

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**MEETING NO. 11-05-I**

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

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, May 19, 2011. Mr. Stafford, Chairman of the Investment Committee, called the meeting to order at 3:00 P. M.

(11-05-01)(Roll Call) Mr. Sambol called the roll:

Present: Piechocinski, Copper, Stafford, Shoop, Thompson, Henry  
Absent: None

Also in attendance were: Ms. Becker-Wold, Mr. Dickinson, and Ms. Etcheverry of Callan Associates; Mr. Kosiba, IMRF Executive Director; Mr. Koziol, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Manager; and Ms. Seplak, Ms. Vasquez, and Ms. Brunke, IMRF Investment Analysts.

(11-05-02)(Action Item – Approve Investment Committee Meeting Minutes from April 28, 2011) The Chief Investment Officer asked for the approval of the minutes of the April 28, 2011 Investment Committee Meeting.

It was moved by Ms. Henry, and seconded by Ms. Thompson, that the minutes from the April 28, 2011 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(11-05-03)(Action Item –Large-Cap Growth Stock Manager Search Presentation) Staff and Consultant presented an overview of the domestic large-cap growth equity manager search. The objective of this search was to identify one or more qualified products to complement the existing active large-cap growth managers and to evaluate Alliance Bernstein in the context of a manager search. It was noted that assets totaling \$650 million would be reallocated as a result of this search.

Seventy-six firms responded to the IMRF RFP. Fourteen responses were received from minority, female, and disabled-person owned (MFPDOB) firms. After all responses were evaluated by Staff and Consultant, twelve semi-finalists — including five MFPDOB managers — were interviewed. Three finalists — American Century, BlackRock and Vision (a MFPDOB firm) — were selected to present to the Investment Committee.

Following the overview, Staff and Consultant recommended:

- that Alliance Bernstein be terminated as a large-cap growth manager;
- that the assets currently managed by Alliance Bernstein be transferred to the NTI S&P 500 Citigroup Growth Index pending execution of agreements with a new manager or managers;
- that either American Century Investment Management, or BlackRock, be selected for a \$600 million large-cap growth mandate;
- that Vision Capital Management be approved for a \$50 million large-cap growth mandate;
- that the new manager(s) be funded with monies withdrawn from NTI S&P 500 Citigroup Growth Index; and,
- that Staff be authorized to complete all documentation necessary to execute these recommendations.

(11-05-04)(Vision Capital Management, Inc. Presentation) Messrs. Jessup, Schmidt, and Ms. Johnson of Vision Capital Management presented a review of their firm's organization structure, performance history, investment strategy, and fees. This presentation was followed by questions from the Committee.

–The Committee recessed at 3:50 P.M.

–The meeting of the Investment Committee reconvened at 4:00 P.M.

(11-05-05)(BlackRock Presentation) Messrs. Waggoner, Johnson, Lindsey, and Krause of BlackRock presented a review of their firm's organization structure, performance history, investment strategy, and fees. This presentation was followed by questions from the Committee.

–The Committee recessed at 4:35 P.M.

–The meeting of the Investment Committee reconvened at 4:45 P.M.

(11-05-06)(American Century) Messrs. Chang, Woodhams, and Brous of American Century presented a review of their firm's organization structure, performance history, investment strategy, and fees. This presentation was followed by questions from the Committee.

(11-05-07)(Action Item – Deliberation and Selection of Large-Cap Growth Stock Managers) Following these presentations, the Committee and Staff discussed the strengths and weaknesses of each firm.

After discussion, it was moved by Ms. Henry; and seconded by Ms. Copper; to recommend to the Board that Alliance Bernstein be terminated, and that the assets currently managed by Alliance Bernstein be transferred to the NTI S&P 500 Citigroup Growth Index pending execution of agreements with a new manager or managers.

Vote:

The motion was approved unanimously.

Next, it was moved by Mr. Shoop, and seconded by Ms. Henry, to recommend to the Board that Vision Capital Management be retained for a \$50 million large-cap growth domestic equity mandate.

Vote:

The motion was approved unanimously.

Finally, it was moved by Mr. Shoop; and seconded by Ms. Thompson; to recommend to the Board:

- that BlackRock be retained for a \$600 million large-cap growth domestic equity mandate;
- that BlackRock and Vision be funded with monies withdrawn from the NTI S&P500 Citigroup Growth Index; and,
- that Staff be authorized to complete all documentation necessary to execute these recommendations.

Vote:

Aye. Piechocinski, Thompson, Copper, Shoop

Nay: Stafford, Henry

Absent: None

(11-05-08)(New Business) There was no new business presented or discussed during the meeting.

–The next meeting of the Investment Committee will be held on Thursday, July 21, 2011, tentatively scheduled to begin at 11:00 A.M.

(11-05-09)(Trustee Comments) There were no trustee comments.

(11-05-10)(Public Comments) There were no public comments.

(11-05-11)(Adjourn) By unanimous consent, the meeting fo the Investment Committee adjourned at 5:55 P.M.

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Chairman

\_\_\_\_\_  
Date

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Clerk

\_\_\_\_\_  
Date