

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
SCHEDULED REGULAR BOARD MEETING  
THURSDAY, DECEMBER 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  
EDWARD L. AFFOLTER, Secretary  
BRIAN BIGGANE, Trustee

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

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
JAMES BROSNAHAN, Fund's Lobbyist (entered during the Report of the Executive Director)  
BRETT CHRISTENSON, Marquette Associates

**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, November 17, 2016. Trustee BIGGANE 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**

### **2017 Board Meeting Schedule**

The Executive Director distributed a proposed schedule of Board meeting dates for 2017 for approval by the Trustees and posting to the Fund's website. He noted that the agendas of the meetings will include a format focusing on investments, continuing education, professional services presentations, etc. and on a quarterly basis, meetings will focus on benefits and financial reporting.

A motion was made by Trustee LUX to approve the 2017 Board meeting schedule as presented, to authorize Fund staff to process benefits on a monthly basis ratified by the Board on a quarterly basis and to authorize reporting of financial information. Vice President GERAGHTY seconded the motion.

Motion carried by the following roll call:

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

### **Fiduciaries Diversity Policy/Businesses Diversity Policy**

The Executive Director distributed the Fund's Fiduciaries Diversity and Businesses Diversity Policies. The Trustees reviewed and discussed their support for the policies.

A motion was made by Trustee HODOROWICZ to approve the Fund's Fiduciaries Diversity and Businesses Diversity Policies as presented. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

### **Biedron v. PEABF**

The Executive Director reminded the Trustees that the next status hearing is scheduled for December 21, 2016.

### **Other**

Upcoming events – The Executive Director noted that Fund's current asset allocation will be reviewed with the Fund's investment consultant at either the January or February Board meeting and the Fund will issue an RFP for investment consultant in 2017, which is required every five years by state law.

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 Trustee HODOROWICZ to accept the Report of the Executive Director. Trustee BIGGANE 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 INVESTMENT CONSULTANT**

Mr. Brett Christenson of Marquette Associates distributed the Preliminary Monthly Update report as of November 30, 2016, featuring investment performance, market environment analysis, asset allocation and individual investment manager performance. The Trustees reviewed and discussed the report. Also discussed was a request by HarbourVest Partners, on the Fund's private equity investment managers, to extend the term of the Fund's three HarbourVest Partners investments for an additional two years with a 55% reduction in fees.

A motion was made by Trustee LUX to authorize the Executive Director to execute the necessary documents to extend the term of the Fund's three HarbourVest Partners investments for an additional two years with a 55% reduction in fees. 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 Investment Consultant. 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 LOBBYIST**

Mr. James Brosnahan commented on pension legislation presented to the Illinois Legislature during the fall veto session and the outlook for 2017.

A motion was made by Secretary AFFOLTER to accept the Report of the Lobbyist. Trustee PRADO 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 LUX moved to adjourn the meeting. Trustee HODOROWICZ seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, January 19, 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