

MONTANA

BOARD OF INVESTMENTS

REGULAR BOARD MEETING MINUTES

August 3-4, 2022

Meeting recordings are posted at: <https://leg.mt.gov/lcd/>
(timestamps may differ)

CALL TO ORDER

The Board of Investment's meeting was called to order by Board Chairman Karl Englund at 11:15 a.m. on Wednesday, August 3, 2022.

ATTENDANCE

BOARD MEMBERS PRESENT: Karl Englund, Jack Prothero, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, Terry Cohea, Daniel Trost

BOARD MEMBER ABSENT: Jeff Meredith

LEGISLATIVE LIAISONS PRESENT: Rep. Ken Walsh

LEGISLATIVE LIAISONS ABSENT: Sen. Ryan Lynch

BOARD STAFF PRESENT: Brenda Thomas, Dan Villa, Dan Whyte, Dan Zaring, 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, Peggy MacEwen, Sam Holman, Savannah Morgan, Peggy Saarela, Sheli Jacoby, Steve Strong, Tammy Lindgren, Teri Kolnik, Ian Horwood

INTERESTED PARTIES PRESENT: Jim Voytko – RVK; Joepeth Ebisa – With Intelligence

August 3, 2022

TAB 1 CALL TO ORDER- KARL ENGLUND, BOARD CHAIRMAN (00:10)

A. Notice of Video Recording (00:18)

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

B. Roll Call (00:27)

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

C. Public Comment (01:05)

Chairman Englund asked for public comment. None was given.

D. Approval of Minutes (02:03)

May 25-26, 2022, Regular Board Meeting

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

E. Administrative Business

1. Audit Committee Report (03:00)

Committee Chair Peterson briefed the Board.

2. Loan Committee Report (04:20)

Committee Chair Prothero briefed the Board.

3. HR Committee Report (05:23)

Committee Chair Cohea briefed the Board.

Member Peterson moved to approve the lateral transfer of Thomas Winkler to Investment Officer of Private Investments. Member Fladmo seconded the motion, which passed unanimously.

Committee Chair Cohea moved to approve a temporary exempt compensation adjustment for Thomas Winkler. Member Peterson seconded the motion, which passed unanimously.

F. Comments from Pension Board Members

Member Trost briefed the Board. (08:30)

Member Peterson briefed the Board. (09:20)

G. Comments from Board Legislative Liaisons (12:45)

Rep. Walsh briefed the Board.

TAB 2 EXECUTIVE DIRECTOR REPORTS (13:25)

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. Budget Proposal for FY 24-25

Executive Director Villa briefed the Board.

Member Peterson moved to approve the budget proposal as submitted, the authority to add additional fees as they arise, and authorization to request one additional FTE. Member Trost seconded the motion, which passed unanimously.

D. Budget Status Prior FY

Executive Director Villa briefed the Board.

E. Board Policy Manual

The Board Policy manual adoption was deferred until the August 16, 2022, Special Board Meeting.

F. Coal Severance Tax Trust Fund Study Report

Executive Director Villa briefed the Board.

TAB 3 INVESTMENTS – NEW COMMITMENTS

A. Private Investments (33:22)

Ian Horwood briefed the Board.

B. Real Estate/Real Assets (51:06)

Ethan Hurley briefed the Board.

TAB 4 PROXY VOTING (1:12:10)

Jon Putnam briefed the Board.

TAB 5 RVK (1:42:03)

Jim Voytko briefed the Board.

TAB 6 INVESTMENT UPDATE

CIO Update (2:11:46)

Jon Putnam briefed the Board.

Macro Attribution (2:34:05)

Eron Krpan briefed the Board.

Private Equity (2:39:31)

Jon Putnam briefed the Board.

Real Estate and Real Assets (2:49:35)

Ethan Hurley briefed the Board.

Core Fixed Income (3:20:55)

John Romasko briefed the Board.

Non-Core Fixed Income, Domestic Equity, and International Equity (3:27:27)

Jason Brent briefed the Board.

STIP, State Fund and Trust Fund Investment Pool (3:37:02)

John Romasko briefed the Board.

August 4, 2022

CALL TO ORDER (00:06)

A. Notice of Video Recording (01:16)

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

B. Roll Call (00:09)

Roll was taken. Six Board members were present including Chairman Karl Englund, Bruce Nelson, Diane Fladmo, Maggie Peterson, Mark Barry, and Terry Cohea, forming a quorum.

C. Public Comment (01:23)

Chairman Englund asked for public comment. None was given.

TAB 7 CORE FIXED INCOME ASSET CLASS REVIEW (01:35)

John Romasko, John Carpenter, Kelsey Gauthier, and Kirsten Haswell briefed the Board and answered questions.

TAB 8 MONTANA LOAN PROGRAM (2:00:47)

A. Commercial and Residential Portfolios Report

Doug Hill briefed the Board.

TAB 9 BOND PROGRAM (2:11:15)

A. INTERCAP

Louise Welsh briefed the Board.

RECAP OF STAFF TO DO LIST AND ADJOURNMENT (2:18:57)

Chairman Englund and Executive Director Villa listed items for follow-up.
Chairman Englund adjourned the meeting at 12:00 p.m.

MONTANA BOARD OF INVESTMENTS

APPROVE: 
KARL J. ENGLUND, CHAIRMAN

ATTEST: 
DAN VILLA, EXECUTIVE DIRECTOR

DATE: 
10/24/22