



City Of Cincinnati Retirement System Investment Committee Meeting

Minutes

November 3, 2011 / 12:00 P.M.

City Hall – Committee Room B

Present:

Chris Meyer, Chair
Don Beets
Mike Fehn
Madelynn Matlock
Brian Pickering

Staff Present:

Paula Tilsley
Don Beresford
Ron Wilson
Cheryl Volk

The meeting was called to order at 12:05 P.M.

MINUTES

B. Pickering made a motion to approve the Investment Committee minutes from August 4, 2011.

M. Matlock seconded the motion and the motion passed. Minutes were approved as submitted.

INVESTMENT COMMITTEE VICE-CHAIR NOMINATION

B. Pickering nominated Mike Fehn to serve as Vice Chair of the Investment Committee. D. Beets seconded the motion and the motion passed. M. Fehn was elected as Vice-Chair of the Investment Committee.

NEW BUSINESS

Brett Christenson, Managing Director, Marquette Associates provided a report on Morgan Stanley's Prime Property Fund in response to the departure of a co-portfolio manager.

Morgan Stanley Prime Property Fund

Marquette recommended that Morgan Stanley Prime Property Fund, LLC be placed on alert due to the resignation of David Morrison, Co-portfolio Manager of the PRIME portfolio. Marquette's position is that the other co-portfolio manager, Scott Brown, has and continues to perform the lead role thereby dampening some of the concern over the departure. Marquette continues to keep the PRIME fund on their list of "search eligible" products. B. Christenson to monitor Morgan Stanley for other possible personnel departures.

Investment Committee Action

B. Pickering made a motion to approve the recommendation to place Morgan Stanley on alert due to personnel changes. D. Beets seconded the motion and the motion passed. Morgan Stanley to be placed on alert.

Investment Guidelines Update

The Investment Guidelines were updated to reflect various amendments and specific changes in asset allocations that were previously approved by the Investment Committee and Board of Trustees over the past six months. B. Christenson submitted the revised guidelines for review and approval.

Investment Committee Action

D. Beets made a motion to approve the updated Investment Guidelines. B. Pickering seconded the motion and the motion passed. The updated Investment Guidelines were approved.

3rd Quarter Report 2011

- Market Value \$1.9 billion
- Total fund return -9.1% for the quarter, outperforming its policy benchmark of -11.1%. Over the trailing 12 months, the CRS returned +2.2% outperforming the policy benchmark of +0.9%.

Having no further business, the meeting was adjourned at 1:45 P.M.