



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 October 29, 2014

A meeting of the Legislative Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on October 29, 2014 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Marcia Campbell, Chair, called the meeting to order at 1:44 p.m. and noted 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.

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; Tom Gray, General Counsel; Cynthia Fain, Sr. Assistant General Counsel; Gina Larkin, Director of Human Resources; Jana Bergschneider, Director of Administration; Dave Urbanek, Director of Communications; Rich Frankenfeld, Director of Outreach; Stacy Smith, Director of Internal Audit; Sally Sherman, Director of Member Services; Kathleen Farney, Director of Research; Tammy Green, Assistant to the Executive Director; Sue Billington, Executive Assistant; Becky Gratsinger, RV Kuhns (Investment Consultant), and Andrew Bodewes, Legislative Consultant.

Visitors present: Dennis Murfin, IRTA; Don Davis, IRTA; Gayla Dial, IEA-R/IRTA; Bob Kaplan, IEA/IRTA; David Bishop, IEA-R; Tony Casalino, IFT; Donnie Ostrom, IRTA; Daniel Winter, and Dennis Sourtek.

Minutes

A draft of the August 25, 2014 Legislative Committee meeting minutes was sent to the committee members for review. On a motion by Rainy Kaplan, seconded by Cinda Klickna, and by unanimous voice vote, the minutes were approved as printed.

Principles of Fiduciary Governance

Director Ingram presented a revised draft of “Principles of Fiduciary Governance” that reflects revisions suggested by Trustees Klickna and Campbell. The document is designed to reveal the fiduciary responsibilities of the Board. Documentation is on file. A motion was made by Rainy Kaplan, seconded by Bob Lyons, that the committee recommend to the Board to approve the fiduciary governance principles, as amended. The motion passed by a unanimous voice vote.

Pension Funding

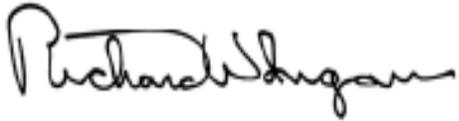
Director Ingram provided a copy of the Pension Funding Guide for Elected Officials prepared by the Pension Funding Task Force 2013. Documentation is on file. The guide provides facts about public pension plans and why it is essential to have a pension funding policy. The report notes that the most important step for local and state governments to take is to base its pension funding policy on an actuarially determined contribution. A motion was made by Cinda Klickna, seconded by Bob Lyons, that TRS shall provide a copy of the guide to all members of the General Assembly and elected officials. The motion passed by a unanimous voice vote. The TRS Board of Trustees advocates a funding policy that has the elements and principles that that are described in the report.

Investment Beliefs

The committee received an additional copy of an investments beliefs toolkit along with key sections of the TRS investment policy. Documentation is on file. The toolkit was designed by the Trustee Leadership Forum, a program sponsored by the Initiative for Responsible Investment at Harvard University. Trustee Campbell noted that portions of the document will be incorporated into the TRS investment policy.

ADJOURNMENT

On a motion by Bob Lyons, seconded by Rainy Kaplan, and by unanimous vote, the meeting adjourned at 1:58 p.m.

A handwritten signature in black ink that reads "Richard W. Ingram". The signature is written in a cursive, flowing style.

Richard W. Ingram, Executive Director

Approved: 12/10/14