

**MINUTES OF THE
DEFINED CONTRIBUTION COMMITTEE**

Wednesday, September 30, 2020 – 1:00 P.M.
Remote Board Meeting
Per Public Act 101-0640

Present:

<u>Committee Members</u>	Committee Chairman Senator Robert Martwick Board Chairwoman Justice Mary Seminara-Schostok Treasurer Michael Frerichs Comptroller Susana Mendoza Elizabeth Sanders Jaye Williams
<u>Board Members</u>	Gisela Attlan Terrence Healy Michael Tarnoff
<u>Staff</u>	Mary Cahill Johara Farhadieh Jansen Hein Maryann Hong Dipesh Mehta Alex Somolski Atul Talwar
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Illinois State Comptroller's Office Andrew Ranck Illinois State Treasurer's Office Allen Mayer Rodrigo Garcia Illinois Central Management Services (CMS) Chris Colantino RVK, Inc.

Jennifer Sandberg
Mikaylee O'Connor
Stephen Budinsky

Alliant Insurance Services, Inc.
Craig Goesel
Bruno Amici

Members of the Public

Matt McCue, Financial News

ROLL CALL

Committee Chairman Martwick called the meeting to order at 1:03 p.m. Ms. Hong noted per the recently passed Public Act 101-0640 and the ongoing COVID-19 public health emergency, it was not prudent to conduct the ISBI Board meetings in person. As such, September Defined Contribution Committee meeting would be conducted by virtual means. Ms. Hong also noted for the record that ISBI's General Counsel was physically present at the office. Mr. Mehta called the roll, and noted that a quorum was present.

APPROVAL OF STANDING COMMITTEE

Pursuant to the Board Bylaws, Board Chairwoman Schostok appointed the following members to the Defined Contribution Committee: Trustee Martwick as Chair, Trustee Frerichs, Chairwoman Schostok, Trustee Mendoza, Trustee Williams, and Trustee Sanders.

REPORT OF THE DEFINED CONTRIBUTION COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES

Trustee Mendoza moved to approve the meeting minutes from the June 25, 2020 meeting of the Defined Contribution Committee. Trustee Sanders seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, and Trustee Sanders. The motion passed unanimously.

PRESENTATION BY ALLIANT INSURANCE SERVICES, INC.

Consideration and Approval of Deferred Compensation Plan Insurance

Mr. Goesel of Mesirow referred Trustees to the presentation materials and discussed Alliant Insurance Services Deferred Compensation Plan Insurance. Mr. Goesel stated that in his expert opinion, obtaining additional plan insurance was prudent for ISBI and its coverage needs.

Trustee Mendoza moved to approve the Deferred Compensation Plan Insurance pursuant to the terms discussed on the record. Trustee Sanders seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, and Trustee Sanders. The motion passed unanimously.

UPDATE PERTAINING TO CARES ACT IMPLEMENTATION

Mr. Colantino gave an update on the implementation of the Loan Repayment Suspension and Coronavirus Related Distribution provisions. Since June, CMS continues to process a small number of claims related to these provisions. Mr. Colantino asked if there were any further questions, and there were none.

REPORT BY CONSULTANT – RVK, INC.

Deferred Compensation Performance Review as of June 30, 2020

Ms. Sandberg directed Trustees to the presentation materials and gave an update on the Deferred Compensation Plan's performance as of June 30, 2020. Ms. Sandberg stated that participants were notified of the Investment Menu changes approved at the last Board Meeting. Ms. Sandberg also noted that the Board's previously approved investment changes had positive effects on Plan performance. Overall, the Plan was performing well despite market volatility. Ms. Sandberg asked the Trustees if they had any additional questions and there were none.

CONSIDERATION AND APPROVAL OF PARTICIPATION IN THE PUBLIC RETIREMENT RESEARCH LAB

Ms. O'Connor gave background on the National Association of Government Defined Contribution Administrators ("NAGDCA"). NAGDCA recently partnered with the Employee Benefit Research Institute ("EBRI") to launch the Public Retirement Research Lab ("PRRL"), a project to collect public deferred compensation and defined contribution plan information and use it for retirement research purposes. Ms. Connor stated that RVK supports the PRRL initiative and recommends that the Board authorize ISBI Staff and CMS to work with T. Rowe Price to complete the necessary steps in order to participate in the PRRL on an ongoing basis. Board Chairwoman Schostok asked Ms. O'Connor to explain the benefits and Ms. O'Connor responded that there would be numerous benefits to participation, including more access to on-demand benchmarking capabilities. Ms. Farhadieh also noted that RVK specifically confirmed no personally identifiable data of participants would be shared, so RVK staff had no concerns regarding data. Trustee Mendoza stated that there didn't appear to be any downside to ISBI's participation.

Trustee Sanders moved to approve that the Board, consistent with the recommendation of RVK, authorize ISBI Staff and CMS to work with T. Rowe Price to complete the necessary steps in order to participate in the Public Retirement Research Lab. Trustee Sanders seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

CONSIDERATION AND APPROVAL OF DEFERRED COMPENSATION PLAN EXPENSE REVIEW

At 1:56 p.m., Board Chairwoman Schostok moved to go into Executive Session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss specific investment contracts. Trustee Mendoza seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, Trustee Sanders, and Trustee Williams. Nays: None. The motion passed unanimously.

At 2:31 p.m., Trustee Mendoza moved to return to the open meeting. Board Chairwoman Schostok seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, Trustee Sanders, and Trustee Williams. Nays: None. The motion passed unanimously.

Board Chairwoman Schostok moved that the Board, consistent with the recommendation of RVK, approve to hold the Reimbursement in the Plan Expense Account until an allocation decision is made by the Board. Trustee Mendoza seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Martwick, Board Chairwoman Schostok, Trustee Frerichs, Trustee Mendoza, Trustee Sanders, and Trustee Williams. Nays: None. The motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

Trustees and ISBI Staff congratulated Trustee Frerichs on the National Association of State Treasurer's grant, which had recently been awarded to the Treasurer's Office.

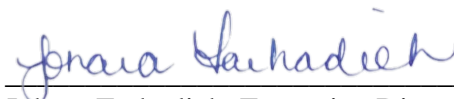
PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Committee Chairman Martwick noted that the next meeting was tentatively scheduled for December 8-9, 2020, and Committee Members will be notified of the time at a later date. At 2:37 p.m., there being no further business to come before the Committee, Board Chairwoman Schostok moved to adjourn the meeting. Trustee Mendoza seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/
Chief Investment Officer