

**REGULAR MEETING OF THE  
MONTANA BOARD OF INVESTMENTS  
2401 Colonial Drive, 3<sup>rd</sup> Floor  
Helena, Montana  
August 18-19, 2020**

**Call to Order**

The Board of Investment's meeting was called to order by acting Chairman Jack Prothero at 11:30 a.m., on Tuesday, August 18, 2020.

**Attendance**

**Board Members Present:** Acting Chairman Jack Prothero, Mark Noennig, Bruce Nelson, Terry Cohea, Maggie Peterson, Jeff Greenfield, Diane Fladmo, Jim Edwards

**Legislative Liaisons Present:** Senator Fred Thomas, Representative Jim Hamilton

**Board Staff Present:** Dan Villa, Peggy MacEwen, Doug Hill, Herb Kulow, Natalia Kolnik, Sheli Jacoby, Lindsay Ford, April Madden, Robert Samson, Jon Putnam, Kirsten Haswell, Julie Feldman, Rande Muffick, Jason Brent, John Romasko, Roberta Diaz, Savannah Morgan, Frank Cornwell, Louise Welsh, Polly Boutin, Sam Holman, Thomas Winkler, Kelsey Gauthier, Michael Nguyen, Jason Brent, Ethan Hurley, John Carpenter, Dan Zarling, Emily Kovarik, Eron Krpan, Roberta Diaz

**Interested Parties Present:** Martha Diaz – Fund Map; Rene Martello – MT State Fund; Mark Higgins, Becky Gratsinger, Jim Voytko – RVK; Shawn Graham, Teacher's Retirement System; Adam Gill – Montana Facility Finance Authority; Mike Heale - CEM

**AUGUST 18, 2020**

**Tab 1 CALL TO ORDER – Jack Prothero, Acting Chairman (08:00:17)**

**A. Notice of Video Recording of Meeting (08:00:30)**

Acting Chairman Prothero advised of audio and video recording of the meeting.

**B. Roll Call (08:00:43)**

Roll was taken: eight Board members and one legislative liaison were present, forming a quorum.

**C. Public Comment (08:01:41)**

Acting Chairman Prothero asked for public comment. There was none.

**D. Approval of Minutes (08:29:15)**

1. June 8-9, 2020, Regular Board Meeting

Member Cohea moved to approve. Member Noennig seconded the motion which passed unanimously.

2. June 5, June 19, July 29, 2020, Special Board Meetings Minutes

Member Fladmo moved to approve. Member Cohea seconded the motion which passed unanimously.

**E. Administrative Business (08:33:15)**

1. **Audit Committee Report (08:33:23)**

Member Peterson briefed the Board.

2. **Human Resource Committee Report (08:36:10)**

Member Cohea briefed the Board and brought two items forward for decision:

- Human Resources Committee Charter Revisions

Member Peterson moved to approve. Member Nelson seconded the motion which passed unanimously.

- Exempt Employees Salary Adjustments

Member Peterson moved to approve. Member Edwards seconded the motion which passed unanimously.

3. **Loan Committee Report (08:37:51)**

Member Prothero briefed the Board and brought an item forward for decision:

- MFFA Master Loan Program – Shodair Children's Hospital

MFFA Executive Director Adam Gill briefed the Board. Member Edwards recused himself from voting as a potential conflict of interest. Member Peterson moved to approve.

Member Cohea seconded the motion which passed unanimously.

**F. Comments from TRS and PERS Board Members (08:41:15)**

Member Peterson and Member Greenfield briefed the Board and answered questions.

**G. Comments from Board Legislative Liaisons (08:50:25)**

Representative Hamilton and Senator Thomas briefed the Board.

**Tab 2 EXECUTIVE DIRECTOR REPORTS (08:58:42)**

**A. Member Requests or Follow up from Prior Meeting (08:58:50)**

Executive Director Villa briefed the Board.

**B. Monthly Snapshot (08:59:56)**

Executive Director Villa briefed the Board.

**C. FY20 Expenditure Report and FY22-23 Budget Proposal (09:00:25)**

Executive Director Villa briefed the Board and answered questions.

Member Peterson moved to approve. Member Cohea seconded the motion which passed unanimously.

**D. Purchase of Teachers' Retirement System Building (09:07:58)**

Executive Director Villa briefed the Board and answered questions.

Member Fladmo moved to approve. Member Edwards seconded the motion which passed unanimously.

**Tab 3 BENCHMARKING ANALYSIS (09:12:47)**

Mike Heale with CEM briefed the Board and answered questions.

**Tab 4 INVESTMENT CONSULTANT (09:46:20)**

Becky Gratsinger, Mark Higgins, and Jim Voytko briefed the Board and answered questions.

**Tab 5 NON-CORE FIXED INCOME ASSET CLASS REVIEW (10:39:00)**

Jon Putnam and Jason Brent briefed the Board and answered questions.

**Tab 6 BOND PROGRAM REPORT (11:11:35)**

Savannah Morgan and Louise Welsh briefed the Board and answered questions.

**Tab 7 MONTANA LOAN PROGRAM REPORT**

**A. Commercial and Residential Portfolios Report (08:02:06)**

Doug Hill and Executive Director Villa briefed the Board and answered questions.

**B. CARES Act Update (08:10:08)**

Doug Hill and Executive Director Villa briefed the Board and answered questions.

August 18, 2020, meeting day adjourned at 3:15 p.m.

**AUGUST 19, 2020**

**RECONVENE AND CALL TO ORDER (08:00:00)**

**A. Notice of Video Recording of Meeting (08:00:03)**

Acting Chairman Prothero advised of audio and video recording of the meeting.

**B. Roll Call (08:00:18)**

Roll was taken: eight Board members and one legislative liaison were present, forming a quorum.

**C. Public Comment (08:01:08)**

Acting Chairman Prothero asked for public comment. There was none.

**Tab 8 New Private Investment Commitments (08:01:45)**

Thomas Winkler, Michael Nguyen, and Jon Putnam briefed the Board and answered questions.

**Tab 9 New Separate Account and STIP IPS (08:27:25)**

John Romasko briefed the Board, answered questions and requested change to the STIP policy language.

Member Peterson moved to approve. Member Cohea seconded the motion which passed. unanimously.

**Tab 10 INVESTMENT UPDATE**

**A. CIO Update (08:34:43)**

Jon Putnam briefed the Board and answered questions.

**B. Risk Management (09:00:03)**

Dan Zarling briefed the Board and answered questions.

**C. Private Investments (09:20:02)**

Michael Nguyen and Thomas Winkler briefed the Board and answered questions.

**D. Real Estate (09:29:24)**

Ethan Hurley briefed the Board and answered questions.

**E. Natural Resources (09:50:55)**

Ethan Hurley briefed the Board and answered questions.

**F. Core Fixed Income (09:56:08)**

John Romasko briefed the Board and answered questions

**G. Non-Core Fixed Income (09:58:59)**

Rande Muffick briefed the Board and answered questions.

**H. Domestic Equity (10:03:11)**

Rande Muffick briefed the Board and answered questions.

**I. International Equity (10:09:28)**

Rande Muffick briefed the Board and answered questions.

**J. STIP (10:13:49)**

Kirsten Haswell and Executive Director Dan Villa briefed the Board and answered questions.

**K. State Fund (10:18:35)**

Jon Putnam briefed the Board and answered questions.

**L. Trust Fund Investment Pool (10:19:28)**

John Romasko and Jon Putnam briefed the Board and answered questions.

**RECAP OF STAFF TO DO LIST AND ADJOURNMENT**

Executive Director Dan Villa listed items to recap.

Acting Chairman Jack Prothero adjourned the meeting at 11:09 a.m.

**MONTANA BOARD OF INVESTMENTS**

APPROVE: Karl J Englund  
Karl J. Englund, Chairman

ATTEST: Dan Villa  
Dan Villa, Executive Director

DATE: December 4, 2020