



RETIREMENT BOARD OF THE
POLICEMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO

MINUTES

SPECIAL INVESTMENT COMMITTEE MEETING

TUESDAY – DECEMBER 8, 2020

**Policemen's Annuity and Benefit Fund of Chicago
Special Investment Committee Meeting**

AGENDA

December 8, 2020. 9:00 AM

Via Teleconference

- 1) Roll Call
- 2) Requests from Members of the Public to Address the Board
- 3) SMID Value Search Finalist Presentations
 - a) Ariel Investments
 - b) Channing Capital Management
 - c) Mesirow Equity Management
 - d) Westwood Group
- 4) Any other Business

For members of the public wishing to listen to the proceeding, please dial into the meeting at:

Phone: 1-312-626-6799

Meeting ID: 970 1562 4472

The Special Investment Committee meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago (the "Fund") was held at 9:00 a.m. on December 8, 2020, convening remotely via Zoom and Teleconference for the consideration of SMID Value Search RFP respondent presentations and for other such business of the Investment Committee. This meeting being held in accordance with the Open Meetings Act and Governor Pritzker's Executive Order 2020-71 as a result of the COVID-19 pandemic.

PRESENT

Committee Members:

Thomas Beyna	- President
Melissa Conyears-Ervin	- Trustee
John Lally	- Trustee
Michael Lappe	- Vice President
Stephen Skardon	- Trustee
Michael Stiscak	- Recording Secretary
Jennie Bennett	- Trustee
Susie Park	- Trustee

Staff:

Erin Keane	- Executive Director
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Consultants:

Kevin Leonard*	- NEPC
Kristin Finney-Cooke	- NEPC
Deanna Jones	- NEPC

Presenters:

John Rogers, Jr.	- Ariel
Kenneth Kuhrt	- Ariel
Valerie King	- Ariel
Rodney Herenton	- Channing
Wendell Mackey	- Channing
Kathryn Vorisek	- Mesirow
Leo Harmon	- Mesirow
Andrew Pataky	- Mesirow
Sean Clark	- Westwood
Grant Taber	- Westwood

Public in Attendance:

Rosemarie Giambalvo	- Retired CPD
Mark Myslinski	- City of Chicago Office of the Treasurer
Craig Slack	- City of Chicago Office of the Treasurer

Several unidentified attendees

ROLL CALL

President Beyna determined a quorum was present and called the meeting to order.

REQUESTS FROM MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD

President Beyna then asked if there were any requests from the public to address the Board.

One member of the public, Rosemarie Giambalvo, addressed the Board.

SMID VALUE SEARCH FINALIST PRESENTATIONS

Kevin Leonard of NEPC reviewed the Board’s search for a SMID value manager. The search included a Request for Proposal with NEPC’s presentation of respondents to the search at a previous meeting. At that meeting, the Board selected four firms as finalists based on the research and advice of the Investment Consultant NEPC. Those finalists: Ariel Investments, Channing Capital Management, Mesirow Equity Management and Westwood Group, are presenting today in alphabetical order.

Ariel Investments presented first with attendees: John Rogers, Jr., Chairman, Co-CEO; Kenneth Kuhrt, Senior Vice President, Portfolio Manager; and Valerie King, Senior Vice President, Investor Relations. Members of the Committee and NEPC asked questions and provided comments following the presentation.

Channing Capital Management presented next with attendees: Rodney Herenton, Co-CEO, Chief Development and Strategy Officer and Wendell Mackey, Co-CEO, CIO. Members of the Committee and NEPC asked questions and provided comments following the presentation.

Mesirow Equity Management presented next with attendees: Kathryn Vorisek, Senior Managing Director; Leo Harmon, Senior Managing Director; and Andrew Pataky, Senior Vice President. Members of the Committee and NEPC asked questions and provided comments following the presentation.

Westwood Group made the final presentation with attendees: Sean Clark, Senior Vice President and Matt Taber, Senior Vice President. Members of the Committee and NEPC asked questions and provided comments following the presentation.

EXECUTIVE SESSION #1

A motion for the Board to go into Executive Session per Section 2(c)(7) of the Illinois Open Meetings Act, 5 ILCS 120/2(c)(7), to discuss agenda item number 3 in regard to an investment contract, was made by Trustee Skardon, seconded by Trustee Lappe.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lally, Lappe, Park, Skardon, Stiscak 8.
 Against: 0.
 Absent: 0.

A motion to for the Board to return to Executive Session per was made by Trustee Skardon, seconded by Trustee Lappe.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lally, Lappe, Park, Skardon, Stiscak 8.
 Against: 0.
 Absent: 0.

Trustee Beyna then stated the Board gives NEPC direction to conduct negotiations with the firm discussed in the executive session.

No other business.

All business concluded for this date *a motion to adjourn the meeting was made by Trustee Skardon, seconded by Trustee Lally.*

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lally, Lappe, Park, Skardon, Stiscak 8.
 Against: 0.
 Absent: 0.