

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**MEETING NO. 15-04-I**

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

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, April 23, 2015. Mr. Kuehne, Chairman of the Investment Committee, called the meeting to order at 1:00 P.M.

(15-04-01)(Roll Call) Mr. Sambol called the roll:

Present: Stulir; Miller; Stanish; Piechocinski; Kuehne; Henry; Copper;  
Thompson  
Absent: None

Also in attendance were: Ms. Becker-Wold and Messrs. Abesamis, Kinoshita and Ball of Callan Associates; Mr. Kosiba, IMRF Executive Director; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and IMRF Investment Staff.

(15-04-02)(Public Comments) There were no public comments.

(15-04-03)(Action Items)

- A. Approve Investment Committee Meeting Minutes from February 26, 2015 Meeting The Chairman asked for the approval of the minutes of the February 26, 2015 Investment Committee Meeting.

It was moved by Ms. Copper; and seconded by Mr. Piechocinski; that the minutes of the February 26, 2015 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

- B. Approve correction to Investment Committee Meeting Minutes from October 25, 2012 Meeting The Chairman asked for the approval of a correction to the minutes of the October 25, 2012 Investment Committee Meeting.

It was moved by Ms. Henry; and seconded by Ms. Copper; that the correction to the minutes of the October 25, 2012 Investment Committee Meeting be approved.

Vote:

Aye: Stulir; Piechocinski; Kuehne; Henry; Copper; Thompson  
Nay: None  
Abstain: Miller; Stanish

(15-04-04)(Staff and Consultant Presentations)

A. Transition Manager Search Report and Recommendations The Chief Investment Officer and Consultant presented an overview of the transition manager search. After this presentation, the Chief Investment Officer recommends:

- creating a transition pool/bench of providers for the purpose of providing transition management services to IMRF;
- continuing to use Northern Trust, IMRF's master trustee, as a current transition management service provider;
- pre-negotiating transition management agreements with BlackRock, Loop, Penserra, Russell and State Street, subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

(15-04-05)(Investment Manager Presentations)

- A. Russell Messrs. Bagley and Seagraves of Russell presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.
- B. BlackRock Ms. Lindeman and Mr. Johnson of BlackRock presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.
- C. Penserra Ms. Kreutzer and Mr. Madrigal of Penserra presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.
- D. Loop Capital Ms. Ratliff and Mr. Parks of Loop Capital presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.
- E. State Street Messrs. Toland and Miller of State Street presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.
- F. Northern Trust Messrs. Johnsey and Martinez of Northern Trust presented a review of their firm's organizational structure, transition management strategy and performance. This presentation was followed by questions from the Committee.

(15-04-06)(Action Items)

A. Approve Transition Manager Recommendations It was moved by Ms. Henry; and seconded by Ms. Copper; to recommend that the Board approve:

- creating a transition pool/bench of providers for the purpose of providing transition management services to IMRF;
- continuing to use Northern Trust, IMRF's master trustee, as a current transition management service provider;
- pre-negotiating transition management agreements with BlackRock, Loop, Penserra, Russell and State Street, subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(15-04-07)(Staff Presentations)

A. Securities Lending Collateral Investment Recommendation and Review of Related Changes to Statement of Investment Policy The Chief Investment Officer presented an overview of IMRF's securities lending program. This included a review of collateral pool regulatory changes, securities lending program modifications, a new collateral pool option, and a review of related changes to the Statement of Investment Policy. After this presentation, the Chief Investment Officer recommends:

- selecting Northern Trust Collective SL Core Short Term Investment Fund as IMRF's new registered cash collateral reinvestment vehicle, subject to satisfactory legal due diligence;
- approving the 2015 Statement of Investment Policy as amended; and,
- authorizing Staff to complete all documentation necessary to execute these recommendations

B. Core Real Estate Recommendation The Chief Investment Officer presented an overview of Buckhead Properties, L.P. After this presentation, the Chief Investment Officer recommends:

- allocating up to an additional \$50 million to Buckhead Properties, L.P.; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

C. Hedge Fund Recommendation The Chief Investment Officer presented an overview of SM Aurora, L.P. After this presentation, the Chief Investment Officer recommends:

- authorizing a redemption notice to redeem \$100 million from SMAurora, L.P.; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

(15-04-08)(Action Items)

A. Approve Securities Lending Collateral Investment Recommendation It was moved by Ms. Henry; and seconded by Mr. Piechocinski; to recommend that the Board approve:

- selecting Northern Trust Collective SL Core Short Term Investment Fund as IMRF's new registered cash collateral reinvestment vehicle, subject to satisfactory legal due diligence; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

B. Approve Amended Statement of Investment Policy It was moved by Mr. Piechocinski; and seconded by Ms. Henry; to recommend that the Board:

- approve the 2015 Statement of Investment Policy as amended

Vote:

The motion was approved unanimously.

C. Approve Additional Commitment to Buckhead Properties, L.P. It was moved by Ms. Thompson; and seconded by Ms. Stanish; to recommend that the Board approve:

- allocating up to an additional \$50 million to Buckhead Properties, L.P.; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

D. Approve Redemption from SMAurora, L.P. It was moved by Mr. Miller; and seconded by Mr. Piechocinski; to recommend that the Board approve:

- authorizing a redemption notice to redeem \$100 million from SMAurora, L.P.; and,
- authorizing Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

(15-04-09)(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, May 28, 2015 beginning at 1:00 P.M.

(15-04-10)(Trustee Comments) There were no trustee comments.

(15-04-11)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 4:11 P.M.

  
Chairman

5/28/15  
Date

  
Clerk

May 28, 2015  
Date