

**COUNTY EMPLOYEES' AND OFFICERS' ANNUITY & BENEFIT FUND OF  
COOK COUNTY  
And Ex-Officio for the  
FOREST PRESERVE DISTRICT EMPLOYEES' ANNUITY & BENEFIT FUND  
MEETING OF THE INVESTMENT COMMITTEE  
33 N. DEARBORN STREET – SUITE 1000**

**Minutes for January 23, 2013 Meeting of the Investment Committee**

Call to Order and Roll Call at 8:50 a.m.

**Investment Committee:** Mr. Patrick McFadden, Mr. Robert Benjamin, Mr. John Fitzgerald, Ms. Diahann Goode, Mr. Robert Janura, Mr. Brent Lewandowski, Mr. Samuel Richardson Jr., and Mr. Ivan Samstein  
**Staff Present:** N. Hackett, M. Maratea, M. Fahrenbach, F. Vinzons, K. Quaye and R. Farris  
**Others Present:** K.Dolsen, M. Joecken, J. Jackson – Callan; J. Parks – Loop Capital; S. Piet – Podesta; T. Picketts – Cabrera.  
**Presenters:** T. Dote, M. Powers – Lazard Asset Management; K. Johnson, P. Palfrey – Loomis Sayles; Lavin, Langer – Buck Consultants.

1. Approval of October 23, 2012 Investment Committee Meeting Minutes;

***Motion for Approval and Adoption of Minutes.*** It was moved by Trustee Benjamin and seconded by Trustee Lewandowski that the minutes of the October 23, 2012 Investment Committee meeting be approved and adopted.

**Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE**

2. 2011-2012 Structure Implementation Review/December Flash Performance Review

Mr. Dolsen and Mr. Joecken reviewed the actions undertaken during 2011 and 2012 to structure and rebalance both the Cook County and Forest Preserve District funds. In addition, Callan outlined the impact the restructuring had on the total number of managers and fees relative to other public pension funds. Callan also presented a comparison of both funds' multi-year performance. Finally, Mr. Dolsen reviewed the December 2012 Fund performance report for each Fund as prepared by Callan.

3. Emerging Manager Sub-Committee Report

Ms. Hackett and Mr. Vinzons summarized the recent actions with regard to the International Equity Emerging Manager search.

***Motion to Select Herndon Capital for Additional Due Diligence:*** It was moved by Trustee Samstein and seconded by Trustee Fitzgerald that with respect to the International Equity Emerging Manager search, the Investment Committee select

Herndon Capital Management for further due diligence and that Fund Staff and the Investment Consultant be authorized to take all action reasonably necessary to effect the foregoing in accordance with the County Fund's procurement policy.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

4. Other Business – Policy Matters

The Investment Committee discussed the role of ratings agencies and their impact on investment policy and guidelines. The Investment Committee considered action regarding the ratings agencies and elected to maintain the current reference to ratings agencies as stated in the Investment Policy.

Ms. Hackett reported on the Fund's exposure to retail assault weapons manufacturing companies, stating that as of January 18, 2013, the Fund held approximately \$34,000 in a Russell Small-Mid Cap Index fund. As is consistent with portfolio due diligence and risk oversight, Fund staff will continue to monitor the economic and regulatory environment with regard to retail assault weapons manufacturers on an ongoing basis.

5. Manager Presentations

Mr. Mike Powers (Managing Director) and Mr. Tony Dote (Managing Director) of Lazard Asset Management, Mr. Ken Johnson (Vice President) and Mr. Peter Palfrey (Portfolio Manager) of Loomis Sayles addressed the Investment Committee regarding their respective portfolio's recent performance and investment outlook.

6. Other Business

Mr. Levin (Principal) and Mr. Langer (Principal) of Buck Consultants gave an educational presentation regarding general actuarial topics and issues.

7. Adjournment.

It was moved by Trustee Fitzgerald and seconded by Trustee Benjamin that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE