

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
SCHEDULED REGULAR BOARD MEETING  
THURSDAY, OCTOBER 15, 2015

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

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

**ROLL CALL**

Trustees present:

PAMELA A. MUNIZZI, President  
ROBERT GERAGHTY, Vice President  
EDWARD L. AFFOLTER, Secretary

MARIO GIANFORTUNE, Trustee  
FRANK C. HODOROWICZ, Trustee  
CECILIA PRADO, Trustee

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
MIKE SPYCHALSKI, Marquette Associates, Inc.  
JOSEPH M. BURNS AND COLIN BURNS, Jacobs, Burns, Orlove & Hernandez

Absent:

STEVEN J. LUX, Trustee

**MINUTES OF THE LAST MEETING**

A motion was made by Secretary AFFOLTER to approve the minutes of the scheduled regular Board meeting held on Thursday, September 17, 2015. Vice President GERAGHTY seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, GIANFORTUNE,  
HODOROWICZ, MUNIZZI, PRADO

NAYS: None

**READING OF COMMUNICATIONS**

The Executive Director commented on the following FOIA requests:

1. September 28, 2015, from Preqin
2. September 30, 2015, from Service Employees' International Union Local 73

A motion was made by Trustee GIANFORTUNE to accept the Reading of Communications. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, GIANFORTUNE,  
HODOROWICZ, MUNIZZI, PRADO

NAYS: None

**REPORT OF THE COMMITTEES**

None

**REPORT OF THE EXECUTIVE DIRECTOR**

**Lawsuit in regard to Public Act 098-0622 (Senate Bill 1523)**

The Executive Director reported that on Wednesday, October 14, 2015, the Fund was served a summons and complaint, which challenges Public Act 098-0622 on the grounds that this amendment to the Illinois Pension Code diminishes and impairs the benefits of participation in the Fund. He noted that Fund Counsel would discuss the summons and complaint during the **REPORT OF THE ATTORNEY**.

**Disaster Recovery Plan**

The Executive Director reported that he and staff are in the process of updating the Fund's Disaster recovery plan and briefly discussed the contents therein.

**Staff Development**

The Executive Director reported that he has begun discussing with the Personnel Committee a plan developed by staff to replace key employees that are expected to retire within the next year. He noted that he would make a recommendation to hire someone before the end of the year to allow adequate time for cross training.

**Other**

Securities Litigation Roster - The Executive Director distributed a copy of the Fund's Board approved Securities Litigation law firms. He noted that he is continuing the process of reviewing the roster and invited the Trustees to comment on the list.

Fiduciary Responsibility and Ethics Training – The Executive Director noted that a Continuing Education Session to be presented by Fund Counsel on Fiduciary Responsibility and Ethics, Securities Litigation and the Importance of Trustee Education would follow the Board meeting.

Joseph M. Fratto – The Trustees and the Executive Director discussed adopting a resolution and honoring Joseph M. Fratto, who was a Trustee for the Fund for over 31 years, at the December Board meeting.

Conferences – The Executive Director distributed updated 2015 and 2016 Conference Schedules to the Trustees and highlighted upcoming local conferences.

A motion was made by Trustee HODOROWICZ to accept the Report of the Executive Director. Vice President GERAGHTY seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, GIANFORTUNE,  
HODOROWICZ, MUNIZZI, PRADO

NAYS: None

#### **REPORT OF THE ATTORNEY**

Fund Counsel and the Trustees briefly discussed the overall process and procedures in regard to the lawsuit challenging Public Act 098-0622.

A motion was made by Trustee HODOROWICZ to accept the Report of the Attorney. Secretary AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, GIANFORTUNE,  
HODOROWICZ, MUNIZZI, PRADO

NAYS: None

#### **REPORT OF THE ACTUARY**

None

#### **REPORT OF THE LOBBYIST**

None

#### **REPORT OF THE INVESTMENT CONSULTANT**

Mr. Michael Spychalski of Marquette Associates, Inc. distributed the Preliminary Monthly Update report as of September 30, 2015, featuring investment performance, market environment analysis, asset allocation, and individual investment manager performance. The Investment Consultant and the Trustees reviewed and discussed the reports in detail.

A motion was made by Trustee HODOROWICZ to accept the Report of the Investment Consultant. Trustee GIANFORTUNE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, GERAGHTY, GIANFORTUNE,  
HODOROWICZ, MUNIZZI, PRADO

NAYS: None

**OLD BUSINESS**

None

**NEW BUSINESS**

None

**ADJOURNMENT**

There being no further business, Vice President GERAGHTY moved to adjourn the meeting. Trustee GIANFORTUNE seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, November 19, 2015**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27<sup>th</sup> floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,



EDWARD L. AFFOLTER  
Secretary