

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, SEPTEMBER 16, 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
CECILIA PRADO, Trustee

Trustee absent:

PAMELA A. MUNIZZI, Trustee

Also Present:

STEVE SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MICHAEL SPYCHALSKI, Marquette Associates

MINUTES OF THE LAST MEETING

A motion was made by Trustee LUX to approve the minutes of the regular Board meeting held on Thursday, August 19, 2021. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

A motion was made by President AFFOLTER to approve the Executive Session minutes held on Thursday, August 19, 2021. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

The Executive Director informed the Trustees that the Fund's new Information Technology Managed Service Provider, EMPIST, had been completed, transitioning with the current provider on September 1st.

The Executive Director presented a draft of a Records Retention Policy to the Trustees for their review and approval.

A motion was made by Secretary HODOROWICZ to approve the Record Retention Policy as recommended by the Executive Director. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

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

The Executive Director reported to the Trustees on the due diligence performed by the Fund's Staff regarding the proposals received in response to the Fund's Request for Proposal for pension administration systems.

A motion was made by Vice President BIGGANE to accept the proposal received from the Pension Technology Group in response to the Fund's Request for Proposal for pension administration systems as recommended by the Executive Director. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

Finally, the Executive Director apprised the Trustees of the following; the transition of checking to Northern Trust, the letter sent to participants regarding Public Act 102-0263, provided an update on the progress of the review of PEABF Actuarial Funding Policy, the investment consultant RFP, annuity estimates that had been requested by participants since the August Board meeting, advised the Trustees that the Chicago Park District anticipated an estimated \$10 million employer contribution to the Fund in the month of September, informed the Trustees that the Fund' Staff had sent out marriage letters to the

Fund's annuitants and beneficiaries and distributed to the Board the approved 2021 Conference Schedule and highlighted upcoming local conferences, virtual remote conferences, and events.

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

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

NAYS: None

REPORT OF THE AUDITOR

None

REPORT OF THE ACTUARY

None

REPORT OF THE ATTORNEY

None

REPORT OF THE LOBBYIST

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 August 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.

The Investment Consultant presented a written recommendation to the Trustees requesting to rebalance the portfolio based on the asset allocation targets in the Fund's Investment Policy.

A motion was made by Secretary HODOROWICZ to rebalance the portfolio as recommended by the Investment Consultant. Trustee PRADO seconded the motion.

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,
PRADO

NAYS: LUX

The Investment Consultant presented the responses from the Fund's Request for Proposal for cash overlay investment services. The Investment Consultant reported feedback from some potential respondents that the most favored nations provision as a minimum requirement was not offered for this type of investment and preventing them from submitting a response.

A motion was made by Trustee LUX to reopen and extend the time to receive responses to the Cash Overlay RFP and to revise the RFP language, as recommended by the Investment Consultant to eliminate the most favored nations provision as a minimum requirement. Trustee DUGGAN seconded the motion.

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

NAYS: None

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

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

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, October 21, 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