

**RECORD OF PROCEEDINGS of the
RETIREMENT BOARD (the “Board”) of the
PARK EMPLOYEES’ ANNUITY AND BENEFIT FUND OF CHICAGO (the “Fund”)
REGULAR BOARD MEETING
THURSDAY, SEPTEMBER 21, 2023**

A regular meeting of the Board was held on Thursday, September 21, 2023 at 9:30 a.m. in the Judith A. Flaherty Conference Room on the 4th Floor located at 3500 South Morgan Street, Suite 400, Chicago, Illinois 60609, pursuant to notice.

CALL TO ORDER: The meeting was called to order at 9:31 a.m.

ROLL CALL:

PRESENT: President Edward L. Affolter, Vice President Matthew Duggan, Secretary Frank Hodorowicz, Trustees Joan Coogan (*arrived at 9:32 a.m.*) and Steven J. Lux

ABSENT: Trustees Brian Biggane and Cynthia Evangelisti

ALSO PRESENT: Executive Director Steve Swanson and Comptroller Jaime L. McCabe, Park Employees’ Annuity and Benefit Fund of Chicago; Attorney Taylor Muzzy, Jacobs, Burns, Orlove & Hernandez; Ghiane Jones, Meketa Investment Group; Molly Weslow, Lauterbach & Amen, LLP (L&A); Jeffrey Detwiler and Yvette Duenas, Garcia Hamilton & Associates (*arrived at 10:25 a.m.*); Jason Parks, Adam Phillips and Richard Deary, Loop Capital (*arrived at 11:07 a.m.*); Levoyd Robinson and Jabari Porter, CFI Partners (*arrived at 11:54 a.m.*)

APPROVAL OF MEETING MINUTES: *August 17, 2023 Regular Meeting:* The Board reviewed the August 17, 2023 regular meeting minutes. A motion was made by Trustee Lux and seconded by Vice President Duggan to approve the August 17, 2023 regular meeting minutes as written. Motion carried unanimously by voice vote.

Trustee Coogan arrived at 9:32 a.m.

READING OF COMMUNICATIONS: Executive Director Swanson noted the recent communications received by the Board. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to accept the reading of communications. Motion carried unanimously by voice vote.

REPORT OF THE COMMITTEES: No report of the committees was presented.

OTHER REPORTS – EXECUTIVE DIRECTOR: *Pension Administration System:* Executive Director Swanson gave a status update on the pension administration system through Pension Technology Group as well as the different features to be utilized by members of the Fund. He noted that the first test of the system would take place shortly and implementation of the system would potentially take place in November 2023.

Document Digitalization and Records Inventory Project: Executive Director Swanson reviewed the current status of the records inventory project conducted by L&A with the Board. He noted that inventory of the records has been scheduled for October 2, 2023.

Actuarial Experience Study: The Board reviewed the proposal for an actuarial experience study provided by Segal. A motion was made by Vice President Duggan and seconded by Secretary Hodorowicz to engage Segal for the actuarial experience study in the amount of \$23,750. Motion carried by roll call vote.

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AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Coogan and Lux
NAYS: None
ABSENT: Trustees Biggane and Evangelisti

1099 Filing and Distribution Quote: The Board reviewed the L&A 1099 filing and distribution engagement letter. A motion was made by Vice President Duggan and seconded by Secretary Hodorowicz to engage L&A in the amount of \$8,500 for the calendar year 2023. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Coogan and Lux
NAYS: None
ABSENT: Trustees Biggane and Evangelisti

Cyber Liability Insurance: Executive Director Swanson updated the Board on the status of the cyber liability insurance renewal. He noted that a quote has not been received yet and that the current policy expires on October 24, 2023. Further discussion will be held at the next regular meeting.

Staff Accountant Position: Executive Director Swanson updated the Board on the status of the hiring process for the staff accountant position and reviewed with the Board the letter provided by L&A regarding its ability to independently provide hourly accounting assistance to a client for which it performs audit services.

Employee Contribution Review: Executive Director Swanson updated the Board on the employee contribution review being conducted by L&A. He noted that a report will be drafted shortly subsequent to the completion of the review. Updates will be provided to the Board as they become available.

Annuity Estimates: Executive Director Swanson noted that the annuity estimates were available for the Board to review in the meeting packet.

Marriage Letters: Executive Director Swanson noted that no marriage letters have been received since the last Board meeting.

Trustee Fiduciary Training: The Board was provided with upcoming training opportunities to fulfill the required 8-hour mandatory trustee training.

Nars Bernardo Resolution: The Board recited the resolution for the retirement of Nars Bernardo and congratulated her on her upcoming retirement.

A motion was made by Secretary Hodorowicz and seconded by President Affolter to accept the Executive Director's Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS – ATTORNEY: *Systematic Trend Following Strategies and Diversified Private Credit – Contracting Update and Discussion:* Attorney Muzzy apprised the Board of the current status of contract negotiations with the selected managers for the mandates for systematic trend following strategies and diversified private credit. He noted that negotiations over the side letters are still in process and discussed the provisions that are at issue. All questions were answered by Attorney Muzzy. No further action is needed at this time.

Attorney Muzzy also apprised the Board of the current status of the legal issues surrounding member #6-11930. He noted that the member has applied to receive an annuity from the Fund, effective August 1, 2023,

which will be on the agenda for the Board's approval at the November meeting. Attorney Muzzy stated that, based on his review of the facts, there is nothing to suggest that the member engaged in conduct that would make him ineligible to receive benefits under Section 12-191 of the Pension Code. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to accept the Attorney's Report as presented. Motion carried unanimously by voice vote.

The Board took a brief recess at 10:25 a.m.

Mr. Detweiler and Ms. Duenas arrived at 10:25 a.m.

The Board reconvened at 10:33 a.m.

INVESTMENTS: *Fixed Income Manager Finalist Presentations – Garcia Hamilton – 10:00 a.m.:* Mr. Detwiler and Ms. Duenas presented the proposal from Garcia Hamilton & Associates for fixed income manager services to the Board. All questions were answered by Mr. Detwiler and Ms. Duenas.

Mr. Detweiler and Ms. Duenas left the meeting at 11:06 a.m.

Mr. Parks, Mr. Phillips and Mr. Deary arrived at 11:07 a.m.

Loop Capital – 10:30 a.m.: Mr. Parks, Mr. Phillips and Mr. Deary presented the proposal from Loop Capital for fixed income manager services to the Board. All questions were answered by Mr. Parks, Mr. Phillips and Mr. Deary.

Mr. Parks, Mr. Phillips and Mr. Deary left the meeting at 11:54 a.m.

Mr. Robinson and Mr. Porter arrived at 11:54 a.m.

CFI Partners – 11:00 a.m.: Mr. Robinson and Mr. Porter presented the proposal from CFI Partners for fixed income manager services to the Board. All questions were answered by Mr. Robinson and Mr. Porter.

Mr. Robinson and Mr. Porter left the meeting at 12:26 p.m.

The Board took a brief recess at 12:28 p.m. and reconvened at 12:34 p.m.

The Board discussed the fixed income manager proposals received by Garcia Hamilton & Associates, Loop Capital and CFI Partners. A motion was made by Trustee Coogan and seconded by Secretary Hodorowicz to retain Garcia Hamilton & Associates and Loop Capital as fixed income investment managers in the following capacity: 100% of the Long-Term Government Bonds mandate, 100% of the TIPS mandate and 50% of the Core mandate to Garcia Hamilton & Associates; and 100% of the Short-Term Duration mandate and 50% of the Core mandate to Loop Capital, with the funds being allocated from Mackay Shields and LM Capital for both. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Coogan and Lux

NAYS: None

ABSENT: Trustees Biggane and Evangelisti

August Performance Update: Ms. Jones reviewed with the Board the Interim Performance Report as of August 31, 2023, which consisted of the investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Jones.

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Economic and Market Update: Ms. Jones apprised the Board of the current status of the market.

A motion was made by Vice President Duggan and seconded by Trustee Lux to accept the Investment Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS (CONTINUED) – LOBBYIST: The Board was provided with the report from the Fund Lobbyist for their review. A motion was made by Vice President Duggan and seconded by Secretary Hodorowicz to accept the Lobbyist's Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS – OTHERS: There were no other reports presented.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: There was no new business to discuss.

PUBLIC COMMENT: There was no public comment.

ADJOURNMENT: A motion was made by Secretary Hodorowicz and seconded by President Affolter to adjourn the meeting at 12:54 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 19, 2023, at 9:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Molly Weslow, Pension Services Administrator, Lauterbach & Amen, LLP

**THE RETIREMENT BOARD
OF THE
PARK EMPLOYEES' ANNUITY AND BENEFIT FUND (the "Fund")
CITY OF CHICAGO**

RESOLUTION

WHEREAS our dear friend Narcisa Bernardo was hired as an employee of this Fund in 2010 and served until 2023; and

WHEREAS, during her tenure as an employee of the Fund, Nars has served as the Bookkeeper & Administrative Assistant for the Fund and her dedication to the Fund in the course of her duties was greatly appreciated; and

WHEREAS, during her 13 years as a member of the staff, Nars has been a true asset to the Fund in many ways and has served with distinction and dedication, always mindful of the best interests of the Fund and its members; and

WHEREAS the Fund and everyone associated with the Fund wishes to honor Nars and acknowledge the benefits the Fund has enjoyed because of Nars' hard work, her devotion to the interests of the Fund and her incredible egg rolls.

NOW THEREFORE BE IT RESOLVED; that based on Nars' significant contribution and her loyalty to the Fund, each Officer, Trustee and Employee of the Fund, acknowledge and extend to Narcisa Bernardo their grateful appreciation for her long-devoted service and sincere wishes for long and healthy retirement.

Let this resolution be entered upon the records of the Fund and presented to Nars on this 21st day of September Two Thousand Twenty-Three.

Edward L. Affolter	President	Cynthia Evangelisti	Trustee
Matthew Duggan	Vice President	Steven J. Lux	Trustee
Frank Hodorowicz	Secretary	Joan Coogan	Trustee
Brian Biggane	Trustee		