

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 18-11-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, November 8, 2018. Mr. Kuehne, Chairman of the Investment Committee, called the meeting to order at 10:03 A.M.

(18-11-01)(Roll Call) Mr. Sambol called the roll:

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

Absent: Stanish

Also in attendance were: Ms. Angela Meyers of Loop Capital Markets; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and members of the IMRF Investment Staff.

(18-11-02)(Public Comments) There were no public comments.

(18-11-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from October 25, 2018 Meeting The Chairman asked for the approval of the minutes of the October 25, 2018 Investment Committee Meeting.

It was moved by Ms. Copper; and seconded by Mr. Wallace; that the minutes of the October 25, 2018 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(18-11-04)(Staff Presentation)

- A. Private Equity Recommendation The Chief Investment Officer presented an overview of ABRY Partners IX, L.P. After this presentation, the Chief Investment Officer recommends:

- authorization of a commitment of up to \$50 million to ABRY Partners IX, L.P., subject to satisfactory legal due diligence; and,

- authorization of Staff to complete all documentation necessary to execute this recommendation

(18-11-05)(Manager Presentation)

A. ABRY Partners IX, L.P. Mr. Grossman of ABRY Partners IX, L.P., presented a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(18-11-06)(Action Item)

A. Approve Allocation to ABRY Partners IX, L.P. It was moved by Ms. Henry; and seconded by Ms. Copper; to recommend that the Board approve:

- authorization of a commitment of up to \$50 million to ABRY Partners IX, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute this recommendation

Vote:

The motion was approved unanimously.

(18-11-07)(Staff Presentation)

A. Real Estate Recommendations The Chief Investment Officer presented an overview of Blackstone Real Estate Partners IX, L.P., LaSalle Income & Growth Fund VIII, L.P., and Oak Street Seeding & Strategic Capital Fund II – MW, L.P. After this presentation, the Chief Investment Officer recommends:

- authorization of a commitment of up to \$150 million to Blackstone Real Estate Partners IX, L.P., subject to satisfactory legal due diligence;
- authorization of a commitment of up to \$25 million to LaSalle Income & Growth Fund VIII, L.P., subject to satisfactory legal due diligence;
- authorization of a commitment of up to \$100 million to Oak Street Seeding & Strategic Capital Fund II – MW, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute these recommendations

(18-11-08)(Manager Presentations)

A. Blackstone Real Estate Partners IX, L.P. Messrs. Cohen and Fenet of Blackstone Real Estate Partners IX, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee

B. LaSalle Income & Growth Fund VIII, L.P. Messrs. Munoz and Hutchinson; and Ms. Martinez of LaSalle Income & Growth Fund VIII, L.P., presented a review of their 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 by audio-conference at 11:16 A.M.

C. Oak Street Seeding & Strategic Capital Fund II – MW, L.P. Ms. Herczeg; and Messrs. Zahr and Hennessey of Oak Street Seeding & Strategic Capital Fund II – MW, L.P., presented a review of their firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee

(18-11-09)(Action Items)

A. Approve Allocations to Blackstone Real Estate Partners IX, L.P.; LaSalle Income & Growth Fund VIII, L.P.; and Oak Street Seeding & Strategic Capital Fund II- MW, L.P. It was moved by Mr. Miller; and seconded by Ms. Copper; to recommend that the Board approve:

- authorization of a commitment of up to \$150 million to Blackstone Real Estate Partners IX, L.P., subject to satisfactory legal due diligence;
- authorization of a commitment of up to \$25 million to LaSalle Income & Growth Fund VIII, L.P., subject to satisfactory legal due diligence;
- authorization of a commitment of up to \$100 million to Oak Street Seeding & Strategic Capital Fund II – MW, L.P., subject to satisfactory legal due diligence; and,
- authorization of Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

--The Committee recessed at 11:55 A.M.

--The meeting of the Investment Committee reconvened at 12:05 P.M.

(18-11-10)(CIO Update)

A. Internal Management Project – Verbal Update The Chief Investment Officer presented a verbal update on the internal management project. The discussion focused on the draft budget established for this project – including staffing requirements and compensation, office equipment, one-time versus recurring annual expenses, and a trading system. The Chief Investment Officer also discussed the factor-based investment strategy that will be implemented by the internal management team, the evaluation of this strategy's performance by Callan Associates, and how total costs will decline as this portfolio's assets grow over time. The Chief Investment Officer concluded by stating that she plans to present a recommendation to the Committee to begin the internal management of a factor-based investment strategy in February 2019.

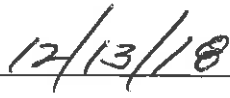
(18-11-11)(New Business) There was no new business presented or discussed during the meeting.

--The next meeting of the Investment Committee is scheduled to be held on Thursday, December 13, 2018 beginning at 2:00 P.M.

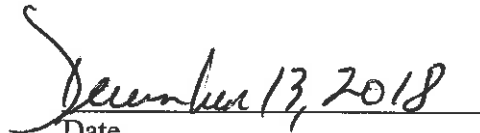
(18-11-12)(Trustee Comments) There were no trustee comments.

(18-11-13)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 12:21 P.M.


Chairman


Date


Clerk


Date