

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
ANNUAL BOARD MEETING
THURSDAY, JULY 20, 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
MATHEW DUGGAN, Vice President
JOAN COOGAN, Trustee
BRIAN BIGGANE, Trustee
CYNTHIA EVANGELISTI, Trustee

FRANK HODOROWICZ, Secretary
STEVE LUX, Trustee

Also Present:

STEVE SWANSON, Executive Director
MEKETA INVESTMENT GROUP, Fund's Investment Consultant
JACOBS, BURNS, ORLOVE & HERNANDEZ, Fund Counsel
JAMES D. BROSNAHAN, Fund Lobbyist
JOHN REIDY, Pension Technology Group

OATH OF OFFICE FOR THE ELECTED TRUSTEE

Trustee HODOROWICZ presented his written "Oath of Office" which was found to be in the form required by law, whereupon Secretary Pro-Tem DUGGAN certified him Trustee of the Retirement Board for his term.

OATH OF OFFICE FOR APPOINTED TRUSTEES

Trustee COOGAN presented her written "Oath of Office" which was found to be in the form required by law, whereupon Secretary HODOROWICZ certified her Trustee of the Retirement Board for her term.

Trustee LUX presented his written "Oath of Office" which was found to be in the form required by law, whereupon Secretary HODOROWICZ certified him Trustee of the Retirement Board for his term.

REORGANIZATION OF THE BOARD

President AFFOLTER announced that the reorganization of the Board and the election of officers for the ensuing year was the next item of business on the agenda.

ELECTION OF OFFICERS

President

Trustee AFFOLTER announced that nominations for the office of President were open. Trustee HODOROWICZ nominated EDWARD L. AFFOLTER for President of the Retirement Board, and the nomination was seconded by Trustee BIGGANE. There being no further nominations, the nominations were closed, and Trustee AFFOLTER was elected President by the following vote:

Motion carried by the following roll call:

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

NAYS: None

Vice President

President AFFOLTER announced that nominations for the office of Vice President were open. Trustee BIGGANE nominated MATTHEW DUGGAN for Vice President of the Retirement Board, and the nomination was seconded by President AFFOLTER. There being no further nominations, the nominations were closed, and Trustee DUGGAN was elected Vice President by the following vote:

Motion carried by the following roll call:

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

NAYS: None

Secretary

President AFFOLTER announced that nominations for the office of Secretary were open. Vice President DUGGAN nominated FRANK HODOROWICZ for Secretary of the Retirement Board, and President AFFOLTER seconded the nomination. There being no further nominations, the nominations were closed and Trustee HODOROWICZ was elected Secretary by the following vote:

Motion carried by the following roll call:

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

NAYS: None

Secretary Pro-Tem

President AFFOLTER announced that nominations for the office of Secretary Pro-Tem were open. President AFFOLTER nominated BRIAN BIGGANE for Secretary Pro-Tem of the Retirement Board, and the nomination was seconded by Secretary HODOROWICZ. There being no further nominations, the nominations were closed, and Trustee BIGGANE was elected Secretary Pro-Tem by the following vote:

Motion carried by the following roll call:

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

NAYS: None

APPOINTMENT OF COMMITTEES

President AFFOLTER declared the following Committee appointments for the ensuing year:

Investment Committee – Committee of the Whole

Pension Laws and Rules Committee - Committee of the Whole

Personnel Committee (appointed by the President of the Board and approved by the Board) – EDWARD L. AFFOLTER, FRANK HODOROWICZ and STEVEN J. LUX

A motion was made by Secretary HODOROWICZ to accept the Appointment of Committees. Vice President DUGGAN seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

MINUTES OF THE LAST MEETING

A motion was made by Trustee EVANGELISTI to approve the minutes of the regular Board meeting held on Thursday, June 15, 2023. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, COOGAN, 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

John Reidy of the Pension Technology Group provided the Trustees with an update on the progress of the new pension administration system and provided a demonstration of the new system to the Trustees. Mr. Reidy answered the questions posed by the Trustees regarding the new system.

The Executive Director updated the Board on the progress of the document digitalization and inventory project. The Executive Director reported to the Board that the agreements with securities litigation firms approved by the Board have been executed and all of the changes have been reported to the Fund's Custodian Bank.

The Executive Director informed the Trustees that the interviews for the vacant Staff Accountant position had been completed and the Executive Director recommended that Leticia Arellano be offered the Staff Accountant position at a salary of \$68,000 per year. The Executive Director highlighted Ms. Arellano's qualifications listed on her resume and answered the questions posed by the Trustees.

A motion was made by Secretary HODOROWICZ to accept the recommendation of the Executive Director and offer the Staff Accountant position to Leticia Arellano at a salary of \$68,000 per year. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

The Executive Director presented a quote from the Fund's Auditor, Lauterbach & Amen, to perform a review of the employee pension contribution withholdings for a sample size of employees in specific job classifications for a specific period of time. The Executive Director advised the Trustees of the responsibilities of the Fund delineated in the Illinois Pension Code as it relates to employee contributions.

A motion was made by Trustee BIGGANE to accept the quote from Lauterbach & Amen to perform a review of the employee pension contribution withholdings for a sample size of employees in specific job classifications for a specific period of time. Vice President DUGGAN seconded the motion.

Motion carried by the following roll call:

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

Additionally, the Executive Director: distributed to the Trustees documentation of the Fund's real estate and infrastructure investments in the City of Chicago; informed the Trustees of annuity estimates that had been requested by participants since the June Board meeting; updated the Trustees on the number of marriage letters returned by the Fund's annuitants and beneficiaries; informed the Board about pension contributions for two particular members; 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. Vice President DUGGAN seconded the motion.

Motion carried by the following roll call:

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

REPORT OF THE ACTUARY

None

REPORT OF THE ATTORNEY

The Fund's Attorney updated the Board on the status of the contract negotiations with the investment managers selected by the Board to fill the risk mitigating and private credit allocations.

REPORT OF THE AUDITORS

None

REPORT OF THE INVESTMENT CONSULTANT

Ghiane Jones and Keith Beaudoin, with the Meketa Investment Group, presented the Preliminary Monthly Update report as of June 30, 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 then discussed the responses received regarding the Fund's fixed income request for proposals in detail with the Trustees and answered the questions posed by the Trustees.

The Investment Consultants then discussed with the Trustees the options of the unlevered, one times levered, or two times levered private credits products offered by Jefferies. Jefferies had been selected by the Board to fill a portion of the private credit mandate at the May 18, 2023 Board meeting. The Trustees discussed the options in detail with the Investment Consultants and the Investment Consultants answered the questions posed by the Trustees.

A motion was made by Trustee LUX to select the one times levered Jefferies private credit product as recommended by the Fund's Investment Consultant. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

Trustee COOGAN abstained from voting on the question due to the fact that she was not a Trustee of the Fund when the initial selection of the investment manager was made.

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

Motion carried by the following roll call:

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

REPORT OF THE LOBBYIST

The Fund's Lobbyist updated the Board on the status of the Fund's legislative initiative House Bill 2057, which is awaiting the signature of the Governor. Also, The Fund's Lobbyist updated the Board on the status of a bill involving the Cook County Pension Fund, House Bill 2352. The Fund's Lobbyist answered the questions posed by Trustees as the Trustees discussed the aforementioned legislation.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, August 17, 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