



City Of Cincinnati Retirement System Investment Committee

Minutes

February 4, 2010 / 12:00 P.M.

Centennial II Meeting Room A

The meeting was called to order: 12:00 P.M.

Present:

Jack Walsh - Chair
David Rager – Vice Chair
Donald Beets
Michael Fehn
Brian Pickering
Michael Rachford
James Robinson
Bryan Schmitt

Staff Present:

Paula Tilsley
Ron Wilson
Cheryl Volk

Minutes

The Investment Committee minutes from December 3, 2009 were submitted for approval. B. Pickering made a motion to accept the minutes. M. Rachford seconded the motion and the motion passed. Minutes were approved.

The Cincinnati Retirement System (CRS) Investment Consultant, Marquette Associates

- ✚ Brett Christenson, Managing Director provided the following reports:
- 4th Quarter Report for 2009: End of Quarter Portfolio Market Value: \$1.98 billion. Year to date Investment Performance: +20.3%, underperforming the policy Benchmark: +21.9%.
 - U.S. Economy
 - Fixed Income Markets
 - U.S. Equity Markets
 - Global Economy
 - International Equity Markets
 - Hedge Fund Markets
 - Real Estate Markets
 - Infrastructure
 - OPUS Capital Management Site Visit
B. Christenson reported a positive site visit with OPUS. The visit included a review of their disaster plan and compliance with Global Investment Performance Standards (GIPS).

- PIMCO
Due to improved performance, B. Christenson recommended PIMCO be Removed from Alert Status

Committee Action

B. Pickering made a motion to remove PIMCO from Alert Status. J. Robinson seconded the motion and the motion passed.

✚ Asset Allocation: B. Christenson recommended for consideration:

- Cancel the prior commitment of \$10 million to Private Equity Fund of Fund Manager, Fort Washington Capital Partners, Fund VII.

Committee Action

B. Schmitt made a motion to cancel the commitment of \$10 million to Private Equity Fund of Fund Manager, Fort Washington Capital Partners, Fund VII. M. Fehn seconded the motion and the motion passed with one No vote from Jack Walsh.

- Allocate \$10 million from International Equity Manager, Harding Loevner to Fixed Income Manager PIMCO.

Committee Action

M. Rachford made a motion to allocate \$10 million from International Equity Manager, Harding Loevner to Fixed Income Manager PIMCO. B. Pickering seconded the motion and the motion passed.

- Consider increasing asset allocation to real estate in the first half of year 2010.

✚ Gregory Leonberger, Director of Research, Marquette Associates provided the following report on Investing in Inflationary Environments:

- Definition of Inflation
- Inflation's impact
- Inflation protection
- Treasury Inflation Protection Securities (TIPS) overview.
- Commodities
- Infrastructure
- Real Estate

Meeting was adjourned at 1:50 P.M.