

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
SCHEDULED REGULAR BOARD MEETING
THURSDAY, JANUARY 21, 2016

The 55 East Monroe Building
55 East Monroe Street, Suite 2720
Chicago, Illinois 60603

Vice President GERAGHTY called the meeting to order at 9:30 A.M.

ROLL CALL

Trustees present:

ROBERT GERAGHTY, Vice President
EDWARD L. AFFOLTER, Secretary
FRANK C. HODOROWICZ, Trustee

STEVEN J. LUX, Trustee
CECILIA PRADO, Trustee

Also Present:

DEAN J. NIEDOSPIAL, Executive Director
MIKE SPYCHALSKI, Marquette Associates, Inc.

Absent:

PAMELA A. MUNIZZI, President
MARIO GIANFORTUNE, Trustee

MINUTES OF THE LAST MEETING

A motion was made by Trustee PRADO to approve the minutes of the scheduled regular Board meeting held on Thursday, December 17, 2015. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

READING OF COMMUNICATIONS

The Executive Director commented on the following FOIA request:

1. January 6, 2016, from Preqin

A motion was made by Vice President GERAGHTY to accept the Reading of Communications. Trustee HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

REPORT OF THE COMMITTEES

None

REPORT OF THE EXECUTIVE DIRECTOR

IRS Determination Letter

The Executive Director reminded the Trustees that the Fund received a favorable determination letter from the IRS in April of 2013 which was submitted to the IRS for consideration in 2009. He reported that the Fund has the option of filing a request for an updated determination letter by January 31, 2016, but noted that these filings will not be required in the future. He also noted that he and staff have decided not to file a request by January 31, 2016, and that Fund Counsel is comfortable with this decision.

Reciprocal Data Exchange Agreement

The Executive Director distributed a Reciprocal Data Exchange Agreement which had been reviewed and approved by Fund Counsel. He reviewed the Agreement with the Trustees and pointed out that most of the other Reciprocal Systems in Illinois have already executed the Agreement.

A motion was made by Secretary AFFOLTER to authorize the Executive Director to execute the Reciprocal Data Exchange Agreement as presented. Trustee LUX seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

Member's Annual Statements

The Executive Director commented that the STATEMENT OF PARTICIPANT'S CONTRIBUTIONS AS OF DECEMBER 31, 2015, will be mailed in March and included in the mailing will be the Fund's Principal Provisions and the President's Report, in the same format as the previous year.

Other

Statement of Economic Interest - The Executive Director reminded the Trustees that their Statements of Economic Interest are due May 1, 2016, and must be filed on-line.

Conferences – The Executive Director distributed an updated 2016 Conference Schedule to the Trustees and highlighted upcoming local conferences.

Trustee PRADO expressed interest in attending the GFOA 110th Annual Conference, May 22-25, 2016.

A motion was made by Trustee LUX to authorize Trustee PRADO to attend the GFOA 110th Annual Conference, May 22-25, 2016. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

A motion was made by Trustee LUX to accept the Report of the Executive Director. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

REPORT OF THE ATTORNEY

None

REPORT OF THE ACTUARY

None

REPORT OF THE LOBBYIST

None

REPORT OF THE INVESTMENT CONSULTANT

Mr. Michael Spychalski of Marquette Associates distributed two reports: the Preliminary Monthly Update report as of December 31, 2015, featuring market environment analysis, asset allocation, investment performance and individual investment manager performance; and an Asset Allocation Analysis dated January 21, 2016. Both of the reports were reviewed in detail and Mr. Spychalski responded to numerous questions raised by the Trustees.

A motion was made by Trustee HODOROWICZ for the Fund to adopt the asset allocation recommended by Marquette Associates identified as Portfolio A in the Asset Allocation Analysis dated January 21, 2016. Trustee LUX seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, HODOROWICZ, LUX,
PRADO

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

There being no further business, Trustee HODOROWICZ moved to adjourn the meeting. Secretary AFFOLTER seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, February 18, 2016**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27th floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,



EDWARD L. AFFOLTER
Secretary