



**City of Cincinnati Retirement System
Investment Committee Meeting
Minutes**

February 4, 2021 / 12:00 P.M.
City Hall – Council Chambers

Present

Bill Moller
Tom Gamel
John Juech
Mark Menkhaus, Jr.
Kathy Rahtz
Don Stiens
Betsy Sundermann

Absent

Erica Winstead

Staff Present

Paula Tilsley
Renee Kabin
Bev Nussman
Keva Eleam

Meeting was called to order at 12:05 P.M.

APPROVAL OF MINUTES

J. Juech made a motion to approve the minutes from the November 5, 2020 meeting. B. Sundermann seconded the motion and following a roll call vote, the motion passed. Results of the roll call vote:

Mr. Gamel – Yes
Mr. Juech – Yes
Mr. Menkhaus, Jr. -Yes
Mr. Moller – Yes
Ms. Rahtz -Yes
Mr. Stiens – Yes
Ms. Sundermann - Yes

Minutes of November 5, 2020 Investment Committee approved.

NEW BUSINESS

Brett Christenson, Managing Director & COO, Marquette Associates

4th Quarter 2020 Executive Summary Review

Market Value of Assets - \$2.325 Billion as of December 31, 2020.

B. Christenson gave an overview of the 4th quarter investment report, highlighting the accelerated performance of equities and private equity portfolios with 11.4% return net-of-fees for the 4th quarter. The annual return net-of-fees for calendar year 2020 was 8.9%.

B. Christenson recommended the Board continue to move toward the revised asset allocation model that was approved in November, 2020 regarding fixed income, U.S. equities and non-U.S. equities. The revised Investment Policy reflecting the new asset allocation was reviewed and approval was recommended.

Committee Action

J. Juech made a motion to accept the 4th quarter, 2020 Investment Report. D. Stiens seconded the motion. Roll Call vote results:

Mr Gamel—Yes
Mr. Juech – Yes
Mr Moller – Yes
Mr. Menkhaus, Jr. – Yes
Ms. Rahtz – Yes
Mr. Stiens - Yes
Ms. Sundermann – Yes

Motion to accept the 4th Quarter, 2020 Investment report passed.

T. Gamel made a Motion to A) Refer the recommendations of Marquette Associates regarding Fixed income, U.S. Equities and non-U.S. Equities to the Board for approval; and B) refer the revised Investment Policy to the Board for approval. D. Stiens seconded both parts of the motion. Results of the roll call vote are as follows:

Mr. Gamel- Yes
Mr. Juech – Yes
Mr. Moller – Yes
Mr. Menkhaus, Jr. – Yes
Ms. Rahtz – Yes
Mr. Stiens – Yes
Ms. Sundermann – Yes

Recommendations on fixed income, U.S. equities and non-U.S. equities, along with revised (February 2021) Investment Policy were referred to the Board for approval.

Mr. Christenson informed the Committee that an executive, Lawrence Unrein, in JP Morgan Private Equity Group retired as of February 1st, 2021. Two co-leads he worked with for several years have replaced him. Contractually, due to this change, JP Morgan Private Equity Group requires approval of certain items concerning CRS' investment in JPMorgan Global PE Fund VIII 1) keep the current commitment period open until 2/21/2023 and 2) keep JP Morgan Private Equity Group as the general partner. B. Christenson recommended consenting to JP Morgan Private Equity Group remaining as general partner and to have the investment commitment period remain open until 2/21/2023.

Committee Action

D. Stiens made a motion to keep JP Morgan Private Equity Group as general partner and for the investment commitment period to remain open until 2/21/2023 for JP Morgan PE Fund VIII. T. Gamel seconded the motion.

Results of the roll call vote:

Mr. Gamel – Yes
Mr. Juech – Yes
Mr. Menkhaus, Jr.- Yes
Mr. Moller – Yes
Ms. Rahtz – Yes
Mr. Stiens – Yes
Ms. Sundermann – Yes

The motion to keep JP Morgan Private Equity Group as general partner and continue the commitment period to 2/1/2023 for JP Morgan PE Fund VIII passed.

Mr. Christenson gave an overview of the Infrastructure portfolio and reviewed additional funds for future consideration by Ullico, JP Morgan and IFM. Mr. Christenson briefly discussed defensive equity as an alternative to risk parity. Defensive equity can be easier to understand and can provide more consistent returns.

B. Moller asked Mr. Christenson to give a brief overview of cash equitization for the benefit of newer trustees. B. Christenson explained that Parametric provides the cash equitization services for CRS by monitoring cash balances across the portfolios and using futures to replicate the asset allocation for equities and fixed income investments. Mr. Moller mentioned a goal to have a primer session on aspects of investments to get all members up to speed on knowledge of the various instruments and processes involved.

Having no further business, D. Stiens made a motion to adjourn. K. Rahtz seconded the motion and following a unanimous roll call vote of yes, the motion passed.

Meeting adjourned at 1:57 p.m.

Next meeting: May 6, 2021 at 12:00 p.m.