

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 20-02-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois, on Thursday, February 27, 2020. Ms. Henry, Chairman of the Investment Committee, called the meeting to order at 9:00 A.M.

(20-02-01)(Roll Call) Mr. Sambol called the roll:

Present: Copper; Miller; Henry; Wallace; Stafford; Kuehne; Stanish; and Williams
by audio-conference

Absent: None

Also in attendance were: Ms. Dean and Mr. Kazemi of Wilshire Associates; Ms. Janicki Clark, IMRF General Counsel; Ms. Shah, IMRF Chief Investment Officer; Mr. Sambol, IMRF Investment Officer - Operations; and members of the IMRF Investment Staff.

(20-02-02)(Public Comments) There were no public comments.

(20-02-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from December 19, 2019 Meeting The Chairman asked for the approval of the minutes of the December 19, 2019 Investment Committee Meeting.

It was moved by Ms. Copper; and seconded by Mr. Wallace; that the minutes of the December 19, 2019 meeting of the Investment Committee be approved.

Vote:

The motion was approved unanimously.

(20-02-04)(Staff Presentation)

- A. Private Equity Recommendations The Chief Investment Officer presented an overview of Sterling Group Partners V, L.P., Mayfield XVI, L.P. and Mayfield Select II, L.P. After this presentation, the Chief Investment Officer recommends:

- Authorize an aggregate commitment of up to \$50 million to Mayfield XVI, L.P. and Mayfield Select II, L.P., a Delaware Limited Partnership, subject to satisfactory legal due diligence;
- Authorize a commitment of up to \$60 million to Sterling Group Partners V, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation

(20-02-05)(Manager Presentations)

- A. Sterling Group Partners V, L.P. Ms. Jones and Mr. Elliott of Sterling Group Partners V, 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. Mayfield XVI, L.P. and Mayfield Select II, L.P. Mr. Chaddha of Mayfield XVI, L.P. and Mayfield Select II, L.P., presented via video conference call. Mr. Chaddha provided a review of his firm's organization structure, investment strategy and product. This presentation was followed by questions from the Committee.

(20-02-06)(Action Items)

- A. Approve Allocations to Sterling Group Partners V, L.P., Mayfield XVI, L.P. and Mayfield Select II, L.P. It was moved by Ms. Stanish; and seconded by Mr. Kuehne; to recommend that the Board:
- Authorize an aggregate commitment of up to \$50 million to Mayfield XVI, L.P. and Mayfield Select II, L.P., a Delaware Limited Partnership, subject to satisfactory legal due diligence;
 - Authorize a commitment of up to \$60 million to Sterling Group Partners V, 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.

(20-02-07)(Staff Presentation)

- A. Real Estate Recommendation The Chief Investment Officer presented an overview of Crow Holdings Realty Partners IX, L.P. After this presentation, the Chief Investment Officer recommends:

- Authorize a commitment of up to \$100 million to Crow Holdings Realty Partners IX, L.P., subject to satisfactory legal due diligence; and,
- Authorize Staff to complete all documentation necessary to execute this recommendation

(20-02-08)(Manager Presentation)

A. Crow Holdings Realty Partners IX, L.P., Messrs. Carter and Colter; and Ms. Bailey of Crow Holdings Realty 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.

(20-02-09)(Action Item)

A. Approve allocation to Crow Holdings Realty Partners IX, L.P. It was moved by Mr. Miller; and seconded by Mr. Wallace; to recommend that the Board:

- Authorize a commitment of up to \$100 million to Crow Holdings Realty Partners IX, 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.

(20-02-10)(Break)

--The Committee recessed at 10:30 A.M.

--The meeting of the Investment Committee reconvened at 10:47 A.M.

(20-02-11)(Staff Presentation)

A. Capital Market Assumptions & 2020 Annual Review of Asset Allocation The Chief Investment Officer; and Ms. Dean and Mr. Kazemi of Wilshire Associates, presented the Capital Markets Assumptions & 2020 Annual Review of Asset Allocation. No recommendations for changes were made.

IMRF's 2020 strategic asset allocation consists of the following parameters:

- 37% U.S. Equity
- 18% International Equity
- 28% Fixed Income
- 9% Real Estate
- 7% Alternative Investments
- 1% Cash

(20-02-12)(Staff Presentation)

A. Public Markets Recommendations The Chief Investment Officer presented an overview of recommendations for the public markets portfolio. After this presentation, the Chief Investment recommends:

- Authorize allocation of up to \$175 million to Longfellow Investment Management to manage a Core Plus Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize allocation of up to \$125 million to Ramirez Asset Management to manage a Core Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize full redemption (approximately \$1.3 billion) of the Progress Manager of Manager's mandates due to the pending firm closure;
- Authorize reinvestment of the assets in a manner deemed appropriate by the CIO;
 - The reinvestment of the assets will likely be a combination of existing public equity and fixed income investments, private market investments, and a source for meeting cash needs
 - Assets will stay with the minority investment managers once fully redeployed, excluding temporary positioning
- Authorize Staff to complete all documentation necessary to execute these recommendations

(20-02-13)(Action Items)

A. Approve Progress Recommendation, Longfellow Recommendation, and Ramirez Recommendation It was moved by Mr. Miller; and seconded by Mr. Kuehne; to recommend that the Board:

- Authorize allocation of up to \$175 million to Longfellow Investment Management to manage a Core Plus Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize allocation of up to \$125 million to Ramirez Asset Management to manage a Core Fixed Income mandate, subject to satisfactory legal due diligence;
- Authorize full redemption (approximately \$1.3 billion) of the Progress Manager of Manager's mandates due to the pending firm closure;
- Authorize reinvestment of the assets in a manner deemed appropriate by the CIO;
 - The reinvestment of the assets will likely be a combination of existing public equity and fixed income investments, private market investments, and a source for meeting cash needs
 - Assets will stay with the minority investment managers once fully redeployed, excluding temporary positioning
- Authorize Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved unanimously.

(20-02-14)(Annual Reports)

- A. 2019 Annual Minority & Emerging Investment Manager Utilization Report, 2019 Annual Minority Broker Utilization Report, 2019 Annual Proxy Voting Activity Report, and 2019 Annual Securities Lending Activity Report The Chief Investment Officer asked the Committee if they had any questions regarding the 2019 Annual Minority & Emerging Manager Utilization Report, 2019 Minority Broker Utilization Report, 2019 Proxy Voting Activity Report, and 2019 Securities Lending Activity Report, that were provided for their review. No questions were received from the Committee.

(20-02-15)(New Business) There was no new business presented or discussed during the meeting.

--The next meeting of the Investment Committee is scheduled for Thursday, March 19th, 2020 at 9:00 AM.

(20-02-16)(Trustee Comments) There were no trustee comments.

(20-20-17)(Adjourn) By unanimous consent, the meeting of the Investment Committee adjourned at 12:00 P.M.


Chairman

8/26/2021
Date


Clerk

August 26, 2021
Date