

**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 19, 2024**

A regular meeting of the Board was held on Thursday, September 19, 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, 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 Benefits Processor Francesca Fratto (*arrived at 10:00 a.m.*), Park Employees’ Annuity and Benefit Fund of Chicago; Attorney Taylor Muzzy, Jacobs, Burns, Orlove & Hernandez; Alli Wallace Stone and Hayley Tran, Meketa Investment Group; Molly Barker, Lauterbach & Amen, LLP (L&A); Audrey Alozie El (*arrived at 10:00 a.m. via videoconference*), Member of the Public; Attorneys Marisa DeMato and Rachel Avan (*arrived at 10:52 a.m. via videoconference*), Saxena White; Laura Cohen and Tom Clancy (*arrived at 11:55 a.m.*), PineStone Asset Management; Nick Rawdon-Jones (*arrived at 12:18 p.m.*), C Worldwide Asset Management; Colin McGeehin (*arrived at 12:35 p.m. via videoconference*), Causeway Capital Management

APPROVAL OF MEETING MINUTES: *August 15, 2024 Regular Meeting:* The Board reviewed the August 15, 2024 regular meeting minutes. A motion was made by Secretary Hodorowicz and seconded by Trustee Evangelisti to approve the August 15, 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 – EXECUTIVE DIRECTOR: *Pension Administration System:* Executive Director Swanson gave a status update on the pension administration system through Pension Technology Group. He noted that payroll testing is ongoing, and they are continuing to move forward with validation testing. Executive Director Swanson noted that Northern Trust will be engaged to begin testing check printing once they have sufficient staff to do so. He also noted that the live payroll aspect of the system is expected to be ready in February 2025. Updates will be provided as they become available.

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 the SharePoint site

for the project has been created for uploading necessary documents and that documents will also be uploaded into DocuWare by Impact. Updates will be provided as they become available.

Employee Contribution Review: Executive Director Swanson also noted that L&A has completed their work with the project and the invoice for their services will be paid by the Fund.

Annuity Estimates: Executive Director Swanson noted that the annuity estimates were included with the meeting materials for the Board's review.

Marriage Letters: Executive Director Swanson informed the Board that to date there are still some pensioners whose benefit payments are being withheld as a result of not completing the necessary eligibility verification. Further discussion will be held at the next regular meeting.

Segal Contract Extension: Executive Director Swanson provided the Board with the three-year contract extension proposal from Segal. A motion was made by Secretary Hodorowicz and seconded by President Affolter to accept to contract extension and fees proposed by Segal including the completion of the experience study. Motion carried by roll call vote.

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

Cyber Liability Insurance: Executive Director Swanson informed the Board that a quote for the cyber liability insurance renewal will be ready for review at the next regular meeting.

CPD Contributions: Executive Director Swanson informed the Board that the Fund will be receiving an additional \$9,100,000 by the end of calendar year 2024. Executive Director Swanson also provided the Board with a contribution worksheet noting that there will be a cash shortfall towards the end of 2024 and noted that cash will need to be drawn from the Fund's current assets in order to fund benefit payments. Further discussion will be held at the next regular meeting.

Trustee Fiduciary Training: This item was not discussed.

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

OTHER REPORTS – ATTORNEY: *Takaki Overpayment Update:* Attorney Muzzy apprised the Board that the checks received by Michael Takaki for his overpayment plan did not clear and that he has not been able to get in touch with him. Further discussion will be held at the next regular meeting.

Ms. Alozie El arrived at 10:00 a.m. via videoconference

Ms. Fratto arrived at 10:00 a.m.

Walton Administrative Hearing: The Board conducted an administrative hearing on the application for a surviving spousal annuity for Ms. Alozie El. Ms. Alozie El and Ms. Fratto were sworn in and provided testimony pertaining to the annuity application.

Ms. Alozie El, Ms. Fratto, Ms. Wallace Stone and Ms. Tran left the meeting at 10:35 a.m.

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A motion was made by Trustee Coogan and seconded by Trustee Evangelisti to enter into executive session under Section 2(c)(4) of the Open Meetings Act at 10:35 a.m. Motion carried by roll call vote.

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

A motion was made by President Affolter and seconded by Trustee Coogan to adjourn executive session and re-enter the regular meeting at 10:44 a.m. Motion carried by roll call vote.

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

Open session resumed at 10:44 a.m.

The Board directed Attorney Muzzy to prepare a draft Decision for the Board to review at the next regular meeting.

DXC Technology Securities Litigation Matter: Attorney Muzzy gave the Board an overview of the securities litigation involving DXC Technology Company.

Attorneys DeMato and Avan arrived at 10:52 a.m. via videoconference

A motion was made by Trustee Coogan and seconded by Trustee Evangelisti to enter into executive session under Section 2(c)(11) of the Open Meetings Act at 10:54 a.m. to discuss pending litigation involving DXC Technology Company. Motion carried by roll call vote.

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

A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to adjourn executive session and re-enter the regular meeting at 11:34 a.m. Motion carried by roll call vote.

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

Open session resumed at 11:34 a.m.

A motion was made by President Affolter and seconded by Vice President Duggan to authorize Saxena White to file a motion on the Fund's behalf for lead plaintiff appointment in the DXC securities litigation matter. Motion carried by roll call vote.

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

The Board took a brief recess at 11:35 a.m. and resumed at 11:45 a.m.

Ms. Wallace Stone and Ms. Tran rejoined the meeting at 11:39 a.m.

INVESTMENTS: *Economic and Market Update as of August 31, 2024:* This item was not discussed.

Performance Update as of August 31, 2024: Ms. Wallace Stone reviewed with the Board the Interim Performance Report as of August 31, 2024, which consisted of the investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Wallace Stone.

Ms. Wallace Stone provided the Board with additional information requested by the Trustees on the performance of the Fund's domestic equity allocation. Ms. Wallace Stone discussed potential changes to allocation that the Board may want to consider in the future and answered all of the questions posed by the Trustees.

Ms. Cohen and Mr. Clancy arrived at 11:55 a.m.

International Developed Market Equity Manager Presentations – PineStone International Equity: Ms. Cohen and Mr. Clancy presented the proposal from PineStone Asset Management for international developed market equity services to the Board. All questions were answered by Ms. Cohen and Mr. Clancy.

Ms. Cohen and Mr. Clancy left the meeting at 12:17 p.m.

Mr. Rawdon-Jones arrived at 12:18 p.m.

C Worldwide Asset Management: Mr. Rawdon-Jones presented the proposal from C Worldwide Asset Management for international developed market equity services to the Board. All questions were answered by Mr. Rawdon-Jones.

Mr. Rawdon-Jones left the meeting at 12:34 p.m.

Mr. McGeehin arrived at 12:35 p.m. via videoconference

Causeway Capital Management: Mr. McGeehin presented the proposal from Causeway Capital Management for international developed market equity services to the Board. All questions were answered by Mr. McGeehin.

Mr. McGeehin left the meeting at 12:49 p.m.

The Board discussed the international developed market equity proposals received by PineStone Asset Management, C Worldwide Asset Management and Causeway Capital Management with the Fund's Investment Consultant and she answered the questions posed by the Trustees. A motion was made by Secretary Hodorowicz and seconded by Trustee Coogan to retain PineStone Asset Management as the international developed market equity investment manager as recommended by the Fund's Investment Consultant, 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 and Evangelisti

NAYS: None

ABSENT: Trustee Lux

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

APPROVAL OF MEETING MINUTES (CONTINUED): *August 15, 2024 Executive Session:* The Board reviewed the August 15, 2024 executive session minutes. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to approve the August 15, 2024 executive session minutes as written. Motion carried unanimously by voice vote.

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

OTHER REPORTS – LOBBYIST: The Board was provided with the report from the Fund Lobbyist for their review.

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 1:11 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for October 17, 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