

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**MEETING NO. 19-11-I**

**MEETING OF THE**  
**INVESTMENT COMMITTEE**

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, November 21, 2019. Ms. Stanish, Chairman of the Investment Committee, called the meeting to order at 9:00 A.M.

(19-11-01)(Roll Call) Mr. Sambol called the roll:

Present: Copper; Kuehne; Miller; Henry; Wallace; Williams; and Stanish  
Absent: None

Also in attendance were: Mr. Jason Parks of Loop Capital; Messrs. VanHeuit and O'Connell, and Ms. Becker-Wold of Callan Associates; Mr. Collins, IMRF Executive Director; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and members of the IMRF Investment Staff.

(19-11-02)(Public Comments) There were no public comments.

(19-11-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from August 22, 2019 Meeting The Chairman asked for the approval of the minutes of the August 22, 2019 Investment Committee Meeting.

It was moved by Ms. Henry; and seconded by Mr. Kuehne; that the minutes of the August 22, 2019 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

The Chairman of the Investment Committee congratulated the Chief Investment Officer for receiving the 2019 Institutional Trail Blazer Award from the Toigo Foundation. This award is presented to leaders of organizations who lead the critical passion, innovation, and change in the work of their funds to influence the principles of diversity and inclusion.

(19-11-04)(Staff Presentation)

A. Private Equity Recommendations The Chief Investment Officer presented an overview of Clearlake Capital Partners VI, L.P.; Valor Equity Partners V, L.P., and Vista Foundation Fund IV, L.P. After this presentation, the Chief Investment Officer recommends:

- Authorize a commitment of up to \$75 million to Clearlake Capital Partners VI, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$75 million to Valor Equity Partners V, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$50 million to Vista Foundation Fund IV, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation.

(19-11-05)(Manager Presentations)

- A. Clearlake Capital Partners VI, L.P. Mr. Feliciano of Clearlake Capital Partners VI, 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. Valor Equity Partners V, L.P. Messrs. Gracias and Sabater of Valor Equity Partners 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.
- C. Vista Foundation Fund IV, L.P. Mr. Breach of Vista Foundation 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.

(19-11-06)(Action Items)

A. Approve Allocations to Clearlake Capital Partners VI, L.P., Valor Equity Partners V, L.P., and Vista Foundation Fund IV, L.P. It was moved by Ms. Henry; and seconded by Mr. Wallace; to recommend that the Board:

- Authorize a commitment of up to \$75 million to Clearlake Capital Partners VI, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$75 million to Valor Equity Partners V, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$50 million to Vista Foundation Fund IV, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

--The Committee recessed at 10:40 A.M.

--The meeting of the Investment Committee reconvened at 10:50 A.M.

(19-11-07)(Staff Presentation)

A. Real Estate Recommendation The Chief Investment Officer presented an overview of Oak Street Real Estate Capital Fund V, L.P. After this presentation, the Chief Investment Officer recommends:

- Authorize a commitment of up to \$75 million to Oak Street Real Estate Capital Fund V, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation.

(19-11-08)(Manager Presentation)

A. Oak Street Real Estate Capital Fund V, L.P. Messrs. Zahr and Hennessy, and Ms. Herczeg, of Oak Street Real Estate Capital 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.

(19-11-09)(Action Item)

A. Approve allocation to Oak Street Real Estate Capital Fund V, L.P. It was moved by Mr. Miller; and seconded by Ms. Copper; to recommend that the Board:

- Authorize a commitment of up to \$75 million to Oak Street Real Estate Capital Fund V, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation.

Vote:

The motion was approved unanimously.

(19-11-10)(Consultant and Staff Presentation)

A. 2019 Asset Liability Modeling Study Presentation and Strategic Asset Allocation Recommendation Messrs. VanHeuit and O'Connell, and Ms. Becker-Wold of Callan Associates; and the Chief Investment Officer; presented the results of the 2019 Asset Liability Modeling Study. After this presentation, the Chief Investment Officer recommends:

- For the 2019 Asset Liability Modeling Study Results
  - Maintain exposure to US Equity asset class of 37%
  - Maintain exposure to International Equity asset class of 18%
  - Maintain exposure to Fixed Income asset class of 28%
  - Maintain exposure to Real Estate asset class of 9%
  - Maintain exposure to Alternative Investments asset class of 7%
  
  - Authorize the adoption of a strategic asset allocation as of January 1, 2020 with the following parameters:
    - 37% - US Equity
    - 18% - International Equity
    - 28% - Fixed Income
    - 9% - Real Estate
    - 7% - Alternative Investments
    - 1% - Cash

(19-11-11)(Action Item)

A. Approve 2019 Strategic Asset Allocation Recommendation It was moved by Mr. Miller; and seconded by Mr. Kuehne: to recommend that the Board approve:

- For the 2019 Asset Liability Modeling Study Results
  - Maintain exposure to US Equity asset class of 37%
  - Maintain exposure to International Equity asset class of 18%
  - Maintain exposure to Fixed Income asset class of 28%
  - Maintain exposure to Real Estate asset class of 9%
  - Maintain exposure to Alternative Investments asset class of 7%

- Authorize the adoption of a strategic asset allocation as of January 1, 2020 with the following parameters:
  - 37% - US Equity
  - 18% - International Equity
  - 28% - Fixed Income
  - 9% - Real Estate
  - 7% - Alternative Investments
  - 1% - Cash

Vote:

The motion was approved unanimously.

(19-11-12)(Staff Presentation)

- A. Internal Asset Management – US Equity Update The Chief Investment Officer presented an update on the Internally-Managed U.S. Quantitative Equity Portfolio. This included: an overview of the IMRF investment program and U.S. Equity Portfolio; the establishment and funding of the Internally-Managed U.S. Quantitative Equity (IEM) Portfolio; and an overview of the IEM benchmark and portfolio guidelines. This presentation was followed by questions from the Committee.

(19-11-13)(New Business) There was no new business presented or discussed during the meeting.

--The next meeting of the Investment Committee is scheduled for Thursday, December 19th, 2019 at 9:00 A.M.

(19-11-14)(Trustee Comments) There were no trustee comments.

(19-11-15)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 12:00 P.M.

Sue Stonish  
Chairman

12/19/2019  
Date

Edward J. ...  
Clerk

December 19, 2019  
Date