

**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, JULY 18, 2024**

A regular meeting of the Board was held on Thursday, July 18, 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 9:33 a.m.

ROLL CALL:

PRESENT: President Edward L. Affolter, Vice President Matthew Duggan, Secretary Frank Hodorowicz, Trustees Brian Biggane, Joan Coogan and Cynthia Evangelisti

ABSENT: Trustee Steven J. Lux

ALSO PRESENT: Executive Director Steve Swanson, Comptroller Jaime L. McCabe and Fund Lobbyist James Brosnahan, Park Employees’ Annuity and Benefit Fund of Chicago; Attorneys Joseph Burns and Taylor Muzzy, Jacobs, Burns, Orlove & Henandez; Alli Wallace Stone (*via videoconference*), Meketa Investment Group; Molly Barker, Lauterbach & Amen, LLP (L&A)

REORGANIZATION OF THE BOARD: *Oath of Office of Cynthia Evangelisti for a term ending June 30, 2027:* Trustee Evangelisti presented her written “Oath of Office” which was found to be in the form required by law.

Oath of Office of Brian Biggane for a term ending June 30, 2028: Trustee Biggane presented his written “Oath of Office” which was found to be in the form required by law.

ELECTION OF OFFICERS: *Temporary Chairman and Temporary Secretary:* This item was not discussed.

Secretary: The Board discussed the office of Secretary. A motion was made by Trustee Biggane and seconded by Vice President Duggan to elect Trustee Hodorowicz as the Board Secretary. Motion carried unanimously by voice vote.

Vice President: The Board discussed the office of Vice President. A motion was made by Secretary Hodorowicz and seconded by Trustee Biggane to elect Trustee Duggan as the Board Vice President. Motion carried unanimously by voice vote.

President: The Board discussed the office of President. A motion was made by Vice President Duggan and seconded by Trustee Coogan to elect Trustee Affolter as the Board President. Motion carried unanimously by voice vote.

Secretary Pro-Tem: The Board discussed the office of Secretary Pro-Tem. A motion was made by President Affolter and seconded by Vice President Duggan to elect Trustee Biggane as the Board Secretary Pro-Tem. Motion carried unanimously by voice vote.

INVESTMENTS: *Economic and Market Update as of June 30, 2024:* Ms. Wallace Stone apprised the Board of the current status of the market.

Performance Update as of June 30, 2024: Ms. Wallace Stone reviewed with the Board the Interim Performance Report as of June 30, 2024, which consisted of the investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Wallace Stone.

Verbal Update on International Developed Market Equity Search: Ms. Wallace Stone updated the Board on the respondents to the International Developed Market Equity RFP. Further discussion will be held at the next regular meeting.

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

APPOINTMENT OF COMMITTEES: *Investment Committee (Committee of the Whole):* The Board noted that the Investment Committee is a Committee of the Whole.

Pension Laws and Rules Committee (Committee of the Whole): The Board noted that the Pension Laws and Rules Committee is a Committee of the Whole.

Personnel Committee (Appointed by the President and Approved by the Board): The Board discussed the Personnel Committee. A motion was made by Vice President Duggan and seconded by Trustee Evangelisti to accept the appointment of President Affolter, Secretary Hodorowicz and Trustee Coogan to the Personnel Committee. Motion carried unanimously by voice vote.

Special Committees (Appointed by the President): The Board noted that any Special Committees are appointed as needed. No action was taken at this time.

APPROVAL OF MEETING MINUTES: *June 20, 2024 Regular Meeting:* The Board reviewed the June 20, 2024 regular meeting minutes. A motion was made by Trustee Evangelisti and seconded by Trustee Coogan to approve the June 20, 2024 regular meeting minutes as written. Motion carried unanimously by voice vote.

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 – LOBBYIST: Mr. Brosnahan presented the Lobbyist's Report to the Board. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to accept the Lobbyist's Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS – ATTORNEY: *Walton Matter:* Attorney Muzzy informed the Board that an appeal was made for an administrative hearing from the purported surviving spouse of member #6-11720 who was denied a spousal annuity benefit at the last regular meeting. He noted that a notice of administrative hearing will be sent to the purported surviving spouse and it will be scheduled to take place during the regular meeting on August 15, 2024. A motion was made by Trustee Biggane and seconded by Secretary Hodorowicz to schedule the administrative hearing for August 15, 2024 as discussed. Motion carried unanimously by voice vote.

Takaki Matter: Attorney Muzzy apprised the Board that no response has been received to date from Michael Takaki regarding his amended over-payment repayment schedule. A motion was made by Trustee Biggane and seconded by President Affolter to authorize Executive Director Swanson to authorize Fund Counsel to take legal action to enforce the promissory note that Mr. Takaki executed, contingent on there being no response from him by July 25, 2024. Motion carried unanimously by voice vote.

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

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 demonstrations of the payroll feature of the system have been completed for the staff and there have been issues that have arisen which are being addressed. Executive Director Swanson noted that the Fund will have to re-engage with Northern Trust to get the system fully functional and there will likely be a delay due to staffing shortages on their end. He noted that they will continue to build other features of the system to be rolled out soon. Updates will be provided at the next regular meeting.

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 is still in process and the next set of records boxes will be requested sometime during third quarter. Updates will be provided at the next regular meeting.

Mr. Brosnahan left the meeting at 10:29 a.m.

Employee Handbook Update: Executive Director Swanson provided a copy of the updated employee handbook to the Board for review and noted the updates ensure compliance with recent enacted City and State laws. A motion was made by Trustee Coogan and seconded by President Affolter to adopt the updated employee handbook as prepared. Motion carried unanimously by voice vote.

Employee Contribution Review: Executive Director Swanson gave a status update on the revised payroll reporting process and noted that there are still issues which are currently being resolved. Further discussion will be held at the next regular meeting.

Annuity Estimates: This item was not discussed.

Marriage Letters: Executive Director Swanson informed the Board that to date there are 10 pensioners who have not completed the necessary eligibility verification and benefit payments are currently being withheld for the outstanding pensioners pending completion of the verification. Further discussion will be held at the next regular meeting.

Reciprocal System Data Sharing Upgrade: This item was not discussed.

IPPFA/PEABF Retirement Guide: Executive Director Swanson provided the Board with the order form for the IPPFA/PEABF retirement guide and noted that the Fund has a budget of \$3,550 for an initial purchase of 500 copies of the guide to be distributed to Fund participants at designated events.

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CPD Contributions: Executive Director Swanson informed the Board that the Fund received a contribution of \$7,500,000 in July 2024 and will be receiving an additional \$10,500,000 by the end of calendar year 2024. He also noted that there is sufficient cash available to cover August 2024 benefit payments.

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

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

OTHER REPORTS – OTHERS: No other reports were 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 Trustee Coogan and seconded by Trustee Evangelisti to adjourn the meeting at 10:39 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for August 15, 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