

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
SCHEDULED REGULAR BOARD MEETING
THURSDAY, SEPTEMBER 15, 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
ROBERT GERAGHTY, Vice President
BRIAN BIGGANE, Trustee

FRANK HODOROWICZ, Trustee
CECILIA PRADO, Trustee

Also Present:

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

Absent:

EDWARD L. AFFOLTER, Secretary
STEVEN J. LUX, Trustee

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, August 18, 2016. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

READING OF COMMUNICATIONS

The Executive Director noted recent FOIA request.

A motion was made by Vice President GERAGHTY to accept the Reading of Communications. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

REPORT OF THE COMMITTEES

None

REPORT OF THE EXECUTIVE DIRECTOR

Biedron v. PEABF

The Executive Director reported that the September 14, 2016 status hearing has been moved to October 14, 2016 because one of the attorneys involved in the case was unable to attend the hearing.

Public Act 099-0683

The Executive Director distributed a copy of Public Act 099-0683 and noted that the Fund complies with the requirements of the Act.

Request to Reschedule October Board Meeting

The Executive Director requested that the Trustees consider moving the rescheduled Regular Board Meeting in October from Thursday, the 27th to Tuesday, the 18th because of a scheduling conflict.

A motion was made by President MUNIZZI to move the rescheduled Regular Board Meeting in October from Thursday, the 27th to Tuesday, the 18th because of a scheduling conflict. Trustee BIGGANE seconded the motion.

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

Other

Office Insurance renewal – The Executive Director reported that the Fund’s office insurance package is up for renewal in October and that he is reviewing the policy with the insurance broker to confirm that the Fund has adequate coverage to cover events such as the damage caused by the recent office flood. He also noted that the office is in the process of securing quotes for cyber liability coverage.

Office flood status – The Executive Director reported that he and Fund Counsel have made considerable progress in their discussions with the building to expedite repairs to the Fund’s office because of the recent flood caused by a leak in the expansion tank attached to the hot water heater in the kitchen.

Fiduciary Responsibility and Ethics Training – The Executive Director noted that a 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 has been scheduled to follow the October 18, 2016 Board meeting.

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

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

Motion carried by the following roll call:

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

REPORT OF THE ATTORNEY

None

REPORT OF THE ACTUARY

None

REPORT OF THE INVESTMENT CONSULTANT

Mr. Michael Spychalski and Mr. Brett Christenson of Marquette Associates distributed the Preliminary Monthly Update report as of August 31, 2016, featuring investment performance, market environment analysis, asset allocation and individual investment manager performance. The Trustees reviewed and discussed the report.

A motion was made by Trustee HODOROWICZ to withdraw \$2 million from Invesco Balanced Risk – Risk Parity and transfer said amount to the Northern Trust Global Investments ACWI ex. US Index Fund to bring both closer to their Board approved target allocations, subject to the cash flow requirements of the Fund. President MUNIZZI seconded the motion.

Motion carried by the following roll call:

YEAS: BIGGANE, GERAGHTY, HODOROWICZ, MUNIZZI,
PRADO

NAYS: None

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

Motion carried by the following roll call:

YEAS: BIGGANE, GERAGHTY, HODOROWICZ, MUNIZZI,
PRADO

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

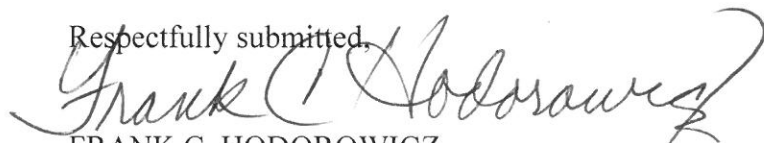
None

ADJOURNMENT

There being no further business, Trustee BIGGANE 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 **Tuesday, October 18, 2016**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27th floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,



FRANK C. HODOROWICZ

Secretary Pro-Tem