

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, APRIL 18, 2019

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	STEVEN J. LUX, Trustee
FRANK HODOROWICZ, Secretary	CECILIA PRADO, Trustee
MATTHEW DUGGAN, Trustee	

Also Present:

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

Trustees Absent:

EDWARD L. AFFOLTER, Vice President
BRIAN BIGGANE, Trustee

MINUTES OF THE LAST MEETING

A motion was made by Trustee LUX to approve the minutes of the regular Board meeting held on Thursday, March 21, 2019. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

READING OF COMMUNICATIONS

The Executive Director noted recent FOIA requests.

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

Motion carried by the following roll call:

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

REPORT OF THE COMMITTEES

None

REPORT OF THE EXECUTIVE DIRECTOR

2019 Trustee Election

The Executive Director distributed a copy of the previously approved schedule for the Fund's Annual Election of Trustee on Friday, June 28, 2019 as well as a copy of the Fund's revised Election Policy.

Disaster Recovery Plan

The Executive Director distributed a copy of the Fund's most recent Disaster Recovery Plan and noted that it is continuously updated to reflect best practices.

Office Lease

The Executive Director distributed a copy of an email from Fund Counsel regarding the Fund's one-time option to terminate its office lease.

Other

Chicago Park District Tax Levy – The Executive Director reported that the Fund received on April 2, 2019, an additional advance of \$5 million from the 2018 tax levy.

Statement of Economic Interest - The Executive Director reminded the Trustees that their Statements of Economic Interest are due May 1, 2019, and must be filed on-line.

Conferences - The Executive Director distributed a copy of the Board approved 2019 Conference Schedule and highlighted upcoming local conferences and events.

A motion was made by Trustee DUGGAN to accept the Report of the Executive Director. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

YEAS: DUGGAN, 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 March 31, 2019, featuring investment performance, market environment analysis, asset allocation and individual investment manager performance. Mr. Spychalski also distributed a performance attribution report for U.S. Equity investment manager RBC and a U.S. Equity Composite Characteristics/Style report. The reports were reviewed in detail and the Investment Consultant responded to numerous questions raised by the Trustees.

A motion was made by Secretary HODOROWICZ to terminate U.S. Equity investment manager RBC for poor performance. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

A motion was made by Trustee LUX to increase the policy target for U.S. Equity investment manager Ariel Investments from 5% to 8%. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

A motion was made by Trustee LUX to transfer proceeds from the liquidation of investment manager RBC to Ariel Investments to bring them in line with their policy target and the remainder to Northern Trust Global Investments Wilshire 5000 index fund to bring them in line with their policy target. President MUNIZZI seconded the motion.

Motion carried by the following roll call:

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

A motion was made by Secretary HODOROWICZ to appoint The Northern Trust as transition manager to transfer the assets from investment manager RBC to Ariel Investments and Northern Trust Global Investments Wilshire 5000 index fund in accordance with Board direction. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

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

Motion carried by the following roll call:

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

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

There being no further business, Trustee PRADO moved to adjourn the meeting. Trustee DUGGAN seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, May 16, 2019** 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 HODOROWICZ

Secretary