

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
SCHEDULED REGULAR BOARD MEETING  
THURSDAY, MARCH 17, 2016

The 55 East Monroe Building  
55 East Monroe Street, Suite 2720  
Chicago, Illinois 60603

President MUNIZZI called the meeting to order at 9:30 A.M.

**ROLL CALL**

Trustees present:

PAMELA A. MUNIZZI, President	FRANK HODOROWICZ, Trustee
ROBERT GERAGHTY, Vice President	STEVEN J. LUX, Trustee
EDWARD L. AFFOLTER, Secretary	CECILIA PRADO, Trustee
BRIAN BIGGANE, Trustee (Administered Oath of Office during "APPOINTMENT BY ELECTIVE TRUSTEES")	

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
JAKE LIBAUSKAS, Segal Consulting, Fund Actuary  
BRETT CHRISTENSON and MICHAEL SPYCHALSKI, Marquette Associates

**RESIGNATION OF ELECTED TRUSTEE**

The Executive Director reported that he had received a resignation letter from Trustee MARIO GIANFORTUNE effective March 16, 2016. He also reported that in accordance with Article 12-Section 157 "Board Vacancy", the remaining elected Trustees shall fill the vacancy created by the resignation and that only the elected Trustees are eligible to vote for a replacement provided such replacement shall be an employee of the Chicago Park District.

**APPOINTMENT BY ELECTIVE TRUSTEES**

President MUNIZZI announced that nominations to fill the vacancy created by the resignation of MARIO GIANFORTUNE, an elected Trustee for the term ending June 30, 2016, were open. Trustee HODOROWICZ nominated BRIAN BIGGANE. Vice President GERAGHTY seconded the nomination. There being no further nominations, BRIAN BIGGANE was appointed Trustee by the following vote:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ

NAYS: None

Secretary AFFOLTER administered the “Oath of Office” to Trustee BIGGANE.

Trustee BIGGANE presented his written “Oath of Office” which was found to be in the form required by law, whereupon Secretary AFFOLTER declared him Trustee of the Retirement Board for the term ending June 30, 2016.

### **MINUTES OF THE LAST MEETING**

A motion was made by Vice President GERAGHTY to approve the minutes of the scheduled regular Board meeting held on Thursday, February 18, 2016. Trustee HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### **READING OF COMMUNICATIONS**

None

### **REPORT OF THE COMMITTEES**

None

### **REPORT OF THE EXECUTIVE DIRECTOR**

#### **2016 Trustee Election**

The Executive Director distributed a copy of the approved schedule for the Fund’s Annual Election of Trustee on Friday, June 24, 2016.

#### **Member’s Annual Statements**

The Executive Director reported that the STATEMENTS OF PARTICIPANT’S CONTRIBUTIONS AS OF DECEMBER 31, 2015, have been mailed. Included in the mailing were the 96<sup>th</sup> Annual President’s Report and a copy of the Fund’s Principal Provisions.

#### **Fund Actuary**

The Executive Director presented a proposal prepared by Segal Consulting, Fund Actuary, to continue to provide actuarial and consulting services for the Fund and commented that the proposal will be reviewed during the **REPORT OF THE ACTUARY**.

## 2016 Board Meeting Schedule

The Executive Director distributed a copy of the 2016 Board Meeting Schedule and reminded the Trustees that the regular scheduled Thursday, June 16, 2016, Board meeting was rescheduled to Thursday, June 23, 2016.

### Other

Statement of Economic Interest – The Executive Director reminded the Trustees that their Statements of Economic Interest are due May 1, 2016, and must be filed on-line.

Conferences - The Executive Director distributed an updated 2016 Conference Schedule to the Trustees and highlighted upcoming local conferences and events.

A motion was made by Trustee HODOROWICZ to accept the Report of the Executive Director. Trustee LUX seconded the motion.

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

### REPORT OF THE ACTUARY

Mr. Jacob Libauskas of Segal Consulting, reviewed the proposal to continue to provide actuarial and consulting services for the Fund through June 30, 2020, which was distributed during the **REPORT OF THE EXECUTIVE DIRECTOR**, and responded to questions raised by the Trustees. It was noted that the fee for the first two years of the proposal would remain the same as the final year of the current contract with moderate increases thereafter and that the fee for the experience study, which is performed approximately every four years, would be \$22,000, a \$2,000 increase over the last study.

A motion was made by Trustee LUX to appoint Segal Consulting as Fund Actuary in accordance with the terms as presented in their proposal subject to approval of the necessary documents by Fund Counsel. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Vice President GERAGHTY to accept the Report of the Actuary. Trustee HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

**REPORT OF THE ATTORNEY**

None

**REPORT OF THE LOBBYIST**

None

**REPORT OF THE INVESTMENT CONSULTANT**

Mr. Michael Spychalski and Mr. Brett Christenson of Marquette Associates distributed the Preliminary Monthly Update report as of February 29, 2016, featuring investment performance, market environment analysis, asset allocation and individual investment manager performance. The report was reviewed in detail and the Investment Consultant responded to numerous questions raised by the Trustees. The Investment Consultant also distributed and reviewed with the Trustees a Request for Proposals (RFP) – Hedged Equity for the Defensive Equity investment manager search that was approved by the Board at the last Board Meeting.

A motion was made by Trustee HODOROWICZ to approve the Request for Proposals (RFP) – Hedged Equity as presented by Marquette Associates. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

A motion was made by Trustee HODOROWICZ to accept the Report of the Investment Consultant. Vice President GERAGHTY seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO

NAYS: None

**OLD BUSINESS**

None

**NEW BUSINESS**

None

**ADJOURNMENT**

There being no further business, Vice President GERAGHTY moved to adjourn the meeting . Trustee BIGGANE seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, April 21, 2016**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27<sup>th</sup> floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,

*Edward L. Affolter*

EDWARD L. AFFOLTER  
Secretary