

# MONTANA

## BOARD OF INVESTMENTS

### REGULAR BOARD MEETING MINUTES

May 25-26, 2022

Meeting recordings are posted at: <https://leg.mt.gov/lspd/>

#### Call to Order

The Board of Investment's meeting was called to order by Vice Chairman Jack Prothero at 1:00 p.m. on Wednesday, May 25, 2022.

#### Attendance

Board Members Present: Jack Prothero, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Jeff Meredith, Terry Cohea, Daniel Trost

Board Members Absent: Chairman Karl Englund

Legislative Liaisons Present: Rep. Ken Walsh

Legislative Liaisons Absent: Sen. Ryan Lynch

Board Staff Present: Brenda Thomas, Dan Villa, Dan Whyte, Dan Zarling, Doug Hill, Emily Kovarik, Eron Krpan, Ethan Hurley, Jason Brent, John Carpenter, John Romasko, Jon Putnam, Julie Feldman, Kelsey Gauthier, Kirsten Haswell, Lindsay Ford, Louise Welsh, Mark Lodman, Michael Nguyen, Peggy MacEwen, Peggy Saarela, Polly Boutin, Roberta Diaz, Sam Holman, Savannah Morgan, Sheli Jacoby, Steve Strong, Tammy Lindgren, Teri Kolnik, Thomas Winkler, Tim House, Ian Horwood, Matt Hoffman

Interested Parties Present: Becky Gratsinger, Eryn Bacewich, Jim Voytko – RVK; McCyril Espanol – With Intelligence; Gregg Gethard – PEI Media; Danny Day – Bank of Montana

#### **May 25, 2022**

##### **Tab 1 CALL TO ORDER (00:03)**

##### **A. Notice of Video Recording (00:17)**

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

##### **B. Roll Call (00:29)**

Roll was taken. Eight Board members were present, forming a quorum.

##### **C. Public Comment (01:20)**

Vice Chairman Prothero asked for public comment. None was given.

##### **D. Approval of Minutes (01:37)**

April 20, 2022, Regular Board Meeting

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

**E. Administrative Business**

**1. Audit Committee Report (02:12)**

Chair Peterson briefed the Board.

**2. Loan Committee Report (04:59)**

Chair Prothero and Doug Hill briefed the Board.

- Chair Prothero moved to approve Jackrabbit Rentals, LLC's loan request as presented. Member Peterson seconded the motion, which passed unanimously.
- Chair Prothero moved to approve OSD Tech Campus A, LLC's loan request as presented. Member Cohea seconded the motion, which passed unanimously.

**3. HR Committee Report (11:06)**

Chair Cohea briefed the Board.

- Chair Cohea moved to approve salaries for the exempt staff for FY23 as recommended by the HR Committee. Member Fladmo seconded the motion, which passed unanimously.

**F. Comments from Pension Board Members**

Member Peterson briefed the Board. (12:28)

Member Trost briefed the Board. (18:19)

**G. Comments from Board Legislative Liaisons (21:45)**

Rep. Walsh briefed the Board.

**Tab 2 EXECUTIVE DIRECTOR REPORTS (22:16)**

**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. Montana Buildings**

Executive Director Villa briefed the Board.

**D. Budget Status FYTD**

Executive Director Villa briefed the Board.

**E. Board Policy Manual Review**

Executive Director Villa briefed the Board.

Member Peterson moved to approve the revised policies with minor edits. Member Nelson seconded the motion, which passed unanimously.

Executive Director Villa introduced Ethan Kittle and Halton Stancil as the Board's investment interns.

**Tab 3 RVK (39:30)**

Becky Gratsinger and Jim Voytko briefed the Board and answered questions.

#### Tab 4 INVESTMENT UPDATE

**CIO Update (1:33:33)**

Jon Putnam briefed the Board.

**Macro Attribution (1:49:57)**

Eron Krpan briefed the Board.

**Private Equity (1:54:30)**

Michael Nguyen briefed the Board.

**Real Estate and Real Assets (2:05:30)**

Ethan Hurley briefed the Board.

**Core Fixed Income (2:33:05)**

John Romasko briefed the Board.

**Non-Core Fixed Income, Domestic Equity, and International Equity (2:36:10)**

Jason Brent briefed the Board.

**STIP (2:49:49)**

Kirsten Haswell briefed the Board.

**State Fund and Trust Fund Investment Pool (2:52:50)**

John Romasko briefed the Board and answered questions.

#### Tab 5 INVESTMENTS – NEW COMMITMENTS

**A. Private Investments (3:00:20)**

Michael Nguyen briefed the Board.

#### May 26, 2022

#### CALL TO ORDER (00:03)

**A. Notice of Video Recording (00:10)**

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

**B. Roll Call (00:25)**

Roll was taken. Eight Board members were present including Vice Chairman Jack Prothero, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Jeff Meredith, Terry Cohea, and Daniel Trost, forming a quorum.

**C. Public Comment (01:09)**

Vice Chairman Prothero asked for public comment. None was given.

#### Tab 6 INVESTMENT POLICY STATEMENTS (1:44)

Jon Putnam, John Romasko, and Kirsten Haswell briefed the Board.

- Member Cohea moved to approve revised Consolidated Asset Pension Pool Investment Policy Statements 40.204, 40.205, and 40.206 as submitted. Member Peterson seconded the motion, which passed unanimously.
- Member Fladmo moved to approve revised Trust Fund Investment Pool Investment Policy Statements 40.501 and 40.502 and new Investment Policy Statement 40.505 as submitted. Member Cohea seconded the motion, which passed unanimously.

- Member Peterson moved to approve the revised Short Term Investment Pool Investment Policy Statement 40.601 with a minor edit. Member Cohea seconded the motion, which passed unanimously.

**Tab 7 REAL ESTATE ASSET CLASS (39:03)**

Ethan Hurley and Thomas Winkler briefed the Board and answered questions.

**Tab 8 MONTANA LOAN PROGRAM (1:54:10)**

**A. Commercial and Residential Portfolios Report**

Doug Hill briefed the Board.

**Tab 9 BOND PROGRAM (2:01:18)**

**A. INTERCAP**

1. Activity Report
2. Staff Approved Loans Report

Louise Welsh briefed the Board.

**RECAP OF STAFF TO DO LIST AND ADJOURNMENT (2:07:16)**

Vice Chairman Prothero and Executive Director Villa listed items to recap.

Vice Chairman Prothero adjourned the meeting at 11:41 a.m.

**MONTANA BOARD OF INVESTMENTS**

APPROVE: \_\_\_\_\_

  
Karl J. Englund, Chairman

ATTEST: \_\_\_\_\_

  
Dan Villa, Executive Director

DATE: \_\_\_\_\_

