

MONTANA

BOARD OF INVESTMENTS

REGULAR BOARD MEETING MINUTES
MAY 22, 2024

Official meeting minutes are the recordings 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 10:00 a.m. on Wednesday, May 22, 2024.

Attendance

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

Board Members Absent: None

Legislative Liaisons Present: None

Legislative Liaisons Absent: Senator Jeremy Trebas, Representative Bob Keenan

Board Staff Present: Brenda Thomas, Dan Villa, Doug Hill, Eron Krpan, Ellee Page, Ethan Hurley, Ian Horwood, Jason Brent, Jessilynn Salois, John Carpenter, John Romasko, Jon Putnam, Julie Feldman, Kirsten Haswell, Louise Welsh, Olivia Clairmont, Peggy MacEwen, Peggy Saarela, Polly Boutin, Roberta Diaz, Rob Samson, Sam Holman, Savannah Morgan, Sheli Jacoby, Tammy Lindgren, Thomas Winkler

Interested Parties Present: Jim Voytko – RVK, Paige Blaser – RVK, John Kevin Balaod – With Intelligence

Tab 1 CALL TO ORDER (00:06)

A. Notice of Video Recording (00:14)

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

B. Roll Call (00:20)

The roll was taken. Eight Board members were present, forming a quorum. Member Porter Bennett joined via Zoom after the roll call was taken.

C. Public Comment (01:13)

Chairman Prothero asked for public comment. None was given.

D. Approval of Minutes (01:32)

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

E. Administrative Business

Executive Director Villa introduced Ellee Page and Olivia Clairmont, two of the four summer interns BOI would have this year. Austin Kolb and Cadin Hogue will start in the coming weeks.

1. Audit Committee Report (05:26)

Committee Chair Barry briefed the Board.

2. Loan Committee Report (07:04)

Committee Chair Jeff Meredith briefed the Board.

Chair Meredith motioned for full Board approval of the changes made to the Loan Committee Charter. Member Kober seconded the motion, which passed unanimously.

3. Human Resources Committee (09:20)

Committee Chair Peterson briefed the Board.

Chair Peterson motioned for full Board approval of the staff recommendation to name Ms. Louise Welsh the Director of Municipal Loans in an exempt position, with a salary adjustment to reflect this change and the title change from Director of In-State Loans to Director of Commercial Loans for Mr. Doug Hill. Member Trost seconded the motion, which passed unanimously.

F. Comments from Board Legislative Liaisons (11:37)

Senator Jeremy Trebas was absent. Executive Director Villa noted that BOI had been notified the day before the meeting that Representative Bob Keenan had been appointed as the House liaison. Representative Keenan had prior commitments during today's meeting but was expected to attend future meetings.

G. Comments from Pension Board Members

Member Trost and Member Peterson briefed the Board. (12:55)

Tab 2 EXECUTIVE DIRECTOR REPORTS (18:12)

Executive Director Villa notified the Board that he authorized the use of \$7,868.58 of the STIP Reserve on April 2, 2024, and would be authorizing \$18,691.85 of the STIP Reserve today to be used to clear up outstanding accrual errors extending from 2019 to the current year.

A. Member Requests from Prior Meeting

Executive Director Villa briefed the Board.

B. Monthly Snapshot

Executive Director Villa briefed the Board.

C. Renewal of Investment Services Contract - *Decision*

Executive Director Villa briefed the Board and answered questions.

Chairman Prothero called for a motion to approve the contract renewal with RVK, Inc. Member Peterson motioned to approve. Member Trost seconded the motion, which passed unanimously.

D. HB819 Workforce Housing – *Decision*

Executive Director Villa briefed the Board and answered questions.

Chairman Prothero called for a motion to approve the request to approve D&M Development, LLC as the general contractor to build workforce housing in Deer Lodge, subject to the conditions described in the existing contract. Member Younkin motioned to approve. Member Meredith seconded the motion, which passed unanimously.

E. Montana Buildings (Board as Landlord/Tenant Holdings)

Executive Director Villa briefed the Board.

F. Budget Status Fiscal Year to Date

Executive Director Villa briefed the Board.

G. Draft 2025 Board Meeting Calendar and Workplan

Executive Director Villa briefed the Board.

Tab 3 MONTANA LOAN PROGRAM (58:53)

A. Commercial and Residential Portfolios Report

Doug Hill briefed the Board and answered questions.

Tab 4 BOND PROGRAM (01:04:58)

A. INTERCAP

Louise Welsh briefed the Board and answered questions.

Due to scheduling, Tab 6 was discussed before Tab 5.

Tab 6 RVK FEE ANALYSIS – RVK, INC. (01:10:28)

Paige Blaser briefed the Board and answered questions.

Tab 5 GOVERNANCE POLICY REVIEW – Decisions (01:20:30)

CIO Jon Putnam and Executive Director Dan Villa briefed the Board and answered questions. Chairman Prothero requested a motion to approve Investment Policy Statements 40.203, 40.204, and 40.205. Member Barry motioned to approve. Member Trost seconded the motion, which passed unanimously.

Chairman Prothero asked for a motion to approve Investment Policy Statement 40.502. Member Younkin motioned to approve. Member Peterson seconded the motion, which passed unanimously.

Chairman Prothero requested a motion to approve the Separately Managed Account Policy Statement 40.300. Member Peterson motioned to approve. Member Younkin seconded the motion, which passed unanimously.

Chairman Prothero requested a motion to approve the Montana Specific Investment Policy Statements 70.120, 70.720, and 70.730. Member Peterson motioned to approve. Member Trost seconded the motion, which passed unanimously.

Tab 7 REAL ESTATE ASSET CLASS REVIEW (01:47:00)

Ethan Hurley and Robert Samson briefed the Board and answered questions.

Tab 8 RVK (02:40:40)

Jim Voytko briefed the Board and answered questions.

Tab 9 INVESTMENT UPDATE

CIO Update (03:16:00)

Jon Putnam briefed the Board.

Macro Attribution (03:36:02)

Eron Krpan briefed the Board.

Domestic Equity, International Equity, and Non-Core Fixed Income (03:39:37)

Jason Brent briefed the Board.

Real Estate and Real Assets (03:47:33)

Ethan Hurley briefed the Board.

Private Investments (03:57:12)

Thomas Winkler and Ian Horwood briefed the Board.

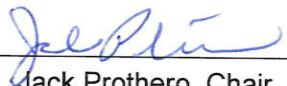
Core Fixed Income (04:06:39)

John Romasko briefed the Board.

RECAP OF STAFF TO-DO LIST AND ADJOURNMENT (04:11:15)

Chairman Prothero adjourned the meeting at 3:22 p.m.

MONTANA BOARD OF INVESTMENTS

APPROVE: 
Jack Prothero, Chair

ATTEST: 
Dan Villa, Executive Director

DATE: 8/28/24