

**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 August 28, 2025, 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" or "CCPF". The Investment Committee shall be referred to as the "Investment Committee" or "Committee".

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

Investment Committee

Members in attendance: Kevin Ochalla (Acting Chair), Hal Dardick, Siobhain Martin, Lakeisha Marvel, Patrick McFadden, Jerry Pray, Samuel Richardson, Jr.,

Staff Present: Brent Lewandowski, Executive Director; Saron Tegegne, Deputy Executive Director; Stephen Wolff, Director of Investments; Lalita Chemudupati, Senior Investment Analyst; Teagan Kusbel, Investment Analyst; Margaret Fahrenbach, Legal Advisor; Francis Gonzalez-Crussi, Senior IT Manager

Others Present: Mary Pat Burns, Burke, Burns & Pinelli, Ltd.; Ann O'Bradovich, Callan, LLC; John Jackson, Callan, LLC; Alvaro Vega, Callan, LLC; Pete Keliuotis, Callan, LLC; Sarie Dilone, Callan, LLC; Joe McGuane, Callan, LLC; Derrick Irwin, Allspring Investments, LLC; Leyla Kassem, Allspring Investments, LLC; Ellen Safir, New Century Advisors; Eric Patlovich, New Century Advisors; Fatima Batalvi, New Century Advisors

Chairman Ochalla stated that there was a quorum of the Committee present at the meeting and that certain trustees had asked to participate remotely. It was moved by Trustee Richardson and seconded by Trustee Marvel pursuant to Section 7(a) of the Open Meetings Act, that the Committee allow trustees who are not able to be physically present at the meeting to participate remotely.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The Chair opened the meeting for public comment, but no one present addressed the Committee.

1. Review and Approval of:
 - a. March 29, 2025, Investment Committee Meeting Open and Closed Meeting Minutes

It was moved by Trustee Richardson and seconded by Trustee Marvel that the minutes from the open session and the closed session of Investment Committee meeting on March 29, 2025, be approved and that the minutes from the closed session remain closed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Investment Consultant Search
 - a. Consideration and Possible Recommendation of RFP Issuance

Stephen Wolff, Director of Investments, stated that the current contract for investment consulting services was set to expire on December 31, 2025. Under the Illinois Pension Code, the Fund is required to search for an investment consultant every five years. He proposed that the Fund issue an RFP for investment consulting services by September 4, 2025, with responses due on October 3, 2025. The proposed timeline would give the Fund sufficient time to exercise due diligence in reviewing the responses. The finalists would present to the Committee at the meeting on November 20, 2025.

It was moved by Trustee Richardson and seconded by Trustee Pray that the Committee recommend to the Board that it approve the release of a Request for Proposals for Investment Consulting Services as proposed by the Fund staff.

Vote Result: MOTION ADOPTED BY VOICE VOTE

3. Investment Staff Report

The Director of Investments reported that the Investment Staff had begun a systematic review of legacy and terminated accounts to determine if additional deposits such as dividends and/or international tax reclaim amounts had been accumulated into the accounts after a manager had been terminated. He reported that about half of such closed accounts had been reviewed. The Fund was able to transfer about \$2.4 million from these closed accounts into the Fund's cash account. He stated that this review would be continued as an ongoing process.

He also stated that the staff had reviewed alternative manager accounts that were mostly legacy private equity accounts. Mesirow had provided oversight for these accounts without charging additional fees. He planned to ask fiduciary counsel to prepare a letter to Mesirow to confirm that the oversight relationship would continue with the existing legacy funds and that no additional fees would be incurred. Additionally, the letter would add oversight for the Muller & Monroe Private Equity fund and legacy SPC Private Equity Fund of Funds.

It was moved by Trustee Richardson and seconded by Trustee Pray pursuant to Section 2(c)(7) of the Open Meetings Act that the Committee convene an Executive Session to discuss the sale or purchase of securities, investments or investment contracts.

AYES: Dardick, Martin, Marvel, Ochalla, McFadden,
Pray, Richardson, Reed

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Marvel and seconded by Trustee Richardson that the Executive Session be adjourned and that the Committee return to an open session.

Vote Result: MOTION ADOPTED BY VOICE VOTE

4. Investment Matters

a. Review and Consideration of Possible Termination of International Equity Manager and Transition of Assets

It was moved by Trustee Richardson and seconded by Trustee Pray, as was consistent with the recommendations from Callan and the Fund's Director of Investments, that the Committee recommend to the Board that the identified International Equity Manager be terminated and that the assets be transitioned by utilizing a transition manager as discussed during the Executive Session.

Roll Call Vote:

AYES: Dardick, Martin, Marvel, Ochalla, McFadden,
Pray, Richardson, Reed

NAYS: None

Vote Result: MOTION ADOPTED

b. Review and Consideration of Possible Recommendation of International Equity RFP Issuance

It was moved by Trustee Richardson and seconded by Trustee Marvel, based upon the recommendations of Callan and the Fund's Director of Investments, that the Investment Committee recommend that the Board approve the release of a Request for Proposal (RFP) for International Equity Small Cap investment managers for the County Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

c. Review and Consideration of Possible Recommendation of Transition Manager Selection Related to Newly Selected International Equity Mandates (ACWI Ex US)

It was moved by Trustee Richardson and seconded by Trustee McFadden, based upon the recommendations of Callan and the Fund's Director of Investments, that the Committee

recommend to the Board that Citi be selected as the transition manager to execute the transition assets from the legacy portfolio to the two new ACWI Ex US target portfolios.

Roll Call Vote:

AYES: Dardick, Martin, Marvel, Ochalla, McFadden,
Pray, Richardson, Reed

NAYS: None

Vote Result: MOTION ADOPTED

d. Review of Transition Manager Search Selections

It was moved by Trustee Richardson and seconded by Trustee Pray, based upon the recommendations made by Callan and the Fund's Director of Investments, that the Committee recommend to the Board that Citi, Russell and State Street be retained as the successful candidates of the RFP for Transition Manager Services, subject to successful contract negotiations.

Roll Call Vote:

AYES: Dardick, Martin, Marvel, Ochalla, McFadden,
Pray, Richardson, Reed

NAYS: None

Vote Result: MOTION ADOPTED

5. Private Equity Program Review

a. Consideration and Possible Recommendation of 2026 Private Equity

Pete Keliuotis and Sarie Dilone from Callan gave a summary of the Fund's private equity investments. It was noted that the County Fund began to invest in private equities in 1994 and made regular commitments through 2009. The current private equity program was initiated in 2012. Mesirow was retained to manage a separate discretionary account for the County Fund which targeted developed partnerships and MWDBE firms. The commitments continued on an annual basis. As of December 31, 2024, the County Fund's private equity portfolio was \$767 million or 5.7% of the Fund's total assets. This amount was slightly higher than the target allocation of 5%. The performance of the private equity portfolio consistently outperformed the Russell 2000. Over the past five years, Mesirow maintained diversified allocations in the portfolio across geography, strategy, manager type and industry spectrums. By 2020, distributions were sufficient to fund new contributions, so the account became self-funding at that time. It is expected that distributions will exceed contributions for the foreseeable future. Callan recommended that the County Fund make a \$140 million commitment to private equity in 2026.

The Forest Fund first invested in private equity by committing \$10 million to the Mesirow Private Equity Fund IX in 2024. The first capital was called for Fund IX in February, 2025,

and that fund is expected to close at the end of this year. Fund X is likely to launch in 2026. The objective for the Forest Fund is to invest capital as needed to reach and maintain a 2% allocation for private equity. Callan did not recommend that the Forest Fund make any commitments to private equity funds in 2026.

It was moved by Trustee Richardson and seconded by Trustee Marvel based upon the recommendations of Callan and the Director of Investments that the Committee recommend that the Board approve a commitment of \$140 million by the County Fund to the Mesirow Private Equity Fund of Funds in 2026.

Roll Call Vote:

AYES: Dardick, Martin, Marvel, Ochalla, McFadden,
Pray, Richardson, Reed

NAYS: None

Vote Result: MOTION ADOPTED

6. Hedge Fund Program Review

Joe McGuane from Callan summarized the hedge fund investments for the County Fund and the Forest Fund. Hedge fund investments provide diversification benefits with expected returns to fall between returns for stocks and bonds. The hedge fund program's market risk exposures are diversified across the major asset classes and reflect a hedged portfolio. Blackstone serves as the core manager for both the County Fund's and the Forest Fund's hedge fund allocations. The investments are held within Blackstone's Burnham Harbor Fund which is a separate account managed in the same manner as Blackstone's flagship commingled fund. Rock Creek is a MWDBE owned business and serves as the satellite manager for the County Fund program. The County Fund allocation for hedge funds was \$638 million, which was about 4.5% of the total portfolio, as of June 30, 2025. This allocation was above the 3% target, but within the target range. The Burnham Harbor Fund managed about 70% of the allocation and Rock Creek maintained about 30% of the allocation. The Forest Fund's allocation to hedge fund investments was \$5.9 million or 2.7% of the total portfolio as of June 30, 2025, which was in line with the 3% target allocation. Burnham Harbor manages 100% of the hedge fund program for the Forest Fund. Callan reported that performance in the hedge fund program for both the County Fund and the Forest Fund met expectations and they did not recommend any changes.

7. Second Quarter 2025 Performance Review

John Jackson of Callan reported that the US equity markets rose sharply in 2Q 2025 which was likely because the implementation of the tariff policy had been delayed. Solid economic growth resumed which was reflected by the expansion of the job market and the rise of real incomes. As of the close of 2Q 2025, he reported that the County Fund had a market value of \$14.2 billion which was an increase of \$802.9 million from the close of the prior quarter. The asset allocation of the County Fund was in line with expectations. The largest overweight was in Domestic Equities which exceeded its target by 3.8%. This overweight was offset by an underweight in Private Credit, but the allocation for this new asset class was being

implemented. For 2Q 2025, the Fund returned 7.16% and outperformed the benchmark return of 6.80%. Over the last year, the Fund returned 10.91% versus the benchmark of 11.61%. Over the trailing three-year period, the Fund returned 9.69% compared to the benchmark return of 10.06%. For the last five-year period, the Fund returned 9.36% and outperformed the benchmark return of 8.90%. For the last 10-year period, the Fund returned 7.66% which was in line with the benchmark return of 7.71%. The Fund ranked in the top half of its peer group median over the trailing three-year, five-year and ten-year periods.

The Forest Preserve Fund had a market value of \$216.1 million, which was an increase of \$10.2 million from the ending value of \$205.9 million for the prior quarter. For 2Q 2025, the Forest Preserve Fund returned 7.41% and outperformed the benchmark return of 7.11%. Over the last year, the Fund returned 10.92% versus the benchmark return of 11.86%. Over the trailing three-year period, the returns were 10.13% which was less than the benchmark return of 10.62%. Over the trailing five-year period, the returns of 8.99% exceeded the benchmark return of 8.73%. The Fund's return over the trailing 10-year period was 7.28% which was less than the benchmark of 7.50%. The Forest Fund ranked in the top half of its peer group over the trailing five-year period and was ranked just below the peer group's median over the trailing three and ten-year periods.

8. Investment Manager Introductions

The Director of Investments stated that representatives from two of the Fund's investment managers would make presentations to the Committee about their respective firms and strategies.

a. Allspring Presentation

Derrick Irwin and Leyla Kassem appeared on behalf of Allspring to present their investment strategy. Allspring focuses solely on emerging markets to identify opportunities across the globe, but they primarily have found opportunities with technology and information entities located in Asia. They have stable portfolio management team with a track record that spans more than twenty years. The portfolio has a turnover of less than 20% annually and they look for long-term growth over time.

b. New Century Advisors Presentation

Ellen Safir, Eric Patlovich and Fatima Batalvi appeared on behalf of New Century Advisors, a majority woman-owned management firm. It was a participant with the Progress Investment Management firm when it received a \$10 million Core Bond mandate for the County Fund in 2009. It graduated from Cook County's emerging manager program in 2016. It is a fixed income manager and has achieved annualized returns in excess of 63 basis points above the benchmark over 16 years.

9. New/Old Business

The trustees stated that they appreciated the efforts and the direction provided by the Fund's Investment Staff.

10. Adjournment

It was moved by Trustee Richardson and seconded by Trustee Marvel that the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE