectuate the transfer. That resolution specifically applied to the 2022 transfer window.

The proposed resolution amends the 2022 resolution to create a standing resolution which will remain active administrative rules and will apply whenever the legislature opens this transfer window. The rules provide direction on what information is needed to complete the transfer, the costs associated with the transfer, and how service credit is awarded.

Staff recommends that the Board adopt the resolution below which superseded Resolution 2022-05-10.

WHEREAS, at times, active SLEP members are legislatively authorized to transfer creditable service from an Article 3 fund to IMRF SLEP, and

WHEREAS, upon transfer of the amounts accumulated to the credit of the member in Article 3 and employer contributions in an equal amount, IMRF is

required to determine, according to the statute, how much SLEP service that transferred amount would purchase; and

WHEREAS, after IMRF determines the amount of SLEP service the transferred Article 3 contributions will purchase, the member may be statutorily provided the option to pay an additional amount in order to purchase up to the total amount of the Article 3 service credit or may have their account credited with the partial amount of SLEP service that the Article 3 service will purchase without supplementing that amount;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that the following rules and regulations be adopted:

1. For applications received by an Article 3 fund and by IMRF during a statutorily authorized window, the Article 3 Fund shall transfer to IMRF as soon as practicable:
  - a. The amounts accumulated to the credit of the applicant on the books of the Article 3 fund on the date of the transfer; and
  - b. Employer contributions in an equal amount to that transferred under (a)
  - c. Reports of monthly wages of the applicant for the period of times being transferred so that IMRF can calculate SLEP contributions for the same period of time
2. IMRF shall then determine the amount necessary to convert the Article 3 credits to SLEP credits by calculating the difference between:
  - a. The combined employer and employee contributions transferred from the Article 3 fund, and
  - b. The combined amount that would have been contributed if the member had participated in SLEP during that time, which included
    - i. Member contributions using the member rate that would have been required during the period of time being transferred plus interest
      - (a) 7.5% for periods from June 1, 2006 to present
      - (b) 6.5% from July 1, 1988 to May 31, 2026
      - (c) 5.5% for periods prior to July 1, 1988,
    - ii. Employer contributions using the normal SLEP rate for the member's SLEP employer during the period of time being transferred
    - iii. Plus interest thereon at the prescribed rate, compounded annually, from the date of service to the date of payment
3. Once IMRF has calculated the total amount required to be paid to transfer the total amount of Article 3 service, the member has two options:
  - a. The member may pay the additional amount determined in Section 2 above and be credited with the full amount of transferred service, or
  - b. The amount of transferred service shall be reduced by an amount corresponding to the difference in contributions calculated in Section 2 above.
4. The member must make an election to pay the additional amount required under item 3(a) above within 60 days after notification by the Fund of the total cost. If such election is not received by IMRF within 60 days, the member will receive the reduced service amount calculated in item 3(b) above. Payment of such additional amounts shall constitute this election.
5. Neither the amount transferred from the Article 3 fund nor the amount credited in IMRF shall exceed the restrictions set forth in the

legislation authorizing the transfer and the excess shall be credited to the account of the member's SLEP employer.

It was moved by Mr. Stefan and seconded by Mr. Stafford to adopt the above resolution on Policy Transfers of Service Credit.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-12) (Operational Update) Executive Director Brian Collins gave an operational update. He reported that since going Live with Horizon, the total contributions received from employers is \$2,203,866,173, from March 4, 2024 to October 31, 2025; and \$5,558,291,685 total payments were made during, this same timeframe. Additionally, retirement claims processing remains stable, average weekly hold times decreased to 10 minutes, and the average daily calls taken increased to 651. Finally, he informed that 2026 will be a time of growth and excitement as we are modernizing our technology (Horizon 1.1b), workspace (800 Commerce), and service (2026-2028 Strategic Plan).

Mr. Miller commented that he has noticed a decrease in member/employer complaints and an increase in positive comments regarding IMRF's service.

(25-11-13) (Compensation Plan) Human Resources Director Cara Bannon reviewed the 2026 IMRF Staff Compensation Package Report with the Board.

It was moved by Ms. Copper and seconded by Mr. Cycholl, to approve the following recommendations:

**Insurance Package**

- Provide staff health insurance coverage through the current Blue Cross/Blue Shield HMO and PPO program, with some benefit changes, and a 14.9% increase in premiums.
- Move to MetLife Dental Plan with a premium increase of 1.01% with a two-year rate lock.
- Continue the current split between employee-paid insurance premiums and employer-paid insurance premiums.
- Continue to offer a Supplemental Vision Insurance Plan through our contract with EyeMed. Participation in this plan is optional and is paid for by the employee.
- Renew with MetLife as our Life and accidental death and dismemberment (AD&D) Insurance Provider, with no benefit changes and a premium increase of 0%.
- Continue to offer both NCPERS and MetLife as an additional provider of Voluntary Life/AD&D Insurance, with no benefit changes and no premium increase. Participation in these plans is optional and paid for by the employee.

**Compensation Package**

- CBIZ provided IMRF with comparable salary structure adjustment data, and after reviewing the 2026 market data, the recommendation is that IMRF adjust its salary ranges in order to move back to the 50<sup>th</sup> percentile. Therefore, the recommendation is to approve the new salary ranges suggested by CBIZ.

- Approve the proposed 2026 salary grades and ranges.
- Approve bringing 26 employees to the minimum of their new salary range.
- Reposition 3 jobs - Administrative Assistant - Investments (Grade D to Grade E); Staff Attorney (Grade H to Grade I); and Data Analyst Lead (Grade I to Grade J).
- Approve a 3% salary adjustment for the 3 employees moving from their current salary grade to their new salary grade.
- Approve a Base Salary Adjustment of 3.00% to eligible salaries as of December 31, 2025.
- Create a discretionary increase pool equal to 1.25% of December 31, 2025 staff salaries, with maximum increase of both Base Salary Adjustment and Discretionary Increase of 4.75%.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-14) (2026 Proposed Budget and Strategic Plan) The Chief Financial Officer presented a summary of the proposed 2026 Budget document for approval by the Board. He explained that the "theme" behind the budget is tying it to the Strategic Plan.

The highlights of the 2026 Budget are:

- Membership is up 25% since the start of the modernization project.
- Assets under management grew 42%.
- Expanding activity for IMRF staff to get the organization back to the pre-Horizon service levels.
- Staff added last year to meet the service levels.
- Operation costs remained the same in areas from 2019 until 2025.
- Reflects addition of 14 full-time positions added in 2025.
- IMRF continues to be below the industry average versus our peers, per the CEM results.

Several Board members commented that staff did a great job on the 2026 Budget.

It was moved by Ms. Copper and seconded by Mr. Stefan, to approve the 2026 Budget and Strategic Plan as presented by staff.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-15) (2026 Employer Contribution Rates) The 2026 Employer Contribution Rates were presented to the Board for approval.

It was moved by Mr. Isaac and seconded by Ms. Copper, to approve the 2026 Employer Contribution Rates as presented by staff.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

(25-11-16) (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 briefed issues regarding Petrobras' supplemental expert report. Additionally, the Arbitration Panel presented the report from its economic experts regarding damages. The claimants have retained experts from Brazil and the United States who are reviewing and expected to provide comments by October 31, 2025.

**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, and a third case management conference was held on June 16-18, 2025.

**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. The court set a prove-up date on December 17. IMRF has since filed a motion to dismiss due to the failure to issue a summons and perfect service, which is also scheduled for December 17.

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

**Summary:** A group of investors is seeking recovery 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. Local counsel and the funder are currently assessing whether settlement discussions are still possible or if legal proceedings need to be commenced.

**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, which the court denied on August 11, 2025. The parties are in the midst of the briefing schedule on the case claims. The hearing date is scheduled for January 6, 2026.

**UBS GROUP AG (SWITZERLAND INVESTOR GROUP ACTION)**

**Summary:** A group of investors is seeking recovery against UBS Group AG to obtain compensation in connection with the Swiss Investment bank's takeover of Credit Suisse. Investors allege the conversion ratio of the shares to have been too low, based on Credit Suisse's market capitalization before the takeover. Under Swiss law, post-merger shareholders can demand fair compensation for their shares.

**Status:** IMRF has recently opted to participate in this investor group action. In June 2025, the court ordered that an expert opinion be rendered on the value of Credit Suisse as of March 19, 2023 (pre-merger), which will be used by the plaintiff shareholders to calculate the compensation due.

**KEITH GARDNER v. BOARD OF TRUSTEES, et al.  
(DUPAGE CTY 2025 MR 483)**

**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 appealed the decision, which was ultimately reversed by the Appellate Court in October 2023. The case was remanded to IMRF to review Gardner's eligibility for total and permanent disability benefits. In May 2025, the IMRF Board voted to deny Gardner's application for total and permanent disability benefits. Gardner appeals this decision.

**Status:** IMRF was served with the complaint on July 22, 2025. IMRF has filed a motion to strike to remove the request for attorney's fees, which was granted. Plaintiff has filed an amended complaint, and the parties are in the midst of a briefing schedule on the claims. The status date is scheduled for January 20, 2026.

**IMRF v. VENTURE GLOBAL, INC., et al.  
(U.S. DIST. CT.S.D.N.Y. 25-cv-4642)**

**Summary:** Investors filed actions in multiple jurisdictions against Venture Global, Inc., an entity that produces liquefied natural gas ("LNG") for large energy companies. Several customers of the entity have alleged its failure to deliver the LNG as required under its contracts. When the entity went public in January 2025, its share price dropped over 60%. IMRF, among other investors, suffered losses as a result and filed actions.

**Status:** Multiple cases were filed by investors, which have been consolidated in the U.S. District Court for the Southern District of New York action. On July 25, 2025, the Court granted IMRF's motion to be appointed as lead plaintiff, as the investor with the largest loss involved in the action, which will best protect IMRF's losses. This litigation is in its preliminary stages, and IMRF has recently filed an amended complaint.

**RYAN HARPER v. BOARD OF TRUSTEES OF IMRF et al.  
(DUPAGE CTY 2025 mr 732)**

**Summary:** Harper applied for IMRF temporary disability benefits in December 2024. In August 2025, IMRF sent Harper a staff denial of his claim and gave him an opportunity to appeal through the IMRF Disability Appeal Procedures. IMRF did not receive his request for hearing form within 63 days, so the staff denial became a final administrative decision by default under the Disability Appeal Procedures. Harper appeals this decision.

**Status:** IMRF was served with the complaint and summons on November 5, 2025. IMRF is reviewing the case and will file an appropriate responsive pleading.

(25-11-17) (Legislative Update) Legislative Liaison Daniel Hankiewicz introduced himself to the Board and gave a report on current legislative activity. He reported that the 2024 fall veto session adjourned in the wee hours of October 31, 2025. No major pension legislation advanced during veto session. Below is a discussion of HB 4117, the only substantive piece of IMRF legislation introduced since the last legislative update on September 18, 2025. Also included below is a brief recap of the union-backed We Are One Tier 2 proposal, SB 1937.

#### HB 4117

HB 4117 was introduced by Rep. Michael Kelly on October 15<sup>th</sup>. The bill would grant SLEP status to certain people who are not eligible to participate in an Article 4 pension fund, but only in cases where the governing authority of a municipality has approved SLEP status by the adoption of an affirmative resolution. The resolution must specify that SLEP status shall be applicable to such employment occurring on or after the adoption of the resolution. The impacted job titles are as follows:

- Paramedic
- EMT
- EMT-intermediate
- Advanced EMT

The foregoing language is identical to HB 1574, sponsored by Rep. Katie Stuart. HB 1574 was assigned to the House Appropriations - Personnel & Pensions committee but did not receive a vote in the spring session.

HB 4117 would also bring Downstate Fire pension funds under the ambit of the Retirement Systems Reciprocal Act. This change would apply only to people who would be eligible to begin receiving a retirement annuity as of the bill's effective date. (In other words, retired members would not be eligible for a recalculation of benefits under the Reciprocal Act). SB 1937, the We Are One labor coalition's Tier 2 omnibus bill, contains nearly identical language regarding extending reciprocity to the Downstate police and fire funds.

HB 4117 is currently in the House Rules Committee.

#### SB 1937 - the We Are One Tier 2 Proposal

SB 1937, as amended by HA 2, is the We Are One labor coalition proposal to enhance Tier 2 benefits across multiple systems. On October 16<sup>th</sup>, the final day of the fall veto session, the House Executive Committee held an extensive subject matter hearing on the bill.

Rep. Jay Hoffman, the primary sponsor, made a pledge to hold the bill on the order of Second Reading so that negotiations can continue in the spring

session. Thus, the measure advanced to the full House on a partisan roll call of 8-4-0, but no floor action was taken.

Several witnesses, including the Civic Federation, the Civic Committee of the Commercial Club of Chicago, and the Northwest Municipal Conference, and the Illinois Municipal League, cited a lack of comprehensive statewide actuarial analysis on the impact upon municipalities, particularly regarding police, fire, and IMRF liabilities.

Governor Pritzker has indicated that the measure needs 'a lot more work.' Hence, the prospects for the bill passing both chambers in the spring session are unlikely as of now. To reset Tier 2, the cost would be estimated at approximately \$117 million (more if it is reset back to 2011); and it would cost the employer 17%.

(25-11-18) (Workspace Improvement Project Update) General Counsel Vladimir Shuliga introduced team members from Cushman & Wakefield and Redmond Construction who presented an update on the 800 Commerce building. They informed that everything is still running on schedule. They showed updated pictures as well. Upcoming project milestones are:

- December 1 - begin phase-out of staff at 2211 York
- December 8 - production operating out of 800 Commerce Data Center
- December 19 - substantial completion
- December 22 - begin staff setup at 800 Commerce
- January 5 - target date for first day of business at 800 Commerce

(25-11-19) (Report of the Executive Director) Executive Director Brian Collins explained that Plante Moran submitted an invoice to IMRF staff for the additional work completed for the 2024 Financial Audit and the ACFR. The original letter requested close to \$100,000 for additional work performed for the new Horizon implementation and reporting. Staff worked with Plante Moran to find a better resolution for the initial invoice and were able to reduce the amount to \$45,000. Based on the amount of work that was needed for IMRF to deliver the ACFR and its subsequent schedules, the additional cost is \$98,880.

It was moved by Mr. Stefan and seconded by Mr. Stanford to approve the additional fees charged by the outside auditor for completing the 2024 Financial Audit and ACFR.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

Mr. Collins also informed the Board that the 2025 3<sup>rd</sup> Quarter Strategic Objectives Update was included for their review, as well as the FOIA report and personnel report.

(25-11-20) (Trustee Forum)- An updated Conference log was given as information to the Board, as well as an updated list of conferences. Also provided was a chart listing the training hours each Trustee accrued so far in 2025.

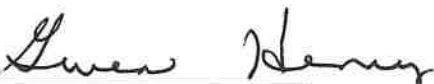
There were no trustee comments.

(25-11-21) (Adjournment) It was moved by Ms. Copper and seconded by Mr. Stefan to adjourn the Board Meeting at 11:36 a.m., and to reconvene at 9:00 a.m. on December 19, 2025.

**VOTE:**

**ALL VOTED AYE - MOTION CARRIED**

**8 AYES; 0 ABSENT**

  
President

12/19/2025  
Date

  
Secretary

12/19/25  
Date