

**INVESTMENT COMMITTEE MINUTES**  
**of the**  
**Firemen's Annuity and Benefit Fund of Chicago**  
**20 S Clark, Ste 1400, Chicago IL 60603**  
**March 15, 2019**

1. ROLL CALL: Investment Chairman Daniel Fortuna and Committee members Annette Nance-Holt and Timothy McPhillips.

TRUSTEES PRESENT AFTER ROLL CALL: Co-chair Anthony Martin and Committee member Erin Keane.

OTHERS PRESENT: Fund Attorney Mary Pat Burns from Burke Burns & Pinelli, Ltd., the Fund's General Investment Consultant Brady O'Connell from Callan & Associates, Sarah Gal from Callan & Associates and Fund Staff Steve Swanson, Lorna Scott, and Matt Clark.

2. APPROVAL OF MINUTES

OPEN SESSION INVESTMENT COMMITTEE MEETING MINUTES

On motion by Nance-Holt, seconded by McPhillips, that the minutes of the Investment Committee open session from February 19, 2019, be approved. The vote was:

Yeas: Fortuna, McPhillips, Nance-Holt  
Nays: None

EXECUTIVE SESSION INVESTMENT COMMITTEE MEETING MINUTES

On motion by Nance-Holt, seconded by McPhillips, that the minutes of the Investment Committee executive session from February 19, 2019, be approved and are to remain closed based on the recommendation of Fund Counsel. The vote was:

Yeas: Fortuna, McPhillips, Nance-Holt  
Nays: None

3. CORE REAL ESTATE RFP – FINALIST PRESENTATIONS

Mr. O'Connell presented an overview of the Fund's Request for Proposal ("RFP") process for its Core Real Estate allocation. Mr. O'Connell noted that the RFP finalists would be presenting before the Committee and that the firms met the qualifications and requirements set-forth in the RFP.

Motion by McPhillips, second by Nance-Holt 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: Fortuna, McPhillips, Nance-Holt  
Nays: None

Trustee Keane left the meeting.

4. GLOBAL REIT RFP – DISCUSSION

On motion by Nance-Holt, second by McPhillips, the Committee came out of executive session.

Yeas: Fortuna, McPhillips, Nance-Holt, Martin

Nays: None

On motion by Martin, second by Nance-Holt, to recommend to the Board that Heitman and CBRE be hired for the Core Real Estate mandate, allocating no more than \$18 million to each firm, based on the recommendation of the Fund's investment consultant and the CIO, subject to successful contract negotiations.

Yeas: Fortuna, McPhillips, Nance-Holt, Martin

Nays: None

On motion by Martin, second by Nance-Holt, to recommend to the Board that Principal Real Estate investors be hired for the Global REIT mandate, allocating no more than \$35 million to the firm, based on the recommendation of the Fund's investment consultant and the CIO, subject to successful contract negotiations.

Yeas: Fortuna, McPhillips, Nance-Holt, Martin

Nays: None

5. INVESTMENT POLICY STATEMENT 2019

Ms. Scott reviewed the proposed changes to the Investment Policy Statement.

On motion by Martin, second by Nance-Holt, to recommend to the Board that the revised Investment Policy Statement be approved, with updates to the Policy benchmark to be effective January 1, 2019.

Yeas: Fortuna, McPhillips, Nance-Holt, Martin

Nays: None

6. MARCH CASH NEEDS AND REBALANCING

Mr. Clark reviewed Fund cash needs. Ms. Scott reviewed Fund rebalancing in light of Fund cash needs/cash surplus. The Fund will receive \$52 million. Ms. Scott recommends allocating \$15 million to Earnest Short fund and \$5 million to Earnest Core fund, holding the remainder in cash, in anticipation of funding April benefits/fund needs and funding the core real estate mandates.

On motion by Martin, second by Nance-Holt, to recommend to the Board that the Fund Rebalancing, as recommended by the investment staff, be approved.

Yeas: Fortuna, McPhillips, Nance-Holt, Martin

Nays: None

7. PUBLIC COMMENT

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

8. OLD BUSINESS/NEW BUSINESS

Ms. Scott mentioned that the expectation was that there would be an April Investment Committee meeting to review liquid alternatives and approve an RFP. Ms. Scott also mentioned that Northern Trust is having an Investment Symposium which Trustees may want to attend.

There being no further business to discuss, on motion of Martin, second by Holt, all trustees present voting in the affirmative, the Committee meeting was adjourned.