

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
SCHEDULED REGULAR BOARD MEETING
THURSDAY, JANUARY 19, 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	FRANK HODOROWICZ, Trustee
ROBERT GERAGHTY, Vice President	STEVEN J. LUX, Trustee
EDWARD L. AFFOLTER, Secretary	CECILIA PRADO, Trustee
BRIAN BIGGANE, Trustee	

Also Present:

DEAN J. NIEDOSPIAL, Executive Director
MICHAEL SPYCHALSKI, 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, December 15, 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

GASB 72 Northern Trust Proposal

The Executive Director presented a proposal from Northern Trust to provide Valuation Support Services to assist in the Fund's asset-level fair value due diligence as required by GASB 72. He also distributed a Valuation and Support Services Agreement. The Trustees reviewed the proposal and the agreement with the Executive Director and the Fund's Investment Consultant.

A motion was made by Trustee LUX to authorize the Executive Director to execute the Northern Trust Valuation and Support Services Agreement to provide Valuation Support Services to assist in the Fund's asset-level fair value due diligence as required by GASB 72 at an annual fee not to exceed \$13,000.00. Trustee PRADO 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 February 8, 2017.

Members' Annual Statements

The Executive Director commented that the STATEMENT OF PARTICIPANT'S CONTRIBUTION AS OF DECEMBER 31, 2016, will be mailed in March and included in the mailing will be the Fund's Principal Provisions and the President's Report, in the same format as the previous year.

Other

Upcoming Events – The Executive Director noted that the Fund's current asset allocation will be reviewed with the Fund's investment consultant at the February Board meeting and that Fund Counsel is in the process of preparing the Fund's RFP for investment consultant in 2017, which is required every five years by state law.

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.

Trustee LUX expressed interest in attending the GFOA 111th Annual Conference, May 21-24, 2017.

A motion was made by Vice President GERAGHTY to authorize Trustee LUX to attend the GFOA 111th Annual Conference, May 21-24, 2017. President MUNIZZI 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 Executive Director. Vice President GERAGHTY 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. Michael Spychalski of Marquette Associates distributed the Preliminary Monthly Update report as of December 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 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

REPORT OF THE LOBBYIST

None

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

There being no further business, Vice President GERAGHTY 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, February 16, 2017** 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,

Edward L. Affolter

EDWARD L. AFFOLTER
Secretary