



MINUTES
Meeting of the Investment Committee
March 14, 2019

A meeting of the Investment Committee of the Illinois Teachers' Retirement System was held on March 14, 2019 at the at the Hyatt Regency O'Hare, 900 Bryn Mawr, Rosemont, IL. Andy Hirshman, Chair, called the meeting to order at 11:25 a.m. A quorum was present.

Roll Call attendance was taken with the following trustees present: Mark Bailey, John Bloomfield, Andy Hirshman, Matt Hower, Fred Peronto, Dan Winter, Laura Pearl, Larry Pfeiffer, Mark Shaw, Cinda Klickna, Vice President and Dr. Carmen Ayala, President.

Others present: Dick Ingram, Executive Director; Stan Rupnik, Chief Investment Officer; Greg Turk, Director of Investments; Jana Bergschneider, Chief Financial Officer; Stacy Smith, Director of Internal Audit; Marcy Dutton, Chief Legal Counsel; Carlton Lenoir, Chief Benefits Officer; Dave Urbanek, Director of Communications; Tammy Green, Executive Assistant; Becky Gratsinger, Ryan Sullivan, and Tony Johnson; RVK (Investment Consultant); and Tiffany Reeves, Reinhart (Fiduciary Counsel).

Visitors present: Tim Brinker, IEA-R and Dahlia Ronen, Esq., Kahn Swick & Foti.

APPROVAL OF MINUTES

A draft of the December 13, 2018 minutes of the Investment Committee meeting was sent to the committee for review. On a motion by Mark Bailey, seconded by Matt Hower, the minutes were unanimously approved by voice vote.

TRS PORTFOLIO

Investment Activity Report

Stan Rupnik, Chief Investment Officer, provided an overview of investment transactions for the period November 24, 2018 through February 27, 2019.

Public Equity Portfolio:

- Commitment of \$225 million to Grandeur Peak Global Advisors
- Commitment of \$275 million to LSV Asset Management
- Terminated Dimensional Fund Advisors

Global Income Portfolio:

- Commitment of \$75 million to Northern Shipping Fund IV

Real Estate Portfolio:

- Commitment of \$300 million to Blackstone Real Estate Partners Fund IX
- Commitment of \$200 million to Rockpoint Fund VI

Real Assets Portfolio:

- Commitment of €200 million to the Macquarie Group
- Commitment of \$200 million to Westbrook Group Real Estate Fund XI

Private Equity Portfolio:

- Commitment of €60 million to Astorg Asset Management
- Commitment of \$50 million to Grain Management
- Commitment of \$50 million to Siris Capital Group
- Commitment of \$100 million to TSG Consumer Partners

Diversifying Strategies Portfolio:

- Commitment of \$100 million to Graham Capital Management
- Commitment of \$150 million to Informed Portfolio Management
- Commitment of \$100 million to Trend Capital Holdings

Investment Manager Chart

TRS staff provided the final TRS investment manager charts for the quarter ended December 31, 2018. Documentation is on file.

Cashflow Summary

TRS staff provided a cash flow summary to fund the System's cash requirements. Documentation is on file.

Investment Performance Update

RVK provided an overview of the investment performance for the quarter ending December 31, 2018. Total assets: \$49.05 billion. Documentation is on file.

WMBE Utilization Report

TRS staff provided preliminary data as of December 31, 2018 on the utilization of minority-owned brokers and minority-owned investment managers within the TRS investment portfolio. Assets under management for WMBE-owned investments were \$10.74 billion. The total TRS portfolio represents 21.9% which is 2.9% over the TRS goal of 19%. Documentation is on file.

RECESS

The meeting recessed at 12:40 p.m. and reconvened at 1:09 p.m.

EXECUTIVE SESSION

A motion was made by Mark Shaw, seconded by Cinda Klickna, that the Investment Committee enter into executive session for the purpose of discussing the sale or purchase of securities, investments, or investment contracts as permitted under the following exception set forth in the Open Meetings Act which authorizes the closing of the meeting to the public: 5 ILCS 120/2(c) (7). Roll call resulted in affirmative voice votes from Trustees Bailey, Bloomfield, Hirshman, Hower, Pearl, Peronto, Pfeiffer, Shaw, Winter, Klickna, and Ayala. Motion CARRIED.

No action was taken during executive session. A motion was made by Mark Shaw, seconded by Mark Bailey, that the Investment Committee come out of executive session. Roll call resulted in affirmative voice votes from Trustees Bailey, Bloomfield, Hirshman, Hower, Pearl, Peronto, Pfeiffer, Shaw, Winter, Klickna, and Ayala. Motion CARRIED.

Termination – Capri Capital Partners

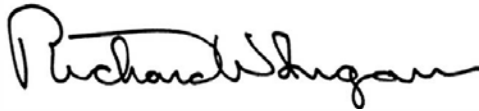
A motion was made by Mark Shaw, seconded by Mark Bailey, to recommend to the Board to terminate Capri Capital Partners' real estate separate account

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relationship due to organizational concerns and outsized concentration of TRS assets within the firm. The motion passed by unanimous voice vote.

ADJOURNMENT

There being no further business to come before the Investment Committee, a motion was made by Fred Peronto, seconded by John Bloomfield, to adjourn the meeting at 2:05 p.m.

A handwritten signature in black ink, appearing to read "Richard W. Ingram". The signature is written in a cursive, flowing style with a large initial "R".

Richard W. Ingram, Executive Director

Approved: 6/13/19