

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 17-08-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, August 17, 2017. Ms. Henry, Chairman of the Investment Committee, called the meeting to order at 2:03 P.M.

(17-08-01)(Roll Call) Mr. Sambol called the roll:

Present: Thompson; Miller; Henry; Copper; Kuehne; and Wallace
Absent: Stanish; Williams

Also in attendance were: Mr. Lee Stephens, a retiree and member of AFSCME; Ms. Becker-Wold, Mr. Ball and Mr. Bise of Callan Associates; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and IMRF Investment Staff.

(17-08-02)(Public Comments) There were no public comments.

(17-08-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from May 18, 2017 Meeting The Chairman asked for the approval of the minutes of the May 18, 2017 Investment Committee Meeting.

It was moved by Ms. Copper; and seconded by Ms. Thompson; that the minutes of the May 18, 2017 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(17-08-04)(Staff Presentation)

- A. Real Estate Recommendations The Chief Investment Officer presented an overview of Blackstone Property Partners Europe and Torchlight Debt Opportunity Fund VI, L.P. After this presentation, the Chief Investment Officer recommends:

- allocation of up to €100 million to Blackstone Property Partners Europe, subject to satisfactory legal due diligence;
- allocation of up to \$50 million to Torchlight Debt Opportunity Fund VI, L.P., subject to satisfactory legal due diligence; and,

- authorization of Staff to complete all documentation necessary to execute these recommendations

--Trustee Williams, member of the Investment Committee, joined the meeting by audio-conference at 2:13 P.M.

(17-08-05)(Manager Presentations)

- A. Blackstone Property Partners Europe Mr. Meyers and Ms. Hill of Blackstone Property Partners Europe presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.
- B. Torchlight Debt Opportunity Fund VI, L.P. Messrs. Heflin, Young and Romo of Torchlight Debt Opportunity Fund VI, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(17-08-06)(Action Items)

- A. Approve Allocations to Blackstone Property Partners Europe and Torchlight Debt Opportunity Fund VI, L.P. It was moved by Mr. Miller; and seconded by Mr. Kuehne; to recommend that the Board approve:

- allocation of up to €100 million to Blackstone Property Partners Europe, subject to satisfactory legal due diligence;
- allocation of up to \$50 million to Torchlight Debt Opportunity Fund VI, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(17-08-07)(Staff Presentation)

- A. Private Equity Recommendations The Chief Investment Officer presented an overview of Sterling Group Credit Fund, L.P., New MainStream Fund III, L.P., and Beecken Petty O'Keefe Fund V, L.P. After this presentation, the Chief Investment Officer recommends:

- allocation of up to \$25 million to Sterling Group Credit Fund, L.P., subject to satisfactory legal due diligence;

- allocation of up to \$25 million to New MainStream Fund III, L.P., subject to satisfactory legal due diligence;
- allocation of up to \$20 million to Beecken Petty O'Keefe Fund V, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute these recommendations

(17-08-08)(Manager Presentations)

- A. Sterling Group Credit Fund, L.P. Ms. Jones and Mr. Davenport of Sterling Group Credit Fund, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

--The Committee recessed at 3:27 P.M.

--The meeting of the Investment Committee reconvened at 3:35 P.M.

- B. New MainStream Fund III, L.P. Messrs. Chavez and Jordan of New MainStream Fund III, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

- C. Beecken Petty O'Keefe Fund V, L.P. Messrs. O'Keefe and Moerschel of Beecken Petty O'Keefe Fund V, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

--Trustee Williams, member of the Investment Committee, ended her participation in the meeting via audio-conference at 4:00 P.M.

(17-08-09)(Action Items)

- A. Approve Allocations to Sterling Group Credit Fund, L.P.; New MainStream Fund III, L.P.; and Beecken Petty O'Keefe Fund V, L.P. It was moved by Mr. Kuehne; and seconded by Ms. Copper; to recommend that the Board approve:
- allocation of up to \$25 million to Sterling Group Credit Fund, L.P., subject to satisfactory legal due diligence;

- allocation of up to \$25 million to New MainStream Fund III, L.P., subject to satisfactory legal due diligence;
- allocation of up to \$20 million to Beecken Petty O’Keefe Fund V, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(17-08-10)(Staff Presentation)

A. Domestic Equity Recommendations The Chief Investment Officer recommends:

- full redemption (approximately \$943 million) of the Holland Large Cap Growth account;
- authorize Staff to reallocate the Holland Large Cap Growth assets as deemed appropriate by the Chief Investment Officer. The reallocation of the assets will likely be a combination of existing domestic equity and fixed income investments, and a source of cash for benefit payments and private market investments. and,
- authorize Staff to complete all documentation necessary to execute this recommendation

(17-08-11)(Action Items)

A. Approve Domestic Equity Recommendations It was moved by Mr. Miller; and seconded by Ms. Thompson; to recommend that the Board approve:

- full redemption (approximately \$943 million) of the Holland Large Cap Growth account;
- authorize Staff to reallocate the Holland Large Cap Growth assets as deemed appropriate by the Chief Investment Officer. The reallocation of the assets will likely be a combination of existing domestic equity and fixed income investments, and a source of cash for benefit payments and private market investments. and,
- authorize Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

(17-08-12)(Consultant/Staff Presentation)

A. 2016 Annual Private Equity Performance Presentation Consultant Bise of Callan Associates and the Chief Investment Officer presented the 2016 Annual Private Equity Portfolio Performance.

(17-08-13)(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, November 16, 2017 beginning at 2:00 P.M.

(17-08-14)(Trustee Comments) There were no trustee comments.

(17-08-15)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 5:33 P.M.


Chairman

11/14/17
Date


Clerk

November 16, 2017
Date