

**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, MARCH 21, 2024**

A regular meeting of the Board was held on Thursday, March 21, 2024, 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 9:30 a.m.

ROLL CALL:

PRESENT: President Edward L. Affolter (*arrived at 9:43 a.m.*), Vice President Matthew Duggan, Secretary Frank Hodorowicz, Trustees Brian Biggane, Joan Coogan, Cynthia Evangelisti and Steven J. Lux

ABSENT: None

ALSO PRESENT: Executive Director Steve Swanson and Comptroller Jaime L. McCabe, Park Employees’ Annuity and Benefit Fund of Chicago; Alli Wallace Stone, Meketa Investment Group; Molly Barker, Lauterbach & Amen, LLP (L&A); Michael Wagner and Guy Lakonishok, LSV (*arrived at 10:30 a.m.*); James and Vivian Lin Thurston, William Blair (*arrived at 10:57 a.m.*); Chris Hovis and Jeffrey Jackson, EARNEST Partners (*arrived at 11:26 a.m.*); Chris Covington and Geoff Skillings, Acadian (*arrived at 11:59 a.m.*)

APPROVAL OF MEETING MINUTES: *February 15, 2024 Regular Meeting:* The Board reviewed the February 15, 2024 regular meeting minutes. A motion was made by Secretary Hodorowicz and seconded by Trustee Lux to approve the February 15, 2024 regular meeting minutes as written. Motion carried by voice vote with Trustee Coogan abstaining.

READING OF COMMUNICATIONS: Executive Director Swanson noted the recent communications received by the Board.

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. He noted that they are planning to go live with the annuitant payment feature sometime in mid-September with other features going live later in the year. He also noted that there was a meeting held on March 19th to discuss any updates on the progress of the system.

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 stated that IT will be getting involved in the project and will be taking inventory of records that have not been identified yet. He noted that the application for disposal with the state archivist will be updated to reflect the remaining records once they are identified.

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2024 Trustee Election: Executive Director Swanson noted that the election schedule was available for the Board to review in the meeting packet and that Rubi Quijano will serve as the election coordinator for this year. Further discussion will be held at the next regular meeting.

Audit/Actuarial Valuation Update: Executive Director Swanson stated that both the final audit report and the final actuarial valuation are still in process and will be available at the regular meeting on June 20, 2024.

Employee Contribution Review: Executive Director Swanson discussed the employee contribution report with the Board. He noted that they received a draft of the report on November 14, 2023 and held a meeting with the auditors to discuss the findings. He also noted that there is a meeting scheduled with the Park District staff on March 28, 2024 to discuss the discrepancies found. 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.

President Affolter arrived at 9:43 a.m.

IPPFA/PEABF Retirement Guide: Executive Director Swanson gave a status update on the IPPFA/PEABF retirement guide booklets. He noted that the booklet would come from IPPFA directly, who would front the initial cost of creating the booklets. He stated that the Fund would then be responsible for the cost of the booklets they would like to purchase from IPPFA for any members who are interested, which would come out to around \$7 to \$8 per booklet. Executive Director Swanson also noted that the draft of the section regarding benefits for Park District employees has been created and will be reviewed by himself, Comptroller McCabe and Benefits Manager Erik Hernandez. Updates will be provided to the Board as they become available.

Revised Travel Policy: Executive Director Swanson noted that the revised Board travel policy was available for review in the meeting packet. He stated that the policy has not been updated since 2015 and the revisions will include several additions such as ridesharing expenses, waiving the limitation of trustees to three educational seminars per year and the elimination of travel expense advances. He also noted that the revised policy has been reviewed and approved by legal counsel. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to approve the revised travel policy as prepared. Motion carried unanimously by voice vote.

CPD Contributions: Executive Director Swanson noted that the Fund currently has around \$5 million in cash on hand and will receive \$25 million from the Park District by the end of March.

Trustee Ethics Statement Filing: Executive Director Swanson discussed the upcoming trustee ethics filing statement which is due by May 1, 2024.

Trustee Fiduciary Training: Executive Director Swanson discussed the conference schedule for 2024 for trustee training.

Executive Director Swanson also discussed the employee handbook with the Board and noted that a revised copy will be available in April which will include new legal updates.

Executive Director Swanson also discussed the employee healthcare contributions with the Board, as well as the 15% contribution amount. Further discussion will be held at the next regular meeting.

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

OTHER REPORTS – ATTORNEY: No report of the Attorney was presented.

OTHER REPORTS – 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 President Affolter to accept the Lobbyist's Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS – OTHERS: No other reports were presented.

INVESTMENTS: *Economic and Market Update as of February 29, 2024:* Ms. Wallace Stone apprised the Board of the current status of the market.

Performance Update as of February 29, 2024: Ms. Wallace Stone reviewed with the Board the Interim Performance Report as of February 29, 2024, which consisted of the investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Wallace Stone.

Mr. Wagner and Mr. Lakonishok arrived at 10:30 a.m.

Emerging Market Equity Finalist Presentations – LSV: Mr. Wagner and Mr. Lakonishok presented the proposal from LSV for emerging market equity services to the Board. All questions were answered by Mr. Wagner and Mr. Lakonishok.

Mr. Wagner and Mr. Lakonishok left the meeting at 10:54 a.m.

Mr. Dominguez and Ms. Lin Thurston arrived at 10:57 a.m.

William Blair: Mr. Dominguez and Ms. Lin Thurston presented the proposal from William Blair for emerging market equity services to the Board. All questions were answered by Mr. Dominguez and Ms. Lin Thurston.

Mr. Dominguez and Ms. Lin Thurston left the meeting at 11:26 a.m.

Mr. Hovis and Mr. Jackson arrived at 11:26 a.m.

EARNEST: Mr. Hovis and Mr. Jackson presented the proposal from EARNEST Partners for emerging market equity services to the Board. All questions were answered by Mr. Hovis and Mr. Jackson.

Mr. Hovis and Mr. Jackson left the meeting at 11:58 a.m.

Mr. Covington and Mr. Skillings arrived at 11:59 a.m.

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Acadian: Mr. Covington and Mr. Skillings presented the proposal from Acadian for emerging market equity services to the Board. All questions were answered by Mr. Covington and Mr. Skillings.

Mr. Covington and Mr. Skillings left the meeting at 12:27 p.m.

The Board took a brief recess at 12:28 p.m. and reconvened at 12:42 p.m.

The Board discussed the emerging market equity proposals received by EARNEST Partners, LSV, William Blair and Acadian with the Fund's Investment Consultant and answered the questions posed by the Trustees. A motion was made by Vice President Duggan and seconded by Trustee Biggane to retain LSV and William Blair as the emerging market equity investment managers, subject to contract negotiations by the Fund's Attorney. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

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

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 President Affolter and seconded by Trustee Evangelisti to adjourn the meeting at 12:57 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for April 18, 2024, at 9:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Molly Barker, Professional Services Administrator, Lauterbach & Amen, LLP