

**INVESTMENT COMMITTEE MINUTES  
of the  
Firemen's Annuity and Benefit Fund of Chicago**

**20 South Clark Street, Suite 300  
Chicago IL 60603**



**February 26, 2024**

1. ROLL CALL: Investment Chairman Anthony Martin, Investment Committee Co-Chair Chasse Rehwinkel, Committee members Mary Sheridan, Dan Fortuna, and Craig Slack, in attendance as proxy for Committee Member Treasurer Melissa Conyears-Ervin, were physically present. The meeting was called to order at approximately 9:00 am and Trustee Martin noted that a quorum of Committee members was physically present.

OTHERS PHYSICALLY PRESENT: John Jackson, Adam Lozinski, and Tony Lissuzzo from Callan, Mark Myslinski from the Treasurer's office, Fund Staff Lorna Scott, Jerod Lockhart, Jackie Vlahos, Kunal Jain, and Kelly Weller.

OTHERS PHYSICALLY PRESENT AFTER ROLL CALL: Committee member Melissa Conyears-Ervin

OTHERS VIRTUALLY PRESENT: Fund Attorney Sarah Boeckman from Burke Burns & Pinelli Ltd

2. INVESTMENT COMMITTEE CHAIR REPORT

Investment Committee Chair Martin outlined the agenda for the meeting.

On motion by Martin, second by Fortuna to go into executive session pursuant to Section 2(c)(7) of the Open Meetings Act to discuss the award of specific investment contracts. The vote was:

Yeas: Martin, Fortuna, Slack, Sheridan, Rehwinkel  
Nays: None

3. LIQUID DIVERSIFYING RFP POSSIBLE ACTION REGARDING RECOMMENDATION TO BOARD RELATED TO LIQUID DIVERSIFYING SEARCH\*\*

This item was discussed in executive session.

On motion by Fortuna, second by Sheridan, the Committee came out of executive session.

Yeas: Martin, Fortuna, Slack, Sheridan, Rehwinkel

Nays: None

On motion by Sheridan, second by Rehwinkel, to recommend to the Board to increase CFM's allocation to \$30 million, subject to successful contract negotiations.

Yeas: Martin, Fortuna, Slack, Sheridan, Rehwinkel

Nays: None

4. CONSIDERATION AND POSSIBLE ACTION REGARDING RECOMMENDATION TO BOARD RELATED TO ANNUAL REVIEW OF INVESTMENT POLICY STATEMENT

Ms. Scott reviewed the Fund's 2023 MWDBE brokerage utilization. The goals were met for 2023. She proposed increasing the MWDBE brokerage utilization for fixed income investments to 15% from 12%. Members of the Committee agreed with Ms. Scott's recommendation. She also reviewed the Fund's MWDBE investment manager allocations. She did not propose any adjustments to these goals. Callan representative John Jackson discussed asset classes where MWDBE managers have demonstrated strong performance.

Ms. Scott also discussed the Fund's approach to monitoring investment managers' adherence to their investment guidelines. After discussion, the Committee asked the CIO to work with legal counsel to edit the language in the Statement of Investment Policy to capture a more targeted approach to disclosure of guideline violations.

Ms. Scott also discussed the Fund's approach to rebalancing outlined in the Statement of Investment Policy and outlined certain recommended revisions.

The Committee decided to postpone the recommendation to the Board to approve the revised Statement of Investment Policy pending further review.

5. CAPITAL MARKET ASSUMPTIONS AND ASSET ALLOCATION REVIEW

Callan representative Adam Lozinski reviewed Callan's 2024 capital market assumptions and the inputs into process to create the assumptions. There were no recommended changes to the Fund's asset allocation model.

6. INVESTMENT REPORT

Mr. Lissuzzo reviewed Callan's Q4 executive report. He highlighted the Fund's small/mid cap overweight, which has detracted from relative performance, as small/mid cap stocks have underperformed large cap stocks. Despite the underperformance, he recommended maintaining the overweight to small/mid cap stocks.

Madame Treasurer arrived at 10:10 am.

Ms. Scott reviewed short-term and long-term Fund performance vs. peer universe chart from Northern Trust. The Fund is not meeting the longer-term goal of ranking in the top 33% of a universe of peers. The Fund is ranking in the top 50% over five years.

Ms. Scott also reviewed 2023 investment management fees.

7. PUBLIC COMMENT

No public comment was requested by any members of the public.

8. OLD BUSINESS/NEW BUSINESS

No old/new business was discussed.

There being no further business to discuss, on motion of Conyears-Ervin, second by Sheridan, all trustees present voting in the affirmative, the Committee meeting was adjourned at approximately 10:30 am.