

**REGULAR MEETING OF THE
MONTANA BOARD OF INVESTMENTS
2401 Colonial Drive, 3rd Floor
Helena, Montana
November 18, 2020**

Call to Order

The Board of Investment's meeting was called to order by Chairman Karl Englund at 10:30 a.m., on Thursday, November 19, 2020.

Attendance

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

Legislative Liaisons Present: Senator Fred Thomas

Board Staff Present: Dan Villa, Doug Hill, Sheli Jacoby, Lindsay Ford, Peggy MacEwen, April Madden, Jon Putnam, Kirsten Haswell, Julie Feldman, Rande Muffick, John Romasko, Savannah Morgan, Louise Welsh, Polly Boutin, Sam Holman, Thomas Winkler, Kelsey Gauthier, Michael Nguyen, Jason Brent, Ethan Hurley, John Carpenter, Dan Zarling, Emily Kovarik, Sue Tinsley, Tim House

Interested Parties Present: Maja Ben – Fund Map; Mark Higgins, Becky Gratsinger, Jim Voytko, Eryn Bacewich – RVK; Lindsay Saienni – Financial Investment News; Shawn Graham – TRS; Dore Schwinden, Bill Holahan – PERS

November 19, 2020

Tab 1 CALL TO ORDER – Karl Englund, Chairman (08:00:00)

A. Roll Call (08:00:019)

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

B. Notice of Video Recording (08:00:06)

Chairman Englund advised of audio and video recording of the meeting.

C. Public Comment (08:01:05)

Chairman Englund asked for public comment.

Chairman Englund thanked the Board members for their time and a contribution to the Board. Chairman Englund wished member Mark Noennig a happy retirement and thanked for his years of service.

D. Approval of Minutes (08:06:25)

October 13, 2020 Regular Board Meeting

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

E. Administrative Business

1. Audit Committee Report (08:07:08)

Member Peterson briefed the Board.

- Member Peterson moved to approve the draft FY 2020 Financial Statements with any minor adjustments needing to be made based on audits. Member Greenfield seconded the motion which passed unanimously.
- Member Peterson moved to approve the draft FY 2020 Annual Report as submitted. Member Fladmo seconded the motion which passed unanimously.
- Member Peterson moved to approve the Annual Statutory Compliance Checklist as presented. Member Nelson seconded the motion which passed unanimously.
- Member Peterson moved to approve the Annual Audit Charter Compliance as presented. Member Greenfield seconded the motion which passed unanimously.
- Member Peterson moved to approve the FY 2020 Wipfli SOC Report as presented. Member Greenfield seconded the motion which passed unanimously.

2. Loan Committee Report (08:18:10)

Member Prothero briefed the Board.

3. HR Committee Report (08:18:55)

Member Cohea briefed the Board.

F. Comments from TRS and PERS Board Members

G. Comments from Board Legislative Liaisons (08:49:28)

Senator Thomas briefed the Board.

Tab 2 EXECUTIVE DIRECTOR REPORTS (08:20:25)

A. Member Requests or Follow up from Prior Meeting

Executive Director Villa briefed the Board.

B. Monthly Snapshot

Executive Director Villa briefed the Board.

C. Monthly Web Traffic

Executive Director Villa briefed the Board.

D. 2020 Securities Litigation Review

Executive Director Villa briefed the Board.

E. Resolution 217 – Authorization of Investment Managers

Executive Director Villa briefed the Board.

F. Governor's Letter – Public Participation

Executive Director Villa briefed the Board.

G. Completed Purchase of Montana Property/TRS Building

Executive Director Villa briefed the Board.

H. Final Board Meeting Dates

Executive Director Villa briefed the Board.

I. Final 2021 Work Plan

Executive Director Villa briefed the Board.

Tab 3 MONTANA LOAN PROGRAM (08:26:0)

A. Commercial and Residential Portfolios Report

Doug Hill briefed the Board.

B. CARES Act Final Report

Doug Hill briefed the Board.

Tab 4 BOND PROGRAM (08:34:45)

A. INTERCAP

Savannah Morgan briefed the Board.

1. Activity Report

2. Staff Approved Loans Report

Tab 5 RETIREMENT SYSTEMS' ANNUAL PRESENTATIONS (09:36:40)

A. TRS

Executive Director Shawn Graham briefed the Board and answered questions.

B. PER Systems

Executive Director Dore Schwinden and Chief Legal Bill Holahan briefed the Board and answered questions.

Tab 6 CAPP ASSET ALLOCATION INVESTMENT POLICY STATEMENT REVISIONS (10:15:20)

Jon Putnam briefed the Board and answered questions.

- Member Peterson moved to approve the Investment Policy Statement revisions. Member Cohea seconded the motion, which passed unanimously.

Tab 7 INVESTMENTS – NEW COMMITMENTS (08:41:05)

Rande Muffick and Jason Brent briefed the Board and answered questions.

Tab 8 QUARTERLY PERFORMANCE REPORT (08:55:51)

Mark Higgins and Jon Putnam briefed the Board and answered questions.

Tab 9 INVESTMENT UPDATE (10:20:04)

A. CIO Update – Jon Putnam, CFA, FRM, CAIA

Jon Putnam briefed the Board and answered questions.

B. Macro Attribution – Eron Krpan, CFA, CIPM

Eron Krpan briefed the Board and answered questions.

C. Private Equity – Michael Nguyen

Michael Nguyen briefed the Board.

D. Real Estate – Ethan Hurley, CAIA

Ethan Hurley briefed the Board and answered questions.

E. Natural Resources – Ethan Hurley, CAIA

Ethan Hurley briefed the Board and answered questions.

F. Core Fixed Income – John Romasko, CFA

John Romasko briefed the Board.

G. Non-Core Fixed Income – Rande Muffick, CFA

Rande Muffick briefed the Board and answered questions.

- H. Domestic Equity** – Rande Muffick, CFA
Rande Muffick briefed the Board and answered questions.
- I. International Equity** – Rande Muffick, CFA
Rande Muffick briefed the Board and answered questions.
- J. STIP** – Kirsten Haswell
Kirsten Haswell briefed the Board.
- K. State Fund** – John Romasko, CFA
John Romasko briefed the Board and answered questions.
- L. Trust Funds Investment Pool** – John Romasko, CFA
John Romasko briefed the Board and answered questions.

RECAP OF STAFF TO DO LIST AND ADJOURNMENT

Executive Director Dan Villa listed items to recap.
Chairman Englund adjourned the meeting at 3:30 pm.

MONTANA BOARD OF INVESTMENTS

APPROVE: Karl J. Englund
Karl J. Englund, Chairman

ATTEST: Dan Villa
Dan Villa, Executive Director

DATE: February 24, 2021