

ILLINOIS MUNICIPAL RETIREMENT FUND
MEETING NO. 24-02-I

MEETING OF THE
INVESTMENT COMMITTEE

The Investment Committee met in the IMRF offices in Oak Brook, Illinois on Thursday, February 22, 2024. Ms. Stanish, Chairman of the Investment Committee, called the meeting to order at 9:00 A.M.

(24-02-01)(Roll Call) Mr. Bush called the roll:

Present: Ms. Copper, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Present via Microsoft Teams: Mr. Kosiba

Absent: Mr. Kuchne

Also in attendance were Mr. Collins, IMRF Executive Director; Ms. Miller-May, IMRF Chief Investment Officer; Mr. Shuliga, IMRF General Counsel; Ms. Govea, IMRF Investment Officer – Private Markets; Mr. Catanese, IMRF Investment Officer - Portfolio Management & Investment Strategy; Mr. Bush, IMRF Investment Analyst – Portfolio Operations – Diversity Programs and members of the Investment Staff. Consultants Mr. Kazemi and Ms. Bewick of Wilshire Associates attended in person.

(24-02-02)(Public Comments)

Representatives of the Unite Here Local 1 informed the Investment Committee about alleged unfair labor practices resulting in strikes at The Blackstone Group owned hotels across Southern California. The Blackstone Group hotel workers are demanding changes to contract wages, benefits, and protections. The representatives requested IMRF write a public letter to The Blackstone Group requesting said changes.

(24-02-03)(Action Item)

- A. Approve Investment Committee Meeting Minutes from the December 14, 2023 Meeting The Chairman asked for the approval of the minutes of the December 14, 2023, Investment Committee Meeting.

It was moved by Ms. Henry; and seconded by Mr. Miller; that the minutes of the December 14, 2023, meeting of the Investment Committee be approved.

Vote:

The motion was approved.

Present: Ms. Copper, Mr. Kosiba, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Nay: None

(24-02-04)(Consultant and Staff Presentation)

- A. 2024 Asset Allocation Review Mr. Kazemi and Ms. Bewick of Wilshire Associates presented the 2024 Asset Allocation Review. This presentation was followed by questions from the Committee.

(24-02-05)(Staff Presentation)

- A. 2024 Staff Presentation and Asset Allocation Recommendation Ms. Miller-May, IMRF Chief Investment Officer and Mr. Catanese, IMRF Investment Officer - Portfolio Management & Investment Strategy presented the 2024 Asset Allocation Policy.

Strategic Asset Allocation as of January 1, 2024

- 33.5% - U.S. Equity
- 18.0% - International Equity
- 24.5% - Fixed Income
- 10.5% - Private Real Assets
- 12.5% - Alternative Investments
- 1.0% - Cash

Ms. Miller-May, IMRF Chief Investment Officer and Mr. Catanese, IMRF Investment Officer - Portfolio Management & Investment Strategy further recommended the adoption of a policy benchmark to become effective on December 31, 2024. This presentation was followed by questions from the Investment Committee.

Policy Benchmark effective on December 31, 2024

- 33.5% Custom U.S. Equity Benchmark
- 18.0% MSCI All Country World Index ex USA (Net)
- 24.5% Custom Fixed Income Benchmark
- 10.5% Custom Private Real Assets Benchmark
- 12.5% Custom Alternative Investments Benchmark
- 1.0% 3 Month T-Bills

(24-02-06)(Action Items)

- A. Approve 2024 Asset Allocation Recommendation It was moved by Mr. Miller; and seconded by Ms. Copper; to recommend that the Board approve the following new asset allocation targets and Total Fund benchmark;

Strategic Asset Allocation as of January 1, 2024

- 33.5% - U.S. Equity
- 18.0% - International Equity
- 24.5% - Fixed Income
- 10.5% - Private Real Assets
- 12.5% - Alternative Investments
- 1.0% - Cash

Policy Benchmark effective on December 31, 2024

- 33.5% Custom U.S. Equity Benchmark
- 18.0% MSCI All Country World Index ex USA (Net)
- 24.5% Custom Fixed Income Benchmark
- 10.5% Custom Private Real Assets Benchmark
- 12.5% Custom Alternative Investments Benchmark
- 1.0% 3 Month T-Bills

Vote:

The motion was approved.

Present: Ms. Copper, Mr. Kosiba, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Nay: None

(24-02-07)(Staff Presentation)

- A. Private Equity Recommendations Ms. Miller-May, IMRF Chief Investment Officer and Ms. Govea, IMRF Investment Officer – Private Markets presented an overview of Clearlake Capital Partners Fund VIII, L.P, and Sterling Group Fund VI, L.P. This presentation was followed by questions from the Committee. After this presentation, the Chief Investment Officer recommended:

- Authorize a commitment of up to \$50 million to Clearlake Capital Partners Fund VIII, L.P., subject to satisfactory due diligence;
- Authorize a commitment of up to \$75 million Sterling Group Fund VI, L.P., subject to satisfactory due diligence; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

(24-02-08)(Action Items)

- A. Approve Allocations to Clearlake Capital Partners Fund VIII, L.P. and Sterling Group Fund VI, L.P. It was moved by Mr. Kosiba; and seconded by Ms. Henry to recommend that the Board:

- Authorize a commitment of up to \$50 million to Clearlake Capital Partners Fund VIII, L.P., subject to satisfactory due diligence;
- Authorize a commitment of up to \$75 million to Sterling Group Fund VI, L.P., subject to satisfactory due diligence; and,
- Authorize Staff to complete all documentation necessary to execute these recommendations

Vote:

The motion was approved.

Present: Ms. Copper, Mr. Kosiba, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Nay: None

(24-02-09)(Staff Presentation)

- A. Review of Recommended Changes to the Investment Committee Charter and Statement of Investment Policy The Chief Investment Officer presented an overview of recommended changes to IMRF's Investment Committee Charter and Statement of Investment Policy to the Committee. She noted these documents are presented, reviewed, and approved annually. The Chief Investment Officer concluded by asking the Committee to recommend that the Board:

- Approve 2024 Investment Committee Charter as amended; and,
- Approve 2024 Statement of Investment Policy as amended

(24-02-10)(Action Items)

- A. Approve the 2024 Investment Committee Charter as amended It was moved by Ms. Copper; and seconded by Mr. Miller; to recommend that the Board approve the 2024 Investment Committee Charter as amended.

Vote:

The motion was approved.

Present: Ms. Copper, Mr. Kosiba, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Nay: None

- B. Approve the 2024 Statement of Investment Policy as amended It was moved by Ms. Copper; and seconded by Mr. Miller; to recommend that the Board approve the 2024 Investment Committee Charter as amended.

Vote:

The motion was approved.

Present: Ms. Copper, Mr. Kosiba, Ms. Henry, Mr. Miller, Mr. Stefan, Mr. Cycholl, and Ms. Stanish

Nay: None

(24-02-11)(New Business)

The Chief Investment Officer provided an update on the renewal of the Master Trust Agreement.

(24-02-12)(Trustee Comments)

(24-02-13)(Adjourn) It was moved by Mr. Miller; and seconded by Mr. Stefan; that the meeting of the Investment Committee adjourned at 10:06 A.M.

Vote:

The motion was approved unanimously.

--The next meeting of the Investment Committee is tentatively scheduled for Thursday, March 28, 2024, at 9:00 A.M.

Aue Stanish
Chairman

4-11-24
Date

Edward Bush
Clerk

4-11-24
Date