City of Cincinnati Retirement System
Investment Committee Meeting

Minutes

August 6, 2026 / 12:00 P.M.
City Hall, Council Chambers and via Zoom

Members
Sonya Morris, Chair
Aliya Riddle, Vice Chair
Bill Moller
Tom Gamel
David Rager
Mark Menkhaus, Jr.
Monica Morton
Mia Rivolta

Staff
Jon Salstrom

Marquette
Brett Christenson

Law
Maxwell Smith

Call to Order
Motion to call to order made by Tom Gamel, seconded by David Rager. Chair Sonya Morris called the meeting to order at 12:05 p.m.

Public Comment
No public comment was offered.

Approval of Minutes
May 7, 2026 (2-4)
The Committee reviewed the minutes of the May 7, 2026 Investment Committee meeting. Tom Gamel moved to approve the minutes, and David Rager seconded the motion. The motion carried.

Old Business
There was no old business for discussion.

New Business
Current Market Environment Report (5-7)
Brett Christenson of Marquette Associates present the Current Market Environment Report. Mr. Christenson reviewed year-to-date market performance and reported that equity markets continued to produce strong returns across most sectors, with emerging markets among the strongest performers. He noted that fixed income markets remained relatively flat due to higher interest rates driven by continued economic strength, inflationary pressures, and volatility within energy markets. Mr. Christenson discussed commodity market performance, including significant gains in energy prices, and noted that the current interest rate environment continued to provide attractive opportunities within the fixed income portfolio.

Mr. Christenson reviewed market takeaways and reported that conditions remained favorable across most asset classes. He stated that the overall investment environment continued to support diversified investors and noted that real estate returns appeared to be stabilizing and trending back toward longer-term expectations.

Mr. Christenson also reviewed recent portfolio activity , including the funding of specialty fixed income and hedge fund managers, private debt and private equity capital calls and distributions, and the ongoing liquidation of the J.P. Morgan Strategic Property Fund. He reported that significant distributions had been received from both private debt and private equity investments and noted that the J.P. Morgan Strategic Property Fund continued to generate positive returns while assets were being returned to the System.

Committee member discussed the J.P. Morgan Strategic Property Fund and the timing of future distributions. Tom Gamel asked whether the remaining assets would continue to participate in investment gains while awaiting distribution. Mr. Christenson explained that the assets remain invested and continue to appreciate or decline based on fund performance. Executive Director Jon Salstrom noted that CRS has received periodic distributions while the remaining assets have continued to fluctuate in value.

Mr. Christenson also reviewed private debt commitments, including the H.I.G. Bayside Fund VI investment. He explained that H.I.G. is a closed-end strategy that is expected to distribute a significant portion of its remaining assets over the next several quarters. Mr. Christenson advised the Committee that Marquette and staff were evaluating potential replacement managers to maintain the System's private debt allocation.

Quarterly Investment Report (8-100)
Mr. Christenson reviewed the Quarterly Investment Report and reported that the total fund returned 6.4% year-to-date through June 30, 2026 and 14.1% for the trailing one-year period. He noted that total plan assets had increased from approximately $2.4 billion to over $2.6 billion during the prior year and explained that the increase in assets helped reduce pressure on the System's annual cash flow requirements.

He reviewed the System's asset allocation relative to policy targets and reported that private debt and private equity remained below target while hedge funds and infrastructure were modestly above target. He explained the reasons for the variances and discussed anticipated future adjustments within those asset classes.

He compared CRS's asset allocation to similarly sized public pension systems and noted that CRS maintains a somewhat more conservative allocation to public equities than many peers while maintaining larger allocations to fixed income and infrastructure. He stated that the strategy was designed to support long-term growth while maintaining sufficient liquidity to meet benefit obligations and navigate periods of market volatility.

Committee members discussed portfolio performance relative to peers, reporting delays associated with private market investments, and valuation practices for private equity and private credit investments. Tom Gamel asked whether the reported year-to-date return fully reflected current private market valuations. Mr. Christenson explained that some private equity

investments had not yet reported second-quarter values and stated that the actual return was likely higher than the reported 6.4%, estimating that performance was closer to 7%.

Chair Sonya Morris requested additional reporting showing updated performance information as private market valuations become available. Mr. Christenson agreed and indicated that Marquette would provide updated prior-quarter performance information in future reporting materials. Jon Salstrom noted that reporting delays are common with private market investments and can occasionally be significant for fund-of-funds strategies.

Chair Morris initiated a discussion regarding private asset valuation practices. Mr. Christenson explained that private market valuations are generally developed by investment managers using company-specific financial data, industry benchmarks, and comparable transactions. He noted that valuations can lag public markets because they are updated periodically rather than daily. The Committee also discussed valuation practices within private credit portfolios, with Mr. Christenson and Mr. Salstrom expressing confidence in the quality of the System's managers, underwriting standards, and portfolio diversification.

Following discussion, Chair Sonya Morris requested a motion to approve the Quarterly Investment Report. Tom Gamel moved to approve the Quarterly Investment Report. Aliya Riddle seconded the motion. A roll call vote was conducted and motion passed unanimously.

New Investment Recommendation – Venture Capital Fund of Funds (101-123)
Mr. Christenson presented Marquette's recommendation to commit $13 million each to Accolade and Peak View, two venture capital fund-of-funds managers. He reviewed the System's private equity allocation and explained that approximately 30% of the System's private equity target was intended to provide venture capital exposure. He stated that the recommendation was designed to maintain the System's strategic allocation rather than increase venture capital exposure beyond approved targets.

He explained that Marquette evaluated several venture capital fund-of-funds managers and selected Accolade and Peak View due to their strong historical performance, disciplined fund sizes, and access to highly sought-after venture capital managers. He noted that both firms maintain intentionally smaller fund sizes, which allows them to secure allocations with top-tier venture capital funds that are frequently oversubscribed.

Vice Chair Aliya Riddle asked several questions regarding the relative risks of venture capital compared to public equities and the size of the proposed managers. Mr. Christenson explained that venture capital provides additional return potential within the private equity allocation while maintaining diversification. He also discussed the relationship between manager size and access to top-tier venture capital opportunities and stated that Marquette generally prefers managers with fund sizes between approximately $100 million and $600 million.

Executive Director Jon Salstrom emphasized that the recommendation was not intended as a tactical market call on venture capital valuations but rather a continuation of the System's long-term strategic asset allocation plan. He noted that CRS previously obtained venture capital exposure through J.P. Morgan fund-of-funds investments and that the recommendation ensures

that the System continues to maintain diversified venture capital exposure within its private equity allocation.

Bill Moller asked whether the recommendation was consistent with the System's approved asset allocation policy and whether it increased the overall level of portfolio risk. Mr. Christenson and Mr. Salstrom confirmed that the recommendation aligns with the approved asset allocation framework and maintains the risk assumptions incorporated into the current investment strategy.

Following discussion, Chair Morris requested a motion to approve the recommendation. Tom Gamel moved to approve a $13 million allocation to Peak View and a $13 million allocation to Accolade. Bill Moller seconded the motion. A roll call vote was conducted and the motion passed unanimously.

Adjournment
Tom Gamel moved to adjourn the meeting. Monica Morton seconded the motion. The motion carried and the meeting adjourned at 1:11 p.m.

Meeting video link: https://archive.org/details/crs-investment-8-6-26

Next Meeting: Thursday, November 5, 2026, 12:00 P.M. City Hall Council Chambers and via Zoom

Jon Salstrom
Secretary