



**MEETING OF THE INVESTMENT COMMITTEE OF THE RETIREMENT BOARD  
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND  
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT  
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY  
70 W Madison St, Suite 1925  
Chicago, Illinois 60602**

**Minutes for the February 28, 2020, IC Meeting**

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County Fund are herein collectively referred to as the "Fund."

Call to Order and Roll Call at 9:30 a.m.

**Investment Committee**

**in attendance:**

Mr. Stephen Hughes, Mr. Patrick McFadden, Mr. Joseph Nevius (via telephone), Mr. Kevin Ochalla (Chair), Mr. James O'Rourke, Mr. Lawrence Wilson

**Staff Present:**

Regina Tuczak, Michael Maratea, Fernando Vinzons, and Virgilio Calahong

**Others Present:**

Bo Abesamis, John Jackson, Ann O'Bradovich – Callan

The Executive Director stated that Trustee Nevius requested he be allowed to participate in the meeting by telephone. It was noted that a quorum of the Committee was physically present at the meeting.

1. ***Motion to Permit Trustee Nevius to Participate by Telephone.*** It was moved by Trustee McFadden and seconded by Trustee Hughes pursuant to the Open Meetings Act, 5 ILCS 120/7, that Trustee Nevius be permitted to participate in the Investment Committee meeting by telephone.

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

**Public Comment**

Trustee Ochalla, Chair of the Investment Committee, opened the meeting for public comment and, with no one having requested to address the Committee, considered the next item of business on the Agenda.

2. ***Motion for Approval and Adoption of Minutes.*** It was moved by Trustee McFadden and

seconded by Trustee Hughes that the minutes of the January 31, 2020, Investment Committee meeting be approved and adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

3. 2019 Performance Review;

Mr. Jackson began with a review of fourth quarter and full-year 2020 performance for the Cook County Fund as prepared and presented by Callan Associates. The Cook County Fund had a market value of \$11.2 billion and all asset classes were within policy target ranges. Mr. Jackson continued with general market commentary, noting strong equity market returns for the year driven by Fed policymaking, trade war de-escalation, and clarity on Brexit. He transitioned to asset class performance, drawing attention to active management in international equity and private real estate as primary contributors for the Fund's one-year return.

Mr. Jackson then transitioned to fourth quarter and full-year 2020 performance for the Forest Preserve Fund as prepared and presented by Callan Associates. The Forest Preserve Fund had a market value of \$207.7 million, a \$5.9 million increase compared to Q3 2019. All asset classes were within their policy target ranges. For the year, the Fund outperformed its benchmark, driven largely by active management in international equity and real estate.

4. Transition Management Review;

Mr. Abesamis summarized the results of the transition of assets from Progress Investment Management Company ("Progress"). He began with a recap of the events leading up to the transition. In December 2019, Progress notified Fund staff of its plans to wind down the business and dissolve by May 31, 2020. Entering 2020, the Fund needed to: 1) raise cash for benefit payments, and 2) rebalance assets to Garcia Hamilton, the Fund's short duration liquidity manager, which was below its target allocation. The liquidation of the Progress account offered an efficient solution to meet both needs. In January, the Board approved the transition plans and selected Citi, one of the Fund's pre-approved transition managers, to execute the transition.

Mr. Abesamis continued with an overview of the transition process, discussing the coordination and steps taken by Fund staff, Callan, Citi, and the custodian to transfer the assets. He then reviewed the results of the transition, highlighting the realized implementation shortfall of the transition against pre-transition estimates, in the context of the market environment at the time the transition trades were executed.

5. Investment Policy Statement Discussion

Mr. Vinzons began with an overview of both Funds' Investment Policy Statements (IPS), stressing the need for both to be reviewed periodically to reflect current policies, guidelines, and legislative updates. He then walked the Committee through the major proposed changes. In particular, he highlighted a new IPS section required by the Illinois Sustainable Investing Act (PA 101-473), which requires the Fund to develop, publish, and implement sustainable investment policies applicable to the management of all public funds under its control. Based on feedback and follow-up questions, no specific actions were taken and further discussion is to be taken up at another investment committee meeting.

6. Administrative

Ms. Tuczak reviewed the following with the Committee:

A) Senate Committee on Pension Investments Data Request

Ms. Tuczak informed the Committee of the Illinois Senate Special Committee on Pension Investments's request for data concerning the Fund's assets managed by minority-, women-, or disabled-owned business enterprises (MWDBE AUM), as well as updates regarding the Fund's current plans for meeting MWDBE utilization goals. Ms. Tuczak noted that Fund staff is working on collecting the data and is on schedule to meet the March deadline.

B) Recap of Presentation to Cook County Commissioners Pension Committee

Ms. Tuczak updated the Committee of her recent presentation to the Cook County Commissioners Pension Committee on February 26, 2020.

7. Adjournment.

It was moved by Trustee O'Rourke and seconded by Trustee Hughes that the meeting be adjourned.

[Vote Result:](#) MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE