

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 21-08-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois on Thursday, August 26, 2021. Mr. Miller, Chairman of the Investment Committee, called the meeting to order at 9:02 A.M.

(21-08-01)(Roll Call) Mr. Sambol called the roll:

Present: Kuehne; Henry; Copper; Kosiba; Miller; and Mitchell via Microsoft Teams

Absent: Stanish; Stefan

Also in attendance were: Mr. Collins, IMRF Executive Director; Ms. Miller-May, IMRF Chief Investment Officer; Ms. Janicki-Clark, IMRF General Counsel; Ms. Govea, IMRF Investment Officer – Private Markets; and Mr. Sambol, IMRF Investment Officer – Operations. Participating via Microsoft Teams were: Ms. Dean; and Messrs. Kazemi; Born; Friedberg; Quinn; and Patterson of Wilshire Associates.

(21-08-02)(Public Comments) There were no public comments.

(21-08-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from May 27, 2021 Meeting The Chairman asked for the approval of the minutes of the May 27, 2021 Investment Committee Meeting.

It was moved by Ms. Henry; and seconded by Ms. Copper; that the minutes of the May 27, 2021 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(21-08-04)(Staff Presentation)

A. Private Equity Recommendations The Chief Investment Officer presented an overview of ABRY Heritage Partners II, L.P., The Baring Asia Private Equity Fund VIII, L.P., Clearlake Capital Partners VII, L.P., and Vensana Capital II, L.P. After this presentation, the Chief Investment Officer recommended:

- Authorize the following commitments subject to satisfactory legal due diligence:
- Up to \$25 million to ABRY Heritage Partners II, L.P.;
- Up to \$100 million to The Baring Asia Private Equity Fund VIII, L.P.;
- Up to \$100 million to Clearlake Capital Partners VII, L.P.;
- Up to \$20 million to Vensana Capital II, L.P.; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

-Trustee Stefan, member of the Investment Committee, joined the meeting at 9:13 A.M.

(21-08-05)(Manager Presentations)

A. ABRY Heritage Partners II, L.P. Mr. Brucato of ABRY Heritage Partners II, L.P., presented a review via Microsoft Teams of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

-Trustee Stanish, member of the Investment Committee, joined the meeting electronically via Microsoft Teams at 9:25 A.M.

B. The Baring Asia Private Equity Fund VIII, L.P. Messrs. Salata and Fuda of The Baring Asia Private Equity Fund VIII, L.P., presented a review via Microsoft Teams of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

C. Clearlake Capital Partners VII, L.P. Messrs. Feliciano and Gilligan of Clearlake Capital Partners VII, L.P., presented a review via Microsoft Teams of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

- D. Vensana Capital II, L.P. Messrs. Nielsen and Klein of Vensana Capital II, L.P., presented a review via Microsoft Teams of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(21-08-06)(Action Items)

- A. Approve Allocations to ABRY Heritage Partners II, L.P.; The Baring Asia Private Equity Fund VIII, L.P.; Clearlake Capital Partners VII, L.P.; and Vensana Capital II, L.P. It was moved by Mr. Kosiba; and seconded by Ms. Copper; to recommend that the Board:

- Authorize the following commitments subject to satisfactory legal due diligence:
- Up to \$25 million to ABRY Heritage Partners II, L.P.;
- Up to \$100 million to The Baring Asia Private Equity Fund VIII, L.P.;
- Up to \$100 million to Clearlake Capital Partners VII, L.P.;
- Up to \$20 million to Vensana Capital II, L.P.; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

Vote:

Aye: Henry; Stanish; Copper; Kosiba; Stefan; Mitchell; Miller; Kuehne
Nay: None

--The Committee recessed at 10:26 A.M.

--The meeting of the Investment Committee reconvened at 10:36 A.M.

(21-08-07)(Staff Presentation)

- A. Real Estate Recommendations The Chief Investment Officer presented an overview of Blackstone Real Estate Partners Asia III, L.P., and Crow Holdings Development Opportunities Fund I, L.P. After this presentation, the Chief Investment Officer recommended:

- Authorize a commitment of up to \$100 million to Blackstone Real Estate Partners Asia III, L.P., subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$50 million to Crow Holdings Development Opportunities Fund I, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

(21-08-08)(Manager Presentations)

- A. Blackstone Real Estate Partners Asia III, L.P. Mr. Miyasaki and Ms. Hill of Blackstone Real Estate Partners Asia III, L.P., presented a review via Microsoft Teams of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.
- B. Crow Holdings Development Opportunities Fund I, L.P. Messrs. McClain and Schubert of Crow Holdings Development Opportunities Fund I, L.P., presented a review via Microsoft Teams of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(21-08-09)(Action Items)

- A. Approve Allocation to Blackstone Real Estate Partners Asia III, L.P. It was moved by Ms. Henry; and seconded by Mr. Kuehne; to recommend that the Board:
- Authorize a commitment of up to \$100 million to Blackstone Real Estate Partners Asia III, 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.

- B. Approve Allocation to Crow Holdings Development Opportunities Fund I, L.P. It was moved by Ms. Henry; and seconded by Ms. Copper; to recommend that the Board:
- Authorize a commitment of up to \$50 million to Crow Holdings Development Opportunities Fund I, L.P., subject to satisfactory legal due diligence; and,
 - Authorize Staff to complete all documentation necessary to execute this recommendation

Vote:

Aye: Henry; Copper; Stanish; Kuehne; Mitchell; Stefan; Kosiba

Nay: Miller

(21-08-10)(Staff Presentation)

A. Portfolio Rebalancing Recommendations The Chief Investment Officer presented an overview of recommendations for the public markets portfolio. After this presentation, the Chief Investment Officer recommended:

- Authorize the following actions subject to satisfactory legal due diligence and suitable liquidity/market conditions:
- Withdrawal of up to \$900 million from Sands Large Cap Growth;
- Withdrawal of up to \$200 million from NTGI MSCI EAFE Index Fund;
- Convert NTGI MSCI EAFE Index to NTGI MSCI ACWxUS Index Fund;
- Withdrawal of up to \$325 million from DFA Small Cap Value;
- Withdrawal of up to \$325 million from ICOM Small Cap Value;
- Termination and full withdrawal of FIAM Small Company Fund (approximately \$200 million);
- Allocation of up to \$470 million to Longfellow Core Plus Fixed Income;
- Allocation of up to \$470 million to Ramirez Core Fixed Income;
- Allocation of up to \$160 million to Barings Global Loan Fund;
- Allocation of up to \$200 million to Cohen & Steers Global Listed Infrastructure;
- Allocation of up to \$550 million to IMRF IMP SciBeta High Factor Intensity’
- Allocation of up to \$300 million to IMRF IMP GSAM Factor Diversity; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

(21-08-11)(Action Items)

A. Approve Portfolio Rebalancing Recommendations It was moved by Ms. Stanish; and seconded by Mr. Kosiba; to recommend that the Board:

- Authorize the following actions subject to satisfactory legal due diligence and suitable liquidity/market conditions:
- Withdrawal of up to \$900 million from Sands Large Cap Growth;
- Withdrawal of up to \$200 million from NTGI MSCI EAFE Index Fund;
- Convert NTGI MSCI EAFE Index to NTGI MSCI ACWxUS Index Fund;
- Withdrawal of up to \$325 million from DFA Small Cap Value;
- Withdrawal of up to \$325 million from ICOM Small Cap Value;
- Termination and full withdrawal of FIAM Small Company Fund (approximately \$200 million);
- Allocation of up to \$470 million to Longfellow Core Plus Fixed Income;
- Allocation of up to \$470 million to Ramirez Core Fixed Income;
- Allocation of up to \$160 million to Barings Global Loan Fund;

- Allocation of up to \$200 million to Cohen & Steers Global Listed Infrastructure;
- Allocation of up to \$550 million to IMRF IMP SciBeta High Factor Intensity'
- Allocation of up to \$300 million to IMRF IMP GSAM Factor Diversity; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(21-08-12)(New Business) There was no new business presented or discussed during the meeting.

--The next meeting of the Investment Committee is scheduled for Thursday, November 18, 2021 at 9:00 A.M.

(21-08-13)(Trustee Comments) The Committee noted that the agriculture and timberland portfolios had underperformed their benchmarks, and the actuarial assumed rate of return, for several years. Staff and Consultant explained that the agricultural portfolio had been impacted due to its focus on redevelopment strategies, and that the timberland portfolio had been impacted due to differences between land values and commodity prices. It was further noted that Staff and Consultant monitor these investments on an ongoing basis.

After discussion, Staff and Consultant stated that the agriculture and timberland strategies will be thoroughly evaluated during the development of the 2022 asset allocation plan.

(21-08-14)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 11:46 A.M.

Chairman

Date

Clerk

Date