

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, JUNE 15, 2023
3500 S. Morgan Street
Suite 400
Chicago, Illinois 60609

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
CYNTHIA EVANGELISTI, Trustee
STEVE J. LUX, Trustee

Also Present:

STEVE SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MEKETA INVESTMENT GROUP, Fund's Investment Consultant
JOSEPH BURNS AND TAYLOR MUZZY, Fund Counsel
MATTHEW STROM, Fund Actuary
JAMIE WILKEY, Fund Auditor

MINUTES OF THE LAST MEETING

A motion was made by Trustee EVANGELISTI to approve the minutes of the regular Board meeting held on Thursday, May 18, 2023. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

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 presented to the Board a letter from Governmental Business Solutions, the Fund's Trustee Election Monitor, notifying the Trustees that Frank Hodorowicz had been elected by acclamation in the 2023 Trustee election to a four-year term beginning on July 1, 2023.

A motion was made by President AFFOLTER to accept the 2023 election results as submitted by the Fund's Election Monitor. Trustee EVANGELISTI seconded the motion.

Motion carried by the following roll call:

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

The Executive Director presented to the Board an updated version of the Fund's Employee Handbook as revised by the Fund's Legal Counsel and the Executive Director. The Fund's Legal Counsel and the Executive Director discussed with Trustees the necessity for the changes to the Fund's Employee Handbook and answered the questions posed by the Trustees.

A motion was made by Trustee DUGGAN to approve the revised Employee Handbook as recommended by the Executive Director. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

The Executive Director apprised the Trustees of the following; the pension administration project the document digitalization project, the progress of the agreements for securities litigation and portfolio monitoring, the use of the new payroll and time & attendance system for the Fund's Staff, annuity estimates that had been requested by participants since the May Board meeting, updated the Trustees on the number of marriage letters returned by the Fund's annuitants and beneficiaries, updated the Board about contributions received from the Park District and distributed to the Board the approved 2023 Conference Schedule.

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

Motion carried by the following roll call:

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

REPORT OF THE ACTUARY

Mathew Strom of the Segal Company, the Fund's Actuary, distributed the Fund's Actuarial Valuation and Review as of December 31, 2022. The valuation was reviewed, and Mr. Strom responded to the questions from the Trustees.

A motion was made by Trustee LUX to engage the Segal Company to provide the Board a report regarding Tier 2 and Tier 3 benefits and the Social Security Safe Harbor provision. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by Vice President BIGGANE to accept the Fund's Actuarial Valuation and Review as of December 31, 2022 as prepared by the Actuary. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ATTORNEY

The Fund's Legal Counsel updated the Board on collection of the overpayments to beneficiaries of member #61803 and the overpayments of benefits paid to member #2092970.

A motion was made by Secretary HODOROWICZ to accept the Report of the Attorney. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE AUDITORS

Jamie Wilkey of Lauterbach and Amen, the Fund's Auditor, presented the Fund's Financial Report for the years ended December 31, 2022, and December 31, 2021. Ms. Wilkey reviewed the reports with the Trustees and responded to the questions raised by the Trustees.

A motion was made by Trustee DUGGAN to accept the FY 2022 and FY 2021 Financial Report of the Auditors. Trustee EVANGELISTI seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE INVESTMENT CONSULTANT

Alli Wallace-Stone, Ghiane Jones, and Keith Beaudoin, all with the Meketa Investment Group, presented the Preliminary Monthly Update report as of May 31, 2023, featuring investment performance, market environment analysis, asset allocation, and individual investment manager performance. The report was reviewed in detail and the Investment Consultants responded to numerous questions raised by the Trustees.

The Investment Consultants presented a written update on the organizational changes at Mackay Shields and answered the questions posed by the Trustees.

A motion was made by Trustee DUGGAN to place Mackay Shields on the Investment Manager watch list due to concerns raised by the Fund's Investment Consultant about continued significant personnel changes within the Firm in recent years. Trustee EVANGELISTI seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

The Investment Consultants also presented to the Board a portfolio rebalancing plan and implementation timeframe. The Investment Consultants discussed the portfolio rebalancing plan with the Trustees and answered the questions posed by the Trustees.

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE LOBBYIST

A written report was provided to the Trustees.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, July 20, 2023**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 4th floor of the 3500 S. Morgan St., Suite 400, Chicago, Illinois, 60609.

Respectfully submitted,



FRANK HODOROWICZ
Secretary