

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
SCHEDULED REGULAR BOARD MEETING  
THURSDAY, APRIL 20, 2017

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  
ROBERT GERAGHTY, Vice President  
EDWARD L. AFFOLTER, Secretary  
BRIAN BIGGANE, Trustee

FRANK HODOROWICZ, Trustee  
STEVEN J. LUX, Trustee  
CECILIA PRADO, Trustee

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
MIKE SPYCHALSKI and BRETT CHRISTENSON, Marquette Associates, Inc.

**MINUTES OF THE LAST MEETING**

A motion was made by Trustee HODOROWICZ to approve the minutes of the scheduled regular Board meeting held on Thursday, March 16, 2017. Vice President GERAGHTY seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, GERAGHTY, HODOROWICZ,  
LUX, MUNIZZI, PRADO  
NAYS: None

**READING OF COMMUNICATIONS**

The Executive Director noted a recent FOIA request.

A motion was made by Trustee HODOROWICZ to accept the Reading of Communications. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

### **REPORT OF THE COMMITTEES**

None

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

#### **Investment Consultant RFP**

The Executive Director reported that the Investment Consultant RFP has been posted to the Fund's website and that an ad has been placed in Pension & Investments. He noted that responses are due by May 25, 2017.

#### **Biedron v. PEABF**

The Executive Director reported that the next status hearing is scheduled for July 13, 2017.

#### **2017 Trustee Election**

The Executive Director distributed a copy of the previously approved schedule for the Fund's Annual Election of Trustee on Friday, June 23, 2017.

#### **Members' Annual Statements/97<sup>th</sup> Annual Report of the President/Principal Provisions**

The Executive Director reported that Members' Annual Statements including copies of the Fund's Principal Provisions and the 97<sup>th</sup> Annual Report of the President have been mailed.

#### **Redecorating Allowance**

The Executive Director reported that proposals have been received from qualified contractors for the improvements discussed at the last Board meeting and that he is proceeding as approved by the Trustees.

#### **Cyber Liability Insurance**

The Executive Director reported that he is in the process of securing quotes for Cyber Liability Insurance.

#### **Other**

Fiduciary Responsibility and Ethics Training – The Executive Director reported that he is in the process of scheduling a fall Continuing Education Session to be presented by Fund Counsel on Fiduciary Responsibility and Ethics, Securities Litigation, Fiduciary Liability Insurance, and the Importance of Trustee Education.

Securities Litigation Roster – The Executive Director reported that he is in the process of reviewing the Fund's Board approved securities litigation law firm roster.

Chicago Park District Tax Levy – The Executive Director reported that the Fund received the remaining amount of its share of the 2016 tax levy, approximately \$12.2 million, on March 30, 2017.

Statement of Economic Interest – The Executive Director reminded the Trustees that their Statements of Economic Interest are due May 1, 2017, and must be filed on-line.

Conferences – The Executive Director distributed an updated 2017 Conference Schedule to the Trustees and highlighted upcoming local conferences and events.

A motion was made by Secretary AFFOLTER to accept the Report of the Executive Director. Trustee LUX 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 ACTUARY**

None

**REPORT OF THE LOBBYIST**

None

**REPORT OF THE INVESTMENT CONSULTANT**

Mr. Brett Christenson and Mr. Michael Spychalski of Marquette Associates distributed the Preliminary Monthly Update report as of March 31, 2017, 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 noted recent events at Lombardia Capital Partners that had been brought to the attention of the Trustees by email from the Executive Director. The Investment Consultant discussed the situation in detail with the Trustees including utilizing the services of a transition manager.

A motion was made by Trustee HODOROWICZ to terminate Lombardia Capital Partners and engage Northern Trust Investments Transition Services to transfer the assets to the NTGI ACWI Index fund. 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 Vice President GERAGHTY to accept the Report of the Investment Consultant. Trustee LUX 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, Trustee HODOROWICZ moved to adjourn the meeting. Vice President GERAGHTY seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, May 18, 2017**, 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