

MONTANA

BOARD OF INVESTMENTS

REGULAR BOARD MEETING MINUTES

December 12, 2023

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

Call to Order

The Board of Investment's meeting was called to order by Board Chairman Jack Prothero at 10:12 a.m. on Tuesday, December 12, 2023.

Attendance

Board Members Present: Jack Prothero, Jeff Meredith, Tim Kober, Mark Barry, Cindy Younkin, Maggie Peterson, Dwaine Iverson, Porter Bennett

Board Members Absent: Dan Trost

Legislative Liaisons Present: None

Legislative Liaisons Absent: Senator Jeremy Trebas

Board Staff Present: Brenda Thomas, Dan Villa, Dan Whyte, Dan Zarling, Doug Hill, Eron Krpan, Ethan Hurley, Jason Brent, John Carpenter, John Romasko, Jon Putnam, Julie Feldman, Ian Horwood, Kirsten Haswell, Louise Welsh, Matt Hoffman, Peggy MacEwen, Peggy Saarela, Polly Boutin, Roberta Diaz, Sam Holman, Savannah Morgan, Sheli Jacoby, Steve Strong, Tammy Lindgren, Thomas Winkler, Tim House, Willie Gross

Interested Parties Present: Jim Voytko – RVK, Paige Blaser – RVK, Kevin Balaod – With Intelligence, Dore Schwinden – MPERA, Bill Holohan – MPERA, Shawn Graham - TRS

Tab 1 CALL TO ORDER (00:07)

Due to the meeting proceeding earlier than anticipated, some items on the agenda were moved to comply with requirements.

A. Notice of Video Recording (00:12)

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

B. Roll Call (00:36)

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

Tab 3 MONTANA LOAN PROGRAM (01:47)

A. Commercial and Residential Portfolios Report

Doug Hill briefed the Board and answered questions.

Tab 4 BOND PROGRAM (10:24)

A. INTERCAP

Louise Welsh briefed the Board and answered questions.

Tab 2 Executive Director Reports (17:06)

A. Member Requests from Prior Meeting

There were no Board member requests from the prior meeting.

B. Monthly Snapshot

Executive Director Villa briefed the Board.

C. LPAC Reporting

Executive Director Villa briefed the Board.

D. Securities Litigation

Executive Director Villa briefed the Board.

E. Resolution 217 – Reauthorization of Investment Vendors

Executive Director Villa briefed the Board.

F. Workforce Housing Update

Executive Director Villa briefed the Board.

Tab 1 (cont.) (56:58)

C. Public Comment (57:00)

Chairman Prothero asked for public comment. None was given.

D. Approval of Minutes (57:23)

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Member Peterson motioned to approve. Member Iverson seconded the motion, which passed unanimously.

E. Administrative Business

1. Audit Committee Report (58:07)

Committee Chair Barry briefed the Board.

Chairman Prothero asked for a motion to approve the Audit Committee Charter. Member Barry motioned for approval. Member Peterson seconded the motion, which passed unanimously.

Chairman Prothero asked for a motion to approve the Annual Statutory Compliance Checklist. Member Barry motioned for approval. Member Iverson seconded the motion, which passed unanimously.

Chairman Prothero requested a motion to approve the Unified Investment Program (UIP) and Enterprise Fund Financial Statements. Member Barry motioned for approval. Member Peterson seconded the motion, which passed unanimously.

Chairman Prothero asked for a motion to approve the FY23 Annual Report. Member Barry motioned for approval. Member Iverson seconded the motion, which passed unanimously.

2. Loan Committee Report (01:13:37)

Committee Chair Meredith briefed the Board.

Chairman Prothero requested a motion to approve the request to repeal and discontinue the Conservation Reserve Enhancement Program (CRP). Member Meredith motioned for approval. Member Younkin seconded the motion, which passed unanimously.

F. Comments from Pension Board Members

Member Peterson briefed the Board. (01:06:12)

G. Comments from Board Legislative Liaisons

Senator Jeremy Trebas was absent.

Tab 5 INVESTMENT POLICY STATEMENTS (01:09:06)

John Romasko briefed the Board and answered questions.

Chairman Prothero asked for a motion to approve the addition of the Montana History and Civics Endowment to Policy 40.926. Member Barry motioned for approval. Member Kober seconded the motion, which passed unanimously.

Chairman Prothero requested a motion to approve the small change to Policy 40.600, allowing securities lending for STIP assets. Member Iverson motioned for approval. Member Bennett seconded the motion, which passed unanimously.

Tab 6 ASSET ALLOCATION RANGE APPROVAL (01:18:56)

Jon Putnam briefed the Board and answered questions.

Chairman Prothero asked for a motion to reaffirm the Asset Allocation strategy. Member Peterson motioned to approve. Member Kober seconded the motion, which passed unanimously.

WORKING LUNCH MPERA and TRS Relationship (00:01)

Dore Schwinden, Executive Director for MPERA, Bill Holahan, Deputy Director for MPERA, and Shawn Graham, Executive Director for TRS briefed the Board and answered questions.

Tab 7 RVK (43:58)

Paige Blaser and Jim Voytko with RVK briefed the Board and answered questions.

Tab 8 INVESTMENT UPDATE

CIO Update (01:25:19)

Jon Putnam briefed the Board.

Macro Attribution (01:51:32)

Eron Krpan briefed the Board.

Non-Core Fixed Income, Domestic Equity, and International Equity (01:59:24)

Jason Brent briefed the Board.

Real Estate (02:08:27)

Ethan Hurley briefed the Board.

Real Assets (02:12:00)

Ethan Hurley briefed the Board.

Private Investments (02:17:43)

Thomas Winkler and Ian Horwood briefed the Board.

Core Fixed Income (02:26:03)

John Romasko briefed the Board.

RECAP OF STAFF TO DO LIST AND ADJOURNMENT (02:30:46)

Chairman Prothero adjourned the meeting at 2:47 p.m.

MONTANA BOARD OF INVESTMENTS

APPROVE: Jack Prothero
Jack Prothero, Chair

ATTEST: Dan Villa
Dan Villa, Executive Director

DATE: 2/28/24