

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 18-10-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, October 25, 2018. Mr. Kuehne, Chairman of the Investment Committee, called the meeting to order at 10:05 A.M.

(18-10-01)(Roll Call) Mr. Sambol called the roll:

Present: Copper; Miller; Wallace; Thompson; Kuehne and Williams by audio-conference.

Absent: Stanish and Henry

Also in attendance were: Mr. Keith Lathan of The Williams Capital Group; Mr. Ball of Callan Associates; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and members of the IMRF Investment Staff.

(18-10-02)(Public Comments) There were no public comments.

(18-10-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from August 23, 2018 Meeting The Chairman asked for the approval of the minutes of the August 23, 2018 Investment Committee Meeting.

It was moved by Ms. Thompson; and seconded by Ms. Copper; that the minutes of the August 23, 2018 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(18-10-04)(Staff Presentation)

- A. Public Markets Recommendations The Chief Investment Officer presented an overview of \$1.7 billion of rebalancing actions across the domestic equity and fixed income portfolios. After this presentation, the Chief recommends:

- Domestic Equity – Total withdrawals of \$850 million
- Withdrawal of \$550 million from Fidelity Institutional Asset Management (FIAM) Small Cap Growth Equity Fund
- Conversion of the FIAM investment vehicle from a commingled fund to a separately managed account (SMA), subject to satisfactory legal due diligence;
 - Authorization for full redemption from FIAM if a satisfactory SMA agreement cannot be reached;
- Withdrawal of \$300 million from Sands US Large Cap Growth Equity;

- Fixed Income – Total additional allocations of \$850 million
 - Additional allocation of \$250 million to Earnest Core Fixed Income;
 - Additional allocation of \$250 million to Garcia Hamilton Core Fixed Income;
 - Additional allocation of \$250 million to Piedmont Core Fixed Income;
 - Additional allocation of \$100 million to MacKay Shields High Yield Fixed Income; and,

- Authorization of Staff to complete all documentation necessary to execute these recommendations, subject to satisfactory legal due diligence.

-Trustee Henry, Vice Chairman of the Investment Committee, entered the meeting at 10:19 A.M.

(18-10-05)(Action Items)

A. Approve Public Markets Recommendations It was moved by Mr. Wallace; and seconded by Ms. Thompson; to recommend that the Board approve:

- Domestic Equity – Total withdrawals of \$850 million
- Withdrawal of \$550 million from Fidelity Institutional Asset Management (FIAM) Small Cap Growth Equity Fund
- Conversion of the FIAM investment vehicle from a commingled fund to a separately managed account (SMA), subject to satisfactory legal due diligence;
 - Authorization for full redemption from FIAM if a satisfactory SMA agreement cannot be reached;
- Withdrawal of \$300 million from Sands US Large Cap Growth Equity;

- Fixed Income – Total additional allocations of \$850 million
 - Additional allocation of \$250 million to Earnest Core Fixed Income;
 - Additional allocation of \$250 million to Garcia Hamilton Core Fixed Income;
 - Additional allocation of \$250 million to Piedmont Core Fixed Income;
 - Additional allocation of \$100 million to MacKay Shields High Yield Fixed Income; and,

- Authorization of Staff to complete all documentation necessary to execute these recommendations, subject to satisfactory legal due diligence.

Vote:

The motion was approved unanimously

(18-10-06)(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 15, 2018 beginning at 2:00 P.M.

(Note: After the conclusion of this meeting, it was determined that the next meeting of the Investment Committee will be held on Thursday, November 8th, 2018, beginning at 10:00 A.M.

(18-10-07)(Trustee Comments) There were no trustee comments.

(18-10-08)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 10:21 A.M.

J. F. Kneeloe

Chairman

11/8/18

Date

Edward J. Samuel

Clerk

November 8, 2018

Date