



## Teachers' Retirement System of the State of Illinois

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Richard W. Ingram, Executive Director

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### MINUTES Legislative Committee Meeting February 19, 2014

A meeting of the Legislative Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on February 19, 2014 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Cinda Klickna, Vice Chair, called the meeting to order at 1:54 p.m. and recessed the meeting at 1:55 p.m. The meeting reconvened at 5:10 p.m. A quorum was present.

Roll Call attendance was taken with the following committee members present: Marcia Campbell, (Chair); Cinda Klickna (Vice Chair); Bob Lyons, and Rainy Kaplan. Absent: Enrique Vasquez. Other trustees present: Mark Bailey, Mike Busby, Sharon Leggett, Cynthia O'Neill, and Sonia Walwyn.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Deron Bertolo, Director of Investment Operations; Tom Gray, General Counsel; Jana Bergschneider, Director of Administration; Stacy Smith, Director of Internal Audit; Tassi Maton, Sr. Internal Auditor; Christina Baker, Internal Auditor; Dave Urbanek, Director of Communications; Gina Larkin, Director of Human Resources; Tim Hays, Sr. Investment Officer; Dakin Sanert, Sr. Investment Analyst; Tammy Green, Assistant to the Executive Director; and Pat O'Hara, Cavanagh & O'Hara (Fiduciary Counsel).

Visitors present: Shirley Dodds, IRTA; Dennis Murfin, IRTA; Gayla Dial, IEA-R/IRTA; and Bob Kaplan, IEA-R/IRTA.

### APPROVAL OF MINUTES

A draft of the December 5, 2013 Legislative Committee minutes was sent to members of the committee for review. On a motion by Bob Lyons, seconded by

Rainy Kaplan, and by unanimous voice vote, the minutes were approved as printed.

## **LEGISLATIVE UPDATE**

Andrew Bodewes, Legislative Consultant, reported that other pensions systems and stakeholders are working together on recommending changes to Senate Bill 1. The General Assembly would like to see resolution on the lawsuit before spending time on revising Senate Bill 1. Focus at the Capitol is on budget and revenue spending.

Mr. Bodewes provided an overview of current legislation of interest to TRS. Documentation is on file. A motion was made by Cinda Klickna, seconded by Rainy Kaplan, that the committee recommend to the Board to oppose HB 3769 which prohibits investment in any fund trading derivatives in off markets or non-open markets. The motion passed by a unanimous voice vote.

HB 4380 changes references to ‘children out of wedlock’ to ‘non-marital children’.

HB 4476 closes off the current defined contribution plan and creates an optional defined contribution plan created under Senate Bill 1. Discussion was held whether to take a position against a defined contribution plan. Mr. Bodewes reported that it’s a technical change that has no impact on the system.

HB 4526 extends the expired return to teaching in a subject shortage area until June 30, 2018.

HB 5557 eliminates future pension accrual, and replaces current benefit structure with a defined contribution plan.

HB 5816 attempts to re-do felony forfeiture for certain convictions.

HB 5817 moves the required actuarial review from five to three years.

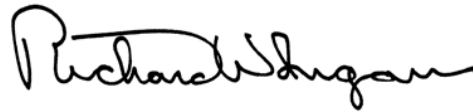
HB 5985 precludes retirement systems from using contractual lobbyists.

SB 3517 provides that the effective date of a retirement annuity shall be no earlier than two years before the date of receipt by the System of the application for retirement. A motion was made by Rainy Kaplan, seconded by Cinda Klickna, that

the committee recommend to the Board to support SB 3517. The motion passed by a unanimous voice vote.

## **ADJOURNMENT**

On a motion by Rainy Kaplan, seconded by Bob Lyons, and by unanimous vote, the meeting adjourned at 6:00 p.m.

A handwritten signature in black ink, appearing to read "Richard W. Ingram". The signature is fluid and cursive, with a large initial "R" and "I".

Richard W. Ingram, Executive Director

Approved: 8/25/14