



Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago

MINUTES

INVESTMENT MEETING

MONDAY – October 24, 2022



The Retirement Board of the
Policemen's Annuity and Benefit Fund of Chicago

221 North LaSalle St – Suite 1626, Chicago, IL 60601
(312) 744-3891 www.chipabf.org

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

October 24, 2022
9:00 AM

In accordance with Governor JB Pritzker's Disaster Proclamation issued October 14, 2022 and 5 ILCS 120/7(e), the Policemen's Annuity and Benefit Fund of Chicago Board Meeting will be accessible through remote attendance. Members of the public wishing to participate or listen to the proceeding, please dial into the meeting at:

Phone: 1-312-626-6799
Meeting ID: 884 0694 6654

- 1) Roll Call
- 2) Requests from Members of the Public to Address the Board
- 3) Discussion Regarding Cash Flow and Possible Action Regarding the Liquidation of Investments to Assist in the Payment of Benefits
- 4) Manager Presentation – Ariel Investments*
- 5) Discussion and Possible Action Regarding Commitments to Infrastructure Investments for 2022 and 2023*
 - a) Infrastructure Manager Presentations
 - i) Ullico
 - ii) Global Infrastructure Partners
- 6) Market Update and September Performance/Flash Report
- 7) Other Business

*Topics may be discussed in closed session in accordance with the applicable Open Meetings Act provisions

PRESENT

Board Members:

Michael Stiscak*	President, Recording Secretary
Stephen Skardon	Vice President
Jennie Bennett*	Trustee
Melissa Conyears-Ervin	Trustee
John Lally	Trustee
Michael Lappe^*	Trustee
Wayne Metcalfe^	Trustee
Susie Park	Trustee

Staff:

Kevin Reichart^	Acting Executive Director/Comptroller
Jason Wasiukiewicz^	Benefits Analyst

Legal Counsel

Sarah Boeckman^	Burke Burns & Pinelli
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Consultants:

Kevin Leonard	NEPC
DeAnna Jones	NEPC

Managers:

Valerie King*	Ariel Investments
Charles Bobrinskoy*	Ariel Investments
John Rogers*	Ariel Investments
Luke Howe*	Ullico
Rohit Syal*	Ullico
Justine Mejia*	Global Infrastructure Partners
Will Brilliant*	Global Infrastructure Partners

Public in Attendance:

Craig Slack	City of Chicago Office of the Treasurer
Mark Myslinski	City of Chicago Office of the Treasurer
Others in attendance via audio, identified only by telephone numbers	

^ Denote attendance in person at the Fund office

*Denotes partial attendance

ROLL CALL

President Stiscak determined a quorum was present and called the meeting to order at approximately 9:09 a.m.

REQUESTS FROM MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD

President Stiscak then asked if there were any requests from the public to address the Board. There were no requests from any members of the public to address the Board.

CASH FLOW

Comptroller Kevin Reichart presented the Fund cash flow and cash needs. He reported that the Fund has received from the City of Chicago approximately \$563 million out of the \$786.8 million in required contributions for the 2022 payment year. The \$563 million includes the 2 - \$70 million payments received from the City in September and October to make up for the delayed 2nd installment proper tax levy receipts for the 2021 Levy.

In addition, Comptroller Reichart reported that the City has indicated they will make another payment in November to make up for the delayed 2nd installment proper tax levy receipts for the 2021 Levy. However, just in case the City does not make that payment, Comptroller Reichart asked the Board to authorize liquidation of up to \$80 million for cash flow needs in November.

Kevin Leonard of NEPC made a recommendation to the Board for liquidation of investments from the Northern Trust Russell 1000 Index Fund based on the Fund’s current asset allocations compared to targets.

A motion was made by Trustee Lappe, seconded by Trustee Skardon to liquidate up to \$80 million from the Northern Trust Russell 1000 Index Fund based upon NEPC’s recommendation.

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

MANAGER PRESENTATION – ARIEL INVESTMENTS

Valerie King, Charles Bobrinsky, and John Rogers of Ariel Investments presented an overview of Ariel’s investment policy and approach as well an update of the Fund’s portfolio with Ariel.

INFRASTRUCTURE MANAGER PRESENTATIONS

Global Infrastructure Partners Presentation

Will Brilliant of Global Infrastructure Partners appeared before the Board to present their Fund V.

Trustee Bennett left the proceedings.

Ullico Presentation

Luke Howe, and Rohit Syal of Ullico appeared before the Board to present their Infrastructure Taxable Fund.

A motion to go into executive session per 2 (c) 7 was made by Trustee Skardon, seconded by Trustee Lappe.

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

INFRASTRUCTURE MANAGER PRESENTATIONS- continued

A motion to exit executive session per 2 (c) 7 was made by Trustee Lappe, seconded by Trustee Metcalfe.

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

A motion to allocate \$12 million for 2022 to Ullico, subject to successful contract negotiations, was made by Trustee Lappe, seconded by Trustee Lally.

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

MARKET UPDATE AND SEPTEMBER PERFORMANCE/FLASH REPORT

Kevin Leonard and DeAnna Jones of NEPC reviewed September investment performance and provided a year-to-date market update.

Trustee Stiscak left the proceedings.

Trustee Lappe left the proceedings.

No other business

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

ROLL CALL: For: Conyears-Ervin, Lally, Metcalfe, Park, Skardon,
 Against: 0.
 Absent: Bennet, Lappe, Stiscak.