

MINUTES OF THE  
**DEFINED CONTRIBUTION COMMITTEE**

Friday, March 21, 2025 – 9:40 A.M.  
180 N. LaSalle St., Suite 2015  
Chicago, IL 60601

Present:

<u>Committee Members</u>	Elizabeth Sanders Comptroller Susana Mendoza
<u>Board Members</u>	Board Chairman Terrence Healy
<u>Staff</u>	Genette Bacon-Cordova Mary Cahill Patrick Hall Aayush Jakhete Jennifer Koelle Jeremy Mayeur Samantha McHugh Dipesh Mehta David Schneider Atul Talwar
<u>Guests</u>	BlackRock Financial Management, Inc. Craig Voelker MJ Kim  Burke Burns & Pinelli, Ltd. Sarah Boeckman  Illinois State Comptroller's Office Patrick Corcoran Cassidy Kirk K'Shari Pittman Abdon Pallasch Joe Peilli Steven Wilson Robert Belczak  RVK, Inc. Stephen Budinsky Tony Johnson
<u>Members of the Public</u>	Jim Baker, Private Equity Stakeholder Project

Not Present:

Committee Members

Committee Chairman Senator Robert  
Martwick  
Treasurer Michael Frerichs  
Matthew Brewer

## ***ROLL CALL***

Board Chairman Healy called the meeting to order at 10:10 a.m. at the Illinois State Board of Investment office, 180 N. LaSalle St., Suite 2015, Chicago. Mr. Mehta called the roll and noted a quorum was not present. Board Chairman Healy stated that pursuant to the Board Bylaws and for the purposes of establishing a quorum, he would be serving as a member of the Defined Contribution Committee for this meeting. Mr. Mehta then noted a quorum was present.

## ***REPORT OF THE DEFINED CONTRIBUTION COMMITTEE CHAIR***

Mr. Mehta provided an update on a bill proposing to shift certain Department of Central Management Services costs from participants to the State of Illinois.

## ***CONSIDERATION AND APPROVAL OF PREVIOUS MEETING MINUTES***

Board Chairman Healy moved to approve the minutes from the December 13, 2024 meeting of the Defined Contribution Committee. Trustee Mendoza seconded, and the motion passed unanimously.

## ***REPORT BY CONSULTANT – RVK, INC.***

### Deferred Compensation Performance Review as of December 31, 2024

Mr. Johnson referred trustees to the presentation materials and gave a capital markets review. Next, Mr. Johnson gave an overview of the Deferred Compensation Plan, discussing plan statistics including participant balances, demographics, and loan information. Then, Mr. Johnson reviewed asset allocation, plan performance, and plan utilization. Finally, Mr. Johnson noted that fees continue to be among the lowest compared to peers. Trustee Sanders asked a question about the target date fund rebalancing, and Mr. Budinsky and Mr. Johnson provided more detail. Mr. Johnson asked if there were any additional questions, and there were none.

### Passive Manager Review and Investment Menu Design

Mr. Budinsky referred trustees to the presentation materials and outlined the Deferred Compensation Plan's investment lineup. Mr. Budinsky discussed the investment menu design framework and philosophy and how it helps participants create successful outcomes. Mr. Budinsky also provided a review of BlackRock in its role as the Plan's passive manager, noting that RVK continues to have a favorable view of BlackRock and has no concerns. Trustee Sanders asked a question about international active vs. passive strategies, and Mr. Budinsky and Mr. Johnson shared additional context. Mr. Budinsky asked if there were any further questions, and there were none.

***PRESENTATION BY BLACKROCK – REVIEW OF THE PLAN’S PASSIVE INVESTMENT OPTIONS***

BlackRock representatives entered the meeting, and Mr. Voelker introduced the BlackRock team and gave a brief firm overview. Ms. Kim then referred trustees to the presentation materials and provided the review. Ms. Kim discussed BlackRock’s approach to indexing and the index equity platform, including philosophy and the investment management cycle. Ms. Kim then reviewed the investment options available through ISBI’s Deferred Compensation Plan and gave a performance overview. Board Chairman Healy asked several questions regarding investments in India, and Ms. Kim and Mr. Mehta provided additional detail. Ms. Kim then transitioned to a review of fixed income options and discussed performance. Ms. Kim also reviewed BlackRock’s securities lending program, indicating it has led to strong outperformance for ISBI. Finally, Ms. Kim described BlackRock’s investment stewardship function. Ms. Kim asked if there were any additional questions and there were none.

***NEW BUSINESS/OLD BUSINESS***

None.

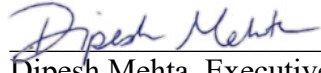
***PUBLIC COMMENT***

Jim Baker from the Private Equity Stakeholder Project discussed concerns around BlackRock, Inc.’s global infrastructure fund. Board Chairman Healy asked clarifying questions, and Mr. Baker provided further context. Board Chairman Healy thanked Mr. Baker for his comments.

***NEXT MEETING AND ADJOURNMENT***

Board Chairman Healy noted that the next meeting was tentatively scheduled for June 20, 2025. At 11:12 a.m., there being no further business to come before the committee, Trustee Mendoza moved to adjourn the meeting. Board Chairman Healy seconded, and the meeting was adjourned.

Respectfully submitted,

A handwritten signature in blue ink that reads "Dipesh Mehta". The signature is written in a cursive style with a horizontal line underneath it.

Dipesh Mehta, Executive Director/Chief  
Investment Officer