

MINUTES OF THE
ILLINOIS STATE BOARD OF INVESTMENT

Thursday, October 1, 2020 – 10:25 A.M.
Remote Board Meeting
Per Public Act 101-0640

Present:

Board Members

Chairwoman Justice Mary Seminara-Schostok
Gisela Attlan
Treasurer Michael Frerichs
Terrence Healy
Comptroller Susana Mendoza
Senator Robert Martwick
Michael Tarnoff
Elizabeth Sanders
Jaye Williams

Staff

Mary Cahill
Johara Farhadieh
Jansen Hein
Maryann Hong
Dipesh Mehta
Scott Richards
Alex Somolski
Atul Talwar

Guests

Burke Burns & Pinelli, Ltd.
Sarah Boeckman

Illinois State Comptroller's Office
Andrew Ranck

Illinois State Treasurer's Office
Allen Mayer
Rodrigo Garcia

RVK, Inc.
Jennifer Sandberg
Tony Jonson

Marquette Associates
David Smith
Samantha Grant

Greg Leonberger
Brian Wrubel

Meketa Investment Group, Inc.
Alli Wallace
Judy Chambers
Frank Benham

Members of the Public

Matt McCue, Financial News
Bianca Agustin, United4Respect
Joey Tallmage

ROLL CALL

Board Chairwoman Schostok called the meeting to order at 10:49 a.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, the October Board 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 a quorum was present.

REPORT OF THE CHAIR

Appointment of Standing Committees

Board Chairwoman Schostok noted for the record that consistent with ISBI's By-Laws, she appointed the Committee members for each Committee during the September 30th and October 1st Committee meetings.

Consideration and Approval of Proposed 2020-2021 Schedule of Meetings

Trustee Tarnoff moved to approve the Schedule of Meetings for the 2020-2021 year. Trustee Martwick seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Atlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

CONSIDERATION AND APPROVAL OF MINUTES

Trustee Sanders moved to approve the June 26, 2020 Board meeting minutes, as presented. Trustee Martwick seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Atlan, Trustee Frerichs, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. Trustee Healy abstained as he was not present at the prior meeting. The motion passed.

CONSIDERATION AND APPROVAL OF REPORTS AND RECOMMENDATIONS OF STANDING COMMITTEES

Defined Contribution Committee

Chairwoman Schostok read through the recommendations approved by the Defined Contribution Committee at its September 30, 2020 meeting:

1. To approve the Defined Contribution Plan Insurance pursuant to the terms discussed on the record.

2. To approve the recommendation from RVK to authorize ISBI Staff and CMS to work with T.Rowe Price to complete the necessary steps to participate in the Public Retirement Research Lab.
3. To approve the recommendation from RVK to approve to hold the Reimbursement in the Plan Expense Account until an allocation decision is made by the Board.

Trustee Mendoza moved to adopt and ratify the recommendations of the Defined Contribution Committee from its September 30, 2020 meeting. Trustee Tarnoff seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

Audit and Compliance Committee

Chairwoman Schostok provided the report of the Audit and Compliance Committee and read through the recommendations approved by the Audit and Compliance Committee at its October 1, 2020 meeting:

1. To approve the Financial Statements from March 31, 2020.
2. To approve and accept for filing, as presented, the Record of Vouchers.
3. To approve the Agent Contact Report.
4. To approve the conferences and trainings listed on the October 2020 list of Upcoming Training Opportunities, as presented and supplemented, pursuant to Section 1-150 of the Illinois Pension Code, and that all resulting allowable expenses incurred by Trustees be reimbursed, consistent with ISBI's policies.

Trustee Tarnoff moved to adopt and ratify the recommendations of the Audit and Compliance Committee from its October 1, 2020 meeting. Trustee Attlan seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

REPORT BY GENERAL CONSULTANT – MEKETA INVESTMENT GROUP, INC.

Defined Benefit Performance Review as of June 30, 2020

Ms. Wallace of Meketa referred Trustees to the presentation materials and gave an overview of the Defined Benefit Plan's performance as of June 30, 2020. Ms. Wallace asked if there were any further questions and there were none.

PRESENTATION AND POSSIBLE APPROVAL OF GENERAL CONSULTANT

At 11:21 a.m., Trustee Mendoza moved to go into Executive Session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss specific investments and investment contracts. Trustee Healy seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

At 3:03 p.m., Trustee Mendoza moved to return to the open meeting. Trustee Tarnoff seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

Board Chairwoman Schostok stated that the Board's decision regarding the General Consultant would be made at a later date.

LEGISLATIVE UPDATE

Ms. Cahill referred Board Members to the presentation materials. Ms. Cahill described the contents of several bills that may impact ISBI and noted their current status. Ms. Cahill stated that Veto Session would be limited due to the ongoing COVID-19 pandemic.

NEW BUSINESS/OLD BUSINESS

At 3:17 p.m., Chairwoman Schostok moved to go into Executive Session pursuant to Section 2(c)(1) of the Open Meetings Act to discuss specific personnel issues. Trustee Healy seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

At 3:58 p.m., Trustee Healy moved to return to the open meeting. Trustee Tarnoff seconded, and the motion was called to a roll call vote. All in favor: Board Chairwoman Schostok, Trustee Attlan, Trustee Frerichs, Trustee Healy, Trustee Mendoza, Trustee Martwick, Trustee Tarnoff, Trustee Sanders, Trustee Williams. The motion passed unanimously.

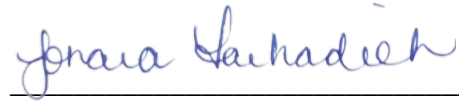
PUBLIC COMMENT

Mr. Tallmage made public comments related to Art Van Furniture. Chairwoman Schostok thanked Mr. Tallmage for his comments. There were no further comments from the public.

NEXT MEETING/ MOTION TO ADJOURN

Chairwoman Schostok noted that the next meeting will take place December 8-9, 2020. At 4:05 P.M., there being no further business to come before the Board, Trustee Healy moved to adjourn the meeting. Trustee Williams seconded, and the meeting was adjourned.

Respectfully submitted,



Johara Farhadieh, Executive Director/
Chief Investment Officer