



**MINUTES**  
**Board of Trustees**  
**August 2, 2019**

The regular meeting of the Board of Trustees of the Illinois Teachers' Retirement System was held on August 2, 2019 at the Hyatt Regency O'Hare in Rosemont, 9300 Bryn Mawr. President Carmen Ayala called the meeting to order at 1:44 p.m. A quorum was present.

Roll Call attendance was taken with the following trustees present: Norma Bellcoff (departed 3:00 p.m.), Marsha Byas, Devon Bruce, Andy Hirshman, Matt Hunt, Maureen Mena, Laura Pearl, Fred Peronto, Larry Pfeiffer, Doug Strand, and Carmen Ayala, President. Absent: Mark Bailey, Vice President.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Marcy Dutton, Chief Legal Counsel; Jana Bergschneider, Chief Financial Officer; Carlton Lenoir, Chief Benefits Officer; Jay Singh, Chief Information Officer (effective 8/5/19); Kathleen Farney, Director of Research; Stacy Smith, Director of Internal Audit; Tammy Green, Executive Assistant; Ian Bray and Tony Johnson, RVK (Investment Consultant) and Keith Johnson, Reinhart (Fiduciary Counsel).

Visitor present: Christine Williamson, Pensions & Investments and Jack Tucker, IEA-Retired.

**APPROVAL OF MINUTES**

A draft of the June 14, 2019 meeting minutes of the Board was sent to the trustees for prior review. On a motion by Trustee Peronto, seconded by Trustee Pearl, the minutes were approved by unanimous voice vote.

**INVESTMENT COMMITTEE REPORT**

President Ayala presented the consent agenda. All items listed under the consent agenda are enacted by one motion with a roll call vote. No separate discussion of these items is held unless a request is made prior to voting on the motion. Trustee Bruce moved that the Board approve the consent agenda as presented. Trustee Mena seconded the motion and it passed by roll call vote from Trustees Marsha Byas, Devon Bruce, Andy Hirshman, Maureen Mena, Laura Pearl, Fred Peronto, Larry Pfeiffer, Doug Strand, and Carmen Ayala, President. Trustees Bellcoff and Hunt abstained from voting. Motion CARRIED.

The following motions were approved by action taken in the consent agenda motion.

Approve the FY2020 real asset program initiatives, as presented in the tactical plan document.

Approve the FY2020 diversifying strategies recommendation and objectives, as presented in the tactical plan document.

*End of Consent Agenda*

## **EXECUTIVE DIRECTOR’S REPORT**

### Gemini IT Project

Gemini = the next generation of TRS’s pension administration system.

Director Ingram announced that Jay Singh will be the TRS Chief Information Officer effective August 5, 2019. Mr. Singh provided an update on the status of the Gemini project as of July 26, 2019 including key milestones, activities, accomplishments, risks, and financial summary. Status of the project is on track. Documentation is on file.

### Legislative Committee

Two vacancies exist on the Legislative Committee. On a motion by Devon Bruce, seconded by Fred Peronto, it was resolved:

To appoint Trustees Matt Hunt and Norma Bellcoff to fill the vacancies on the Legislative Committee.

Motion passed by unanimous voice vote.

### Defined Contribution and Buyout Program Updates

Carlton Lenoir, Chief Benefits Officer, provided a project timeline and key milestones for the new defined contribution retirement plan that TRS must make available to all its members. The plan has been named “TRS Supplemental Plan”. Documentation is on file.

A timeline of the Accelerated Annual Increase (AAI) and the Accelerated Pension Payment – Inactive Buyout programs is on file.

## Board Education

Kathleen Farney, Director of Research, provided an educational presentation on the benefit comparisons of Plan Design - TRS vs other states. Documentation is on file.

## Annual Certification of Trustee Ethics Training

In accordance to Public Act 96-0006, the Board shall annually certify that trustees have completed a minimum of eight hours of ethics training during the fiscal year. On a motion by Devon Bruce, seconded by Fred Peronto, it was resolved:

To certify that the following trustees of the Illinois Teachers' Retirement System have completed a minimum of eight hours of ethics training during FY 19 in accordance to Public Act 96-0006, Article 1 of the IL Pension Code, Section 1-113.18. Certification will be submitted to the Division of Insurance of the Department of Financial Professional Regulation.

Carmen Ayala, Mark Bailey, Devon Bruce, Andrew Hirshman, Cinda Klickna, Maureen Mena, Laura Pearl, Fred Peronto, Larry Pfeiffer, and Dan Winter.

Motion passed by unanimous voice vote.

## Informational Items

The following information is on file:

- Member Services Statistical Report for the period ending June 30, 2019
- Employer Services Report for the period January 16 – July 14, 2019

## **BOARD TRAVEL**

### Trustee Travel

In accordance to Board Bylaws, Article II, Section I, trustee travel outside the State of Illinois or the United States must be approved by the Board in advance. On a motion by Doug Strand, seconded by Fred Peronto, it was resolved:

To approve out-of-state travel expenses for three trustees to attend the NCTR annual conference in Nashville, TN, October 13-15, 2019

Roll call resulted in affirmative voice votes from Trustees Marsha Byas, Devon Bruce, Andy Hirshman, Matt Hunt, Maureen Mena, Laura Pearl, Fred Peronto, Larry Pfeiffer, Doug Strand, and Carmen Ayala. Motion Carried.

## **EXECUTIVE SESSION**

A motion was made by Andy Hirshman, seconded by Fred Peronto, that the Board enter into executive session for the purpose of discussing probable or imminent litigation and closed meeting minutes including the semi-annual review of minutes, as permitted under the following exceptions set forth in the Open Meetings Act which authorizes the closing of the meeting to the public: 5 ILCS 120/2(c) (11) and 5 ILCS 120/2(c) (21). Roll call resulted in affirmative voice votes from Trustees Bruce, Byas, Hirshman, Hunt, Mena, Pearl, Peronto, Pfeiffer, Strand, and Ayala. Motion CARRIED.

No action was taken during executive session. A motion was made by Matt Hunt, seconded by Laura Pearl, that the Board come out of executive session. Roll call resulted in affirmative voice votes from Trustees Bruce, Byas, Hirshman, Hunt, Mena, Pearl, Peronto, Pfeiffer, Strand, and Ayala. Motion CARRIED.

### Approval of Executive Session Minutes/Semi-Annual Review of Minutes/Destruction of Audio Recordings

A draft of the March 14, 2019 executive session minutes of the Board was sent to the trustees for prior review. Documentation is on file. In addition, the Board received a memorandum from the System's legal counsel regarding the confidentiality and destruction of audio recordings of executive session minutes pursuant to the Open Meetings Act. Documentation is on file. On a motion by Devon Bruce, seconded by Andy Hirshman, and by unanimous voice vote, the March 14 minutes were approved as presented including minutes for public release and destruction of audio recordings per Board Bylaw, Article III, Section 8.

Public Release – May 24, 2018 Rules and Personnel Committee

#### Destruction of Audio Recordings – Board Meeting Minutes

December 13, 2016

February 17, 2017

April 6, 2017

June 22, 2017

August 21, 2017

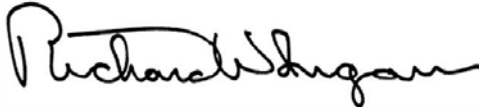
August 22, 2017

October 27, 2017

December 14, 2017

## **ADJOURNMENT**

There being no further business to be brought before the Board, a motion was made by Doug Strand, seconded by Carmen Ayala, to adjourn the meeting at 3:20 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: \_10/29/19\_\_\_\_\_