

**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, OCTOBER 16, 2025**

A regular meeting of the Board was held on Thursday, October 16, 2025, at 9:30 a.m. in the Judith A. Flaherty Conference Room on the 4<sup>th</sup> 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 (*arrived at 10:02 a.m.*), Secretary Frank Hodorowicz, Trustees Brian Biggane, Joan Coogan, Cynthia Evangelisti and Jeffrey Shellhorn

**ABSENT:** None

**ALSO PRESENT:** Executive Director Steve Swanson and Comptroller Jaime McCabe, Park Employees’ Annuity and Benefit Fund of Chicago; Attorneys Taylor Muzzy and Charles Burns, Jacobs, Burns, Orlove & Hernandez; Alli Wallace Stone and Adam Toczykowski (*arrived at 10:35 a.m. via videoconference*), Meketa Investment Group; Molly Barker, Lauterbach & Amen (L&A)

**APPROVAL OF MEETING MINUTES:** *September 18, 2025 Regular Meeting:* The Board reviewed the September 18, 2025 regular meeting minutes. A motion was made by Secretary Hodorowicz and seconded by President Affolter to approve the September 18, 2025 regular meeting minutes, as written. Motion carried unanimously by voice vote.

*September 18, 2025 Executive Session:* The Board reviewed the September 18, 2025 executive session meeting minutes. A motion was made by Trustee Biggane and seconded by Trustee Evangelisti to approve the September 18, 2025 executive session meeting minutes, as written. Motion carried unanimously by voice vote.

**READING OF COMMUNICATIONS:** Executive Director Swanson noted that there were three recent communications received by the Board which were Freedom of Information Act requests and were fulfilled.

**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 the payroll function of the system has been live for five consecutive months and that they are currently working on inputting the 2026 Cost of Living Adjustments. Executive Director Swanson also noted that they will be testing ad hoc reporting in the system very soon. Updates will be provided to the Board 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 project is close to completion and that L&A is still in the process of indexing the member files. Executive Director

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Swanson also noted that the Fund is still working on transferring the physical files to R4 for storage. Further discussion will be held at the next regular meeting.

*Cyber Liability Insurance:* The Board reviewed the quote from Hiscox Insurance Company for cyber liability insurance which was provided with the Board meeting materials. A motion was made by Trustee Coogan and seconded by Secretary Hodorowicz to approve the quote as presented. Motion carried by roll call vote.

AYES: President Affolter, Secretary Hodorowicz, Trustees Biggane, Coogan, Evangelisti and Shellhorn

NAYS: None

ABSENT: Vice President Duggan

*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 two 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.

*CPD Contributions:* Executive Director Swanson informed the Board that an additional \$5,000,000 is needed to pay October's benefit payments. A motion was made by Secretary Hodorowicz and seconded by Trustee Biggane to draw up to \$5,000,000 as needed for benefit payments from the Russell 1000 domestic equity fund as recommended by the investment consultant. Motion carried by roll call vote.

AYES: President Affolter, Secretary Hodorowicz, Trustees Biggane, Coogan, Evangelisti and Shellhorn

NAYS: None

ABSENT: Vice President Duggan

*Trustee Fiduciary Training:* Executive Director Swanson informed the Board that the 2025 conference schedule is included with the meeting materials. A motion was made by Secretary Hodorowicz and seconded by President Affolter to approve the 2025 conference schedule as prepared. Motion carried unanimously by voice vote.

Executive Director Swanson also informed the Board that the Fund is now utilizing the app Duo for Multi-Factor Authentication.

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

**OTHER REPORTS – ATTORNEY:** *In-Person Fiduciary Training:* The Board noted that the in-person fiduciary training held by Attorney Muzzy will be held at the conclusion of the regular meeting.

Attorney Muzzy also apprised the Board of possible upcoming changes to the Freedom of Information Act and Open Meetings Act. Updates will be provided to the Board as they become available.

*Vice President Duggan arrived at 10:02 a.m.*

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

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

**INVESTMENT CONSULTANT REPORT:** *Economic and Market Update as of September 30, 2025:* Ms. Wallace Stone apprised the Board of the current status of the market.

*Performance Update as of September 30, 2025:* Ms. Wallace Stone reviewed with the Board the Interim Performance Report as of September 30, 2025 which consisted of investment performance, asset allocation and individual investment manager performance. All questions posed by Trustees were answered by Ms. Wallace Stone.

*Mr. Toczylowski arrived at 10:35 a.m.*

*Infrastructure Portfolio and Benchmark Review:* Mr. Toczylowski reviewed the current infrastructure portfolio and benchmark as well as a market update for infrastructure with the Board. All questions posed by Trustees were answered by Mr. Toczylowski and Ms. Wallace Stone.

*Investment Policy Statement Benchmark Indexes Amendment:* Ms. Wallace Stone recommended amending the current investment policy benchmark for core infrastructure. A motion was made by Trustee Coogan and seconded by Trustee Evangelisti to amend the benchmark to CPI plus 150 basis points for the core infrastructure funds from the current benchmark of the DJ Brookfield Listed Public Infrastructure (Net) +1% as recommended by the investment consultant. Motion carried unanimously by voice vote.

*Mr. Toczylowski left the meeting at 11:31 a.m.*

*Ariel Investment Management Fees:* A motion was made by Trustee Coogan and seconded by Trustee Biggane to enter into executive session at 11:32 a.m. under Section 2(c)(7) of the Open Meetings Act to discuss the investment contract with Ariel Capital Management, LLC. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

*Open session resumed at 11:53 a.m.*

The Board discussed the current investment contract and correspondence with Ariel Capital Management, LLC. A motion was made by Trustee Biggane and seconded by Trustee Evangelisti to authorize Attorney Muzzy and Executive Director Swanson to negotiate an amendment to the current management fees with Ariel Capital Management, LLC on behalf of the Fund. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

A motion was made by Secretary Hodorowicz and seconded by Trustee Coogan to accept the Investment Consultant 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.

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**ADJOURNMENT:** A motion was made by Trustee Evangelisti and seconded by Trustee Coogan to adjourn the meeting at 11:55 a.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for November 20, 2025, 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*