

**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 27, 2024, 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 9:00 a.m.

**Investment Committee**

**Members in attendance:** Kevin Ochalla (Chair), Tanya Anthony, Hal Dardick, Diahann Goode, Lakeisha Marvel, Patrick McFadden, Jerry Pray, Tracy Reed, Samuel Richardson, Jr.,

**Staff Present:** Brent Lewandowski, Executive Director; Saron Tegege, Deputy Executive Director; Margaret Fahrenbach, Legal Advisor

**Others Present:** John Jackson, Callan, LLC; Barb Bernard, Callan, LLC; Adam Lozinski, Callan, LLC; Jim Baker, Private Equity Stakeholder Project

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 Reed and seconded by Trustee Richardson 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. Jim Baker, Executive Director of Private Equity Stakeholder Project, addressed the Committee and stated that Blackstone was the largest landlord of single-family residences in the United States and that the Fund had current investments in Blackstone. He alleged that the investment strategies used by Blackstone adversely impacted the availability of affordable housing and that it engaged in unfair practices regarding its tenants. He added that Blackstone planned to increase its holdings of single-family residences by acquiring Tricon Residential. Mr. Baker asked that the Fund notify Blackstone that it should not acquire Tricon unless Blackstone made a commitment to adhere to standards that would protect its tenants in single family properties.

1. Review and Approval of:

a. November 30, 2023, Open and Closed Meeting Minutes

It was moved by Trustee Richardson and seconded by Trustee Goode that the minutes from the open and closed sessions of the Investment Committee meeting on November 30, 2023, be approved and that the minutes from the closed session remain closed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of Approval of Investment in Artemis Real Estate Partners Income and Growth Fund II

Barbara Bernard from Callan, LLC (Callan), stated that Artemis Real Estate Partners LLC is sponsoring the Artemis Real Estate Partners Income and Growth Fund II (Artemis Fund II). The fund plans to invest in real estate assets directly and to participate in joint ventures with both diverse and emerging manager real operating companies and with other larger managers. The strategy for Artemis Fund II will be to focus on existing operating properties in the industrial, multi-family and niche investment sectors. This strategy will complement the County Fund's existing real estate holdings. She noted that that in 2019, the Board had approved a commitment from the County Fund of \$50M to the Artemis Real Estate Partners Income and Growth Fund (Artemis Fund I). Based upon its due diligence, Callan recommended that the Board approve a \$50M commitment by the County Fund to Artemis Fund II. The disclosures required by the Pension Code were provided to the Committee.

It was moved by Trustee McFadden and seconded by Trustee Richardson that the Investment Committee recommend, having reviewed the disclosures required by Section 1-113.21 of the Illinois Pension Code and as was consistent with the recommendation from Callan, that the Board approve a follow-on allocation by the County Fund in the amount of \$50 million to the Artemis Fund II.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

3. 2024 Capital Market Projections

Adam Lozinski, from Callan, presented the capital markets projections for 2024. He stated that the purpose of the capital market projections was to assess the status of the Fund in 10 years utilizing the current allocations and to evaluate the relationships among the asset classes in the Portfolio. He stated that the recession that was predicted to occur in 2023 did not materialize and that there was a healthy increase in the GDP, despite inflation concerns. The decline in the valuations of commercial real estate impacted the Portfolio, but might also establish a favorable entry point for additional investments. He summarized changes in the

2024 capital markets assumptions, which included higher expected returns in fixed income. While it was challenging to predict the markets, there was more optimism in 2024 about the capital markets over the next ten years than there was in 2023. Callan reported that while the 2024 capital market assumptions were higher than for the previous year, there was no recommendation to change the asset weights within the policy targets for either the County Fund or the Forest Preserve District Fund.

#### 4. Fourth Quarter 2023 Performance Review

John Jackson, from Callan, presented the 4Q 2023 performance reviews for both the County Fund and the Forest Preserve Fund. He noted that the economy defied recession fears for 2023 and that the equity markets recovered from their losses in 2022, but that the bond markets were still recovering. The Cook County Fund had a market value of \$12.8B which was an increase of \$755M from the 3Q 2023 ending value of \$12B. He reported that all the asset classes were within target ranges. Allocations in private equity and hedge funds were overweight because the infrastructure and private credit strategies had not yet been implemented. The County Fund returned a 7.24% gain versus the benchmark return of 7.53% for the quarter. Over the trailing year, the Fund returned 12.28% versus the benchmark return of 12.72%. Over the trailing 3-year period, the Fund generated a return of 4.64% outpacing the benchmark return of 4.18%. For the last 5-year period, the Fund earned 8.99%, which exceeded the benchmark return of 8.79%. For the last 10-year period, the Fund gained 6.82% which was in line with the benchmark return of 6.84%. The Fund ranked in the top half of its peers for the last one, five- and ten- year periods.

The Forest Preserve Fund had a market value of \$197.5M which was an increase of \$10.8M from the 3Q 2023 ending value of \$186.7M. The Forest Fund was overweight in its allocations for international equity and domestic equity, which was offset by underweights in private equity and private credit because these strategies had not yet been implemented. The Forest Fund returned 7.45% versus the benchmark return of 7.87%. Over the trailing year, the Fund had a return of 13.02% versus a benchmark return of 13.11%. Over the last 3-year period, the Fund had an annualized return of 4.13% and outperformed the benchmark return of 3.75%. For the last 5-year period, the Fund returned 8.32% and edged the benchmark return of 8.24%. For the last 10- year period, the Fund returned 6.67%, which exceeded the benchmark return of 6.55%. The Fund outperformed its peer group median over the trailing three- and ten- year periods.

The trustees asked when the investment strategies for the Forest Preserve District Fund should include new asset classes given the recent legislative change in the funding methodology. Jackson stated that the trustees might want to include international equities within in the Portfolio for the Forest Preserve District Fund.

#### 5. Investment Report

- a. Review and Consideration of Updates to the Forest Preserve Investment Policy Statement

Brent Lewandowki, Executive Director, presented proposed revisions to the Forest Preserve District Investment Policy Statement (“IPS”) that had been prepared by Callan. The proposed revisions to the IPS were required to reflect the changes regarding the Forest Preserve District Fund’s asset allocations that had been approved by the Board on September 7, 2023. The trustees discussed the proposed revisions and the asset allocations that had been previously approved.

It was moved by Trustee McFadden and seconded by Trustee Goode that the Committee recommend to the Board, as was consistent with the recommendations from Callan, that the proposed revisions to the Forest Preserve District IPS be adopted.

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

b. Investment Manager Updates

The Executive Director provided a status of the investments with infrastructure managers. He stated that the subscription documents with Pantheon Global Infrastructure Fund IV had been completed and that the first capital call was made earlier in February. He stated that the Fund was in the process of completing the subscription documents for the other two investment managers that had been approved by the Board for this asset class.

The Executive Director also stated that the follow-on investment for the County Fund in the Mesirow Real Estate Value Fund V and the status of a private equity investment for the Forest Preserve District Fund in Mesirow were under legal review.

He reported that the transitions from Xponance and Ariel to other managers was completed, except for the illiquid portion of the portfolio managed by Xponance that was being monitored by Callan and the Fund. Callan had submitted the redemption requests to the JP Morgan Strategic Property Fund on behalf of the County Fund and the Forest Preserve District Fund.

6. New Business/Old Business

There was no new business or old business discussed.

7. Adjournment

It was moved by Trustee Goode and seconded by Trustee McFadden that the meeting be adjourned.

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