



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 December 12, 2011

A meeting of the Legislative Committee of the Board of Trustees of the Illinois Teachers' Retirement System was held on December 12, 2011 at the Springfield office of the Illinois Teachers' Retirement System, 2815 West Washington Street. Jan Cleveland, Chair, called the meeting to order at 8:12 a.m. A quorum was present.

Roll Call attendance was taken with the following committee members present: Jan Cleveland (Chair), Cinda Klickna (Vice Chair), Bob Lyons, and Marcia Campbell. Other trustees present: Molly Phalen, Janice Reedus, Cynthia O'Neill, Mike Busby, and Sharon Leggett.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Tom Gray, General Counsel; Cynthia Fain, Sr. Asst. General Counsel; Gina Larkin, Director of Human Resources; Stacy Smith, Director of Internal Audit; Tassi Maton, Internal Auditor; Tim Hays, Sr. Investment Officer; Dakin Sanert, Real Estate Investment Analyst; Sally Sherman, Director of Member Services; Jana Bergschneider, Director of Administration; Rich Frankenfeld, Director of Outreach; Kathleen Farney, Director of Research; Dave Urbanek, Public Information Officer; Sue Billington, Executive Assistant; Tammy Green, Asst. to Executive Director; Pat O'Hara, Cavanagh & O'Hara (Fiduciary Counsel); and Andrew Bodewes (Legislative Consultant).

Visitors present: Don Davis, IRTA Rep.; Dennis Murfin, IRTA Rep.; and Christine Williamson, Pensions & Investments.

APPROVAL OF MINUTES

A draft of the August 3, 2011 Legislative Committee minutes was sent to members of the committee for review. On a motion by Cinda Klickna, seconded by Marcia Campbell, and by unanimous voice vote, the minutes were approved as printed.

LEGISLATIVE UPDATE

The General Assembly held a special session in December and approved legislation dealing with the issue of TRS members who are employees of private organizations. The House and Senate advanced three bills:

- **House Bill 3813**, any officer or employee of a statewide or national teacher organization who is a TRS member can only claim service time toward their pension from the day he/she became a TRS member. The bill voids a previous state law that allowed some TRS members employed by statewide teacher organizations to claim service time with the organization(s) built up prior to becoming TRS members.
- **House Bill 3815**, an employee of a statewide or national teacher organization who becomes a TRS member after the effective date of the act and is granted a leave of absence without pay from that organization cannot use that leave of absence in computing a pension.
- **House Bill 3865**, the employees of statewide or national teacher organizations must be TRS members prior to the effective date of this act in order to have their employment service in those teachers organizations count toward their TRS pensions. The bill also makes any TRS member whose membership is based only upon substitute teaching and employment service in a teacher organization ineligible for a TRS pension.

The legislature also continued to debate Senate Bill 512, which would overhaul both the funding mechanism and the benefit structure of TRS and the other state pension systems. Discussions will continue during the winter and into next spring's legislative session.

Discussions in the General Assembly are also on-going regarding future funding schemes for the state's pension systems, including methods to guarantee the state's annual allocation from year to year. Executive Director Ingram met recently with members of the Governor's Office of Management and Budget to outline and discuss potential options for the future structure of public pensions that will create a more stable funding platform for the Systems, reduce costs to the state, and also guarantee an adequate retirement income for teachers and other public employees.

STAKEHOLDER FORUM

The annual Stakeholder Forum will be held on February 10, 2012 at 9:30 a.m. at the TRS Springfield office and the Dupage County Complex in Wheaton via video-conference.

ADJOURNMENT

On a motion by Marcia Campbell, seconded by Cinda Klickna, and by unanimous vote, the meeting adjourned at 8:55 a.m.

Richard W. Ingram, Executive Director

Approved _____