

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, APRIL 16, 2020

Chicago Park District Headquarters
541 N. Fairbanks Ct., 7th Floor Conference Room
Chicago, Illinois 60611

Meeting chaired by Vice President BIGGANE; all Trustees in person except that both President AFFOLTER and Trustee MUNIZZI participated by telephone. Michael Spychalski of Marquette Associates also participated by telephone.

ROLL CALL

Trustees present:

EDWARD L. AFFOLTER, President
BRIAN BIGGANE, Vice President
FRANK HODOROWICZ, Secretary
MATTHEW DUGGAN, Trustee

STEVEN J. LUX, Trustee
PAMELA A. MUNIZZI, Trustee
CECILIA PRADO, Trustee

Also Present:

DEAN J. NIEDOSPIAL, Executive Director
MIKE SPYCHALSKI, Marquette Associates

MINUTES OF THE LAST MEETING

A motion was made by Secretary HODOROWICZ to approve the minutes of the regular Board meeting held on Thursday, February 20, 2020. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

READING OF COMMUNICATIONS

None

REPORT OF THE COMMITTEES

None

REPORT OF THE EXECUTIVE DIRECTOR

COVID-19 Crisis and Day to Day Operations

The Executive Director reported that the Fund has continued to provide services to its members and annuitants without interruption. The staff of the Fund has been working remotely, although some staff have periodically returned to the Fund office to review mail, process certain payments and complete other miscellaneous duties.

2020 Trustee Election

The Executive Director distributed a copy of the Board approved schedule for the Fund's Annual Election of Trustee for the term ending June 30, 2024 on Friday, June 26, 2020. The Trustees discussed the possibility of Governor Pritzker extending the State's stay-at-home order beyond April 30, 2020.

A motion was made by Vice President BIGGANE to reschedule the Annual Election of Trustee for the term ending June 30, 2024 from Friday, June 26, 2020 to Friday, July 24, 2020, if Governor Pritzker extends the State's stay-at-home order beyond April 30, 2020. Motion was seconded by Trustee PRADO.

Motion carried by the following roll call:

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

Addendum to Investment Policy Guidelines

The Executive Director distributed copies of a proposed Addendum F: Sustainable Investing Principles to the Fund's Investment Policy Guidelines as recommended by Fund Counsel as well as the Fund's Procurement of Investment Consultant and Procurement of Investment Advisers policies, revised by Fund Counsel to include reference to the Illinois Sustainable Investing Act. The Trustees, the Executive Director and the Fund's Investment Consultant reviewed and discussed the documents.

A motion was made by Trustee LUX to adopt the proposed Addendum F: Sustainable Investing Principles to the Fund's Investment Policy Guidelines as recommended by Fund Counsel as well as the Fund's Procurement of Investment Consultant and Procurement of Investment Advisers policies, revised by Fund Counsel to include reference to the Illinois Sustainable Investing Act.

Motion was seconded by Secretary HODOROWICZ.

Motion carried by the following roll call:

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

Member's Annual Statements

The Executive Director distributed for the Trustees review a draft copy of the 100th ANNUAL REPORT of the PRESIDENT and the Fund's Principal Provisions which will be included in the mailing of the STATEMENT OF PARTICIPANT'S CONTRIBUTIONS AS OF DECEMBER 31, 2019. He noted that due to the COVID-19 Crisis, the statements will be mailed later in the year.

Compensation Study

The Executive Director reported that has been in contact with the qualified consulting firms that have submitted proposals to perform a compensation study for the Fund, and advised them that the Board will select a firm and the compensation study will be performed later in the year.

Other

Chicago Park District Tax Levy – The Executive Director reported that on March 24, 2020 the Fund received an advance of its share of the 2019 tax levy from the Chicago Park district in the amount of \$7.5 million.

Upcoming Events - The Executive Director reported that he has received a request from the Senate Pensions Working Group to respond to a questionnaire regarding the impact of COVID-19 on the Fund's day to day operations, state of the Fund's finances, how recent market fluctuations have impacted annual pension payments and etc. The Executive Director noted that the Fund will submit a timely response.

Government Finance Officers Association ("GFOA") Certificate - The Executive Director distributed a copy of the Fund's GFOA Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2018 which was recently received by the Fund.

Statement of Economic Interest - Trustee MUNIZZI reported that the Trustees' Statements of Economic Interest due date has been extended to June 1, 2020 and must be filed on-line.

Conferences - The Executive Director distributed an updated 2020 Conference Schedule to the Trustees and highlighted upcoming local conferences and events.

A motion was made by President AFFOLTER to accept the Report of the Executive Director. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ATTORNEY

None

REPORT OF THE ACTUARY

None

REPORT OF THE INVESTMENT CONSULTANT

The Executive Director, on behalf of Mr. Michael Spsychalski of Marquette Associates, distributed the Preliminary Monthly Update report as of March 31, 2020, 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 discussed the possibility of the Fund issuing an RFP for an opportunistic fixed income investment manager consistent with the Fund's recently approved asset allocation.

A motion was made by Vice President BIGGANE to take Chicago Equity Partners, one of the Fund's fixed income investment managers, off alert status, as recommended by the Investment Consultant, due to improved performance. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

A motion was made by Trustee LUX to authorize issuance of an RFP for an opportunistic investment fixed income investment manager, for a mandate of approximately \$10 million, consistent with the Fund's recently approved asset allocation to be posted by April 30, 2020 with responses due by June 1, 2020. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

A motion was made by Trustee DUGGAN to accept the Report of the Investment Consultant. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, May 21, 2020** at 9:30 A.M. at Chicago Park District Headquarters, 541 N. Fairbanks Ct., 7th Floor Conference Room, Chicago, IL 60611.

Respectfully submitted,



FRANK HODOROWICZ

Secretary