

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 16-05-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, May 19, 2016. Ms. Stanish, Chairman of the Investment Committee, called the meeting to order at 2:00 P.M.

(16-05-01)(Roll Call) Mr. Sambol called the roll:

Present: Copper; Stanish; Kuehne; Piechocinski; Miller; Henry; Thompson and
Williams

Absent: None

Also in attendance were: Ms. Becker-Wold, and Messrs. Robinson and Ball of Callan Associates; Ms. Neill and Mr. Marshall of Wilshire Associates; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and IMRF Investment Staff.

(16-05-02)(Public Comments) There were no public comments.

(16-05-03)(Action Items)

- A. Approve Investment Committee Meeting Minutes from February 25, 2016 Meeting The Chairman asked for the approval of the minutes of the February 25, 2016 Investment Committee Meeting.

It was moved by Ms. Henry; and seconded by Ms. Copper; that the minutes of the February 25, 2016 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(16-05-04)(Staff Presentation)

- A. Private Equity Recommendations The Chief Investment Officer presented an overview of three private equity funds. These included Inflexion Enterprise Fund IV, L.P.; Inflexion Supplemental Fund IV, L.P.; and ABRY Heritage Partners, L.P. After this presentation, the Chief Investment Officer recommends:

- allocating up to £15 million (approximately \$21 million) to Inflexion Enterprise Fund IV, L.P., subject to satisfactory legal due diligence;

- allocating up to £17 million (approximately \$24 million) to Inflexion Supplemental Fund IV, L.P.; subject to satisfactory legal due diligence;
- allocating up to \$7.5 million to ABRY Heritage Partners, L.P.; subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

(16-05-05)(Manager Presentations)

- A. Inflexion Enterprise Fund IV, L.P. and Inflexion Supplemental Fund IV, L.P. Mr. Hartz of Inflexion Enterprise Fund IV, L.P. and Inflexion Supplemental Fund IV, L.P. presented a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.
- B. ABRY Heritage Partners, L.P. Mr. Brooks of ABRY Heritage Partners, L.P., presented a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(16-05-06)(Action Items)

- A. Approve Allocations to Inflexion Enterprise Fund IV, L.P, Inflexion Supplemental Fund IV, L.P., and ABRY Heritage Partners, L.P. It was moved by Ms. Henry; and seconded by Mr. Kuehne; to recommend that the Board approve:
- allocating up to £15 million (approximately \$21 million) to Inflexion Enterprise Fund IV, L.P., subject to satisfactory legal due diligence;
 - allocating up to £17 million (approximately \$24 million) to Inflexion Supplemental Fund IV, L.P., subject to satisfactory legal due diligence;
 - allocating up to \$7.5 million to ABRY Heritage Partners, L.P., subject to satisfactory legal due diligence; and,
 - authorizing Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(16-05-07)(Staff Presentation)

A. Real Estate Recommendations The Chief Investment Officer presented an overview of two real estate funds. These included Starwood Global Opportunity Fund XI, L.P. and Artemis Real Estate Partners Healthcare Fund I, L.P. After this presentation, the Chief Investment Officer recommends:

- allocating up to \$75 million to Starwood Global Opportunity Fund XI, L.P., subject to satisfactory legal due diligence;
- allocating up to \$25 million to Artemis Real Estate Partners Healthcare Fund I, L.P., subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

(16-05-08)(Manager Presentations)

A. Starwood Global Opportunity Fund XI, L.P. Mr. Silvey of Starwood Global Opportunity Fund XI, L.P., presented a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

B. Artemis Real Estate Partners Healthcare Fund I, L.P. Ms. Harmon and Mr. Gilbert of Artemis Real Estate Partners Healthcare Fund I, L.P., presented a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(16-05-09)(Action Items)

A. Approve Allocations to Starwood Global Opportunity Fund XI, L.P. and Artemis Real Estate Partners Healthcare Fund I, L.P. It was moved by Ms. Henry; and seconded by Mr. Piechocinski; to recommend that the Board approve:

- allocating up to \$75 million to Starwood Global Opportunity Fund XI, L.P., subject to satisfactory legal due diligence;
- allocating up to \$25 million to Artemis Real Estate Partners Healthcare Fund I, L.P., subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

(16-05-10)(Staff Presentation)

A. Abbott Capital Mandate – Acknowledgement and Authorization Notice Recommendation The Chief Investment Officer recommended:

- authorizing Staff to execute the Acknowledgement and Authorization Notice related to the Abbott Capital Mandate

(16-05-11)(Action Item)

A. Approve Abbott Capital Mandate – Acknowledgement and Authorization Notice Recommendation It was moved by Mr. Kuehne; and seconded by Ms. Copper; to recommend that the Board:

- authorize Staff to execute the Acknowledgement and Authorization Notice related to the Abbott Capital Mandate

Vote:

The motion was approved unanimously.

(16-05-12)(Staff Presentation)

A. Public Markets Recommendations The Chief Investment Officer recommended:

- terminating Vision Large Cap Growth Equity Mandate (approximately \$167 million);
- terminating Lombardia Small Cap Value Equity Mandate (approximately \$148 million);
- terminating Lombardia International Large Cap Value Equity Mandate (approximately \$29 million);
- allocating an additional \$50 million to Ativo Micro Cap Equity Mandate;
- allocating an additional \$275 million to Garcia Hamilton Core Fixed Income Mandate; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

(16-05-13)(Action Items)

A. Approve Public Markets Recommendations It was moved by Ms. Stanish; and seconded by Ms. Copper; to recommend that the Board approve:

- terminating Vision Large Cap Growth Equity Mandate (approximately \$167 million);
- terminating Lombardia Small Cap Value Equity Mandate (approximately \$148 million);
- terminating Lombardia International Large Cap Value Equity Mandate (approximately \$29 million);
- allocating an additional \$50 million to Ativo Micro Cap Equity Mandate;
- allocating an additional \$275 million to Garcia Hamilton Core Fixed Income Mandate; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(16-05-14)(Staff and Consultant Presentation)

A. 2016 Asset Liability Modeling Study Education Session The Chief Investment Officer; and Ms. Neill and Mr. Marshall of Wilshire Associates; presented an education session on IMRF's 2016 Asset Liability Modeling Study. This presentation was followed by questions from the Committee.

(16-05-15)(Staff and Consultant Presentation)

A. 2015 Annual Real Estate Performance Presentation The Chief Investment Officer; and Consultants Robinson and Becker-Wold of Callan Associates; presented the 2015 Annual Real Estate Portfolio Performance Review.

(16-05-16)(New Business) There was no new business presented or discussed during the meeting.

--The next meeting of the Investment Committee is scheduled to be held on Thursday, July 21, 2016 beginning at 2:00 P.M.

(16-05-17)(Trustee Comments) There were no trustee comments.

(16-05-18)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 5:33 P.M.

Sue Stansky
Chairman

7/21/16
Date

Edward F. Fambol
Clerk

July 21, 2016
Date