

**MINUTES OF THE
INVESTMENT POLICY
COMMITTEE**

Thursday, March 18, 2021 – 1:30 P.M.
Remote Board Meeting
Per Public Act 101-0640

Present:

<u>Committee Members</u>	Committee Chairman Michael Tarnoff Gisela Attlan Terrence Healy Board Chairwoman Justice Mary Seminara-Schostok Elizabeth Sanders Jaye Williams
<u>Board Members</u>	Treasurer Michael Frerichs Senator Robert Martwick
<u>Staff</u>	Mary Cahill Johara Farhadieh Jansen Hein Maryann Hong Jennifer Koelle Dipesh Mehta Scott Richards Alex Somolski Atul Talwar
<u>Guests</u>	Burke Burns & Pinelli, Ltd. Sarah Boeckman Illinois State Treasurer's Office Allen Mayer Meketa Investment Group, Inc. Alli Wallace Frank Benham Tim Atkinson Brian Dana Sabrina Panthi BlackRock Financial Management, Inc.

Edward Ng
Olaolu Aganga
Rahul Chandragiri
Ben Ho
Andrea Picard
Steven Feldman
Elsa Soderberg

The Rock Creek Group
Afsaneh Beschloss
Caroline Atkinson
Siddarth Sudhir
Tyson Pratcher
John Coombe
Ken LaPlace
Anda Bordean
Matt Bullough

Hamilton Lane Advisors, LLC
Matt Silverio
Sean Barber
Isabel Mahan

Members of the Public

Matt McCue, Financial News
Member of the Public, Cabrera Capital

ROLL CALL

Committee Chairman Tarnoff called the meeting to order at 1:29 p.m. Ms. Hong noted that per 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 March ISBI Investment Policy Committee meeting would be conducted by virtual means. Ms. Hong stated 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 INVESTMENT POLICY COMMITTEE CHAIR

None.

CONSIDERATION AND APPROVAL OF MINUTES

Board Chairwoman Schostok moved to approve the minutes, as presented, from the December 8, 2020 meeting of the Investment Policy Committee, with an amendment that specified the changes to the Asset Allocation Policy approved at that meeting. Trustee Attlan seconded the motion, and the motion was called to a roll call vote. All in favor: Committee Chairman Tarnoff, Board Chairwoman Schostok, Trustee Attlan, Trustee Healy, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

Trustee Healy moved to approve and keep closed the Executive Session minutes, as presented, from the December 8, 2020 meeting of the Investment Policy Committee, pursuant to the recommendation of Fiduciary Counsel. Board Chairwoman Schostok seconded the motion, and the motion was called to a roll call vote. All in favor: Committee Chairman Tarnoff, Board Chairwoman Schostok, Trustee Attlan, Trustee Healy, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

REPORTS BY STRATEGIC PARTNERS & CONSULTANT – MEKETA INVESTMENT GROUP, BLACKROCK FINANCIAL MANAGEMENT, INC., THE ROCK CREEP GROUP, AND HAMILTON LANE ADVISORS LLC.

At 1:35 p.m., Trustee Healy moved to go into Executive Session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss specific investments and investment contracts. Board Chairwoman Schostok seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Tarnoff, Board Chairwoman Schostok, Trustee Attlan, Trustee Healy, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

At 5:01 p.m., Trustee Healy moved to return to the open meeting. Trustee Sanders seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Tarnoff, Board Chairwoman Schostok, Trustee Attlan, Trustee Healy, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

Trustee Healy moved that the Board approve ISBI to retain the Rock Creek Group to manage the entirety of 2% allocation to multi sector credit and approve the proposed changes to the Asset Class Ranges and Benchmarks to reflect the Fund's new asset class targets, consistent with the recommendation of Meketa Investment Group, Inc. and ISBI Staff, and take all necessary accompanying actions for implementation at such time and manner as ISBI Staff deems prudent. These changes include changing the Barclays Aggregate Benchmark to 5% Barclays Intermediate Treasuries, 10% Barclays Aggregate, and 5% Barclays Long Term Treasury Index, as well as changing the Custom Benchmark to 1% Barclays High Yield and 1% CSFB Leverage Loans. Trustee Atlan seconded, and the motion was called to a roll call vote. All in favor: Committee Chairman Tarnoff, Board Chairwoman Schostok, Trustee Atlan, Trustee Healy, Trustee Sanders, and Trustee Williams. The motion passed unanimously.

REPORT OF EXECUTIVE DIRECTOR/CHIEF INVESTMENT OFFICER AND SENIOR INVESTMENT OFFICER

None.

NEW BUSINESS/OLD BUSINESS

None.

PUBLIC COMMENT

None.

NEXT MEETING AND ADJOURNMENT

Committee Chairman Michael Tarnoff noted that the next meeting was tentatively scheduled for June 17-18, 2021, and Committee Members will be notified of the time at a later date. At 5:07 p.m., there being no further business to come before the Committee, Board Chairwoman Schostok moved to adjourn the meeting. Trustee Williams seconded, and the meeting was adjourned.

Respectfully submitted,

Johara Farhadieh, Executive Director/
Chief Investment Officer