

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, JUNE 17, 2021

The 55 East Monroe Building
55 East Monroe Street, Suite 2720
Chicago, Illinois 60603

President AFFOLTER called the meeting to order at 9:30 A.M.

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
(Participated by telephone)

Trustee absent:

CECILIA PRADO, Trustee

Also Present:

STEVE SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MICHAEL SPYCHALSKI, Marquette Associates
MATTHEW STROM, Segal Company (Left the meeting after the Report of the Actuary)
AMY HAUSMANN, Baker Tilly (Participated by telephone)
JAMES BROSNAHAN, Fund Lobbyist (Participated by telephone)

MINUTES OF THE LAST MEETING

A motion was made by Trustee DUGGAN to approve the minutes of the regular Board meeting held on Thursday, May 20, 2021. Trustee LUX seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by Secretary HODOROWICZ to approve the Executive Session minutes held on Thursday, May 20, 2021. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

READING OF COMMUNICATIONS

The Executive Director noted recent FOIA requests.

REPORT OF THE COMMITTEES

None

REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director provided the Trustees an update on the status of the Fund's search for a new office space and the Information Technology Review that the Fund was conducting, and the consultant conducting the review had recommended two items for action prior to the submission of the final report with both items being acted upon. The Executive Director discussed with the Trustees a proposal the Fund had received from American Eagle to provide website hosting services.

A motion was made by Secretary HODOROWICZ to accept the proposal from American Eagle for website hosting services. Motion was seconded by Vice President BIGGANE.

Motion carried by the following roll call:

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

Next, the Executive Director discussed with the Trustees the response received from Empist to the Fund's Request for Proposal for an Information Technology Managed Service Provider.

A motion was made by Secretary HODOROWICZ to accept the proposal from Empist to provide managed information technology services, pending successful contract negotiations and Fund Counsel review. Motion was seconded by Vice President BIGGANE.

Motion carried by the following roll call:

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

Then, the Executive Director presented the proposed Non-Investment Procurement Policy to the Trustees and informed the Trustees that the policy was recommended by Fund Counsel as a best practice.

A motion was made by Secretary HODOROWICZ to approve the Non-Investment Procurement Policy. Motion was seconded by Trustee DUGGAN.

Motion carried by the following roll call:

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

The Executive Director and Investment Consultant then presented the revised Investment Policy to the Trustees and informed the Board that the Investment Policy had been revised to incorporate the changes to the Fund's Asset Allocation that had been approved at the April 2021 Board meeting and language was included to permit a cash overlay program.

A motion was made by Trustee LUX to approve the Investment Policy. Motion was seconded by Vice President BIGGANE.

Motion carried by the following roll call:

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

Finally, the Executive Director apprised the Trustees of the following; the annuity estimates that had been requested by participants since the May Board meeting, the completed website annuity estimator project, the employer contributions that were expected to be paid by the Chicago Park District in July of 2021, the ballots for the 2021 Trustees Election had been mailed and began arriving on June 7th, the scheduled fiduciary training for the Trustees in July and the updated conference schedule, the Fund's annual report would be submitted to the Illinois Department of Insurance by June 30, 2021, and the Executive Director and the Comptroller had inventoried the Fund's safe deposit box at Northern Trust Bank and ended the lease of the safe deposit box.

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

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

REPORT OF THE AUDITOR

Ms. Amy Hausmann of Baker Tilly, the Fund's Auditor, presented the Fund's Financial Report for the years ended December 31, 2020, and 2019, as well as a report entitled "Reporting and Insights from 2020 audit". Ms. Hausmann reviewed the reports and responded to numerous questions raised by the Trustees via telephone.

A motion was made by Trustee DUGGAN to accept the Report of the Auditor. President AFFOLTER seconded the motion.

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

NAYS: None

REPORT OF THE ACTUARY

Mr. Matthew Strom of the Segal Company, the Fund's Actuary, distributed the Fund's Actuarial Valuation and Review as of December 31, 2020. The valuation was reviewed, and Mr. Strom responded to numerous questions from the Trustees. Mr. Strom also discussed with the Trustees providing an actuarial impact statement regarding House Bill 417 and Mr. Strom would follow-up with an estimated cost.

A motion was made by President AFFOLTER to accept the Report of the Actuary. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ATTORNEY

None

REPORT OF THE LOBBYIST

The Fund's Lobbyist Mr. James Brosnahan provided a report to the Trustees via telephone. Mr. Brosnahan apprised the Board on the status of House Bill 417, which would provide the Fund actuarially based employer contributions and create a third tier of participants. Mr. Brosnahan stated that House Bill 417 had passed both houses of the Illinois Legislature and the Bill had not yet been sent to the Governor for signature.

A motion was made by Secretary HODOROWICZ to accept the Report of the Lobbyist. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE INVESTMENT CONSULTANT

Mr. Michael Spychalski of Marquette Associates, the Fund’s Investment Consultant, distributed the Preliminary Monthly Update report as of May 31, 2021, 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.

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

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

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, July 15, 2021** 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