

**MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO**  
**SPECIAL INVESTMENT MEETING MINUTES NO. 2018-02-01**  
**FEBRUARY 14, 2018**

A special investment meeting of the Retirement Board of the Municipal Employees' Annuity and Benefit Fund was held in the Fund offices on February 14, 2018. The meeting was called to order at 9:00 a.m.

Roll call:

Trustee Johnson	Present
Trustee Keane	Present
Trustee McMahan	Present
Trustee Summers	Present

A quorum was present.

Additional attendees include the following individuals:

Ms. Kelly Flannery, Deputy Comptroller (Proxy for the Vice President), Mr. Jabari Porter, Chief Investment Officer for the City Treasurer (Proxy for the Treasurer), Mr. James Mohler, Executive Director, Ms. Sarah Boeckman, Burke, Burns & Pinelli, Mr. Jamie Wesner, Marquette Associates, Mr. Neil Capps, Marquette Associates, Mr. Steve Fiplin, Marquette Associates, Mr. Matt Strom, Segal Consulting, Mr. Jacob Libauskas, Segal Consulting, Ms. Mandi Mueller, Benefits Counselor, Mr. Steve Yoon, investment Manager, Ms. Stacey Ruffolo, Project Coordinator, Ms. Donna Hansen, Supervisor of Support Services and Ms. Angela Myers, Loop Capital.

There were no requests to address the Board.

Actuarial Studies Review

Ms. Sarah Boeckman, Fund Counsel opened the meeting by addressing the fiduciary responsibilities of the Board highlighted by a recent case filed against the Kentucky Pension System. In particular Ms. Boeckman discussed how important it was for Trustees to understand the actuarial assumptions that were going to be discussed and to ask questions if they didn't understand the assumptions.

Mr. Mohler gave an overview of the issues raised at the September 2017 Actuarial presentation regarding changes to the assumptions used in its calculations for the annual actuarial report. Discussion regarding the data used for the report ensued. Following the discussion, the representatives from Segal Associates, the Fund's contracted Actuarial firm, stated they would update the specified data and present the findings as soon as practicably able.

Small Cap Value Manager RFP Interviews

The Board interviewed four firms from the respondents to the RFP for Small Cap Value Manager. The following firms and representatives presented:

*Kayne Anderson Rudnick Investment Management*

Aaron Reed, Managing Director

Craig Stone, Portfolio Manager & Senior Research Analyst

*Nuveen Asset Management*

Karen L. Bowie, CFA, Senior Vice President, Portfolio Manager

Dimitrios Stathopoulos, Senior Managing Director

*Channing Capital Management*

Rodney Herenton, Founder, Co-CEO, Director of Business Development

Wendell Mackey, Founder, Co-CEO, Lead Portfolio Manager

*Northern Trust Asset Management*

Bob Bergson, CFA, Senior Vice President, Portfolio Manager

Bob Parise, Senior Vice President, Practice Lead, Public Funds

Fred Porzelt, Associate Relationship Manager

Following the presentations, the Board moved into closed session at 12:55 p.m. in accordance with 120/2(c)(7) on a motion by Trustee McMahon to discuss the purchase or sale of securities. Seconded by Trustee Summers.

Roll call:

Trustee Johnson      Aye

Trustee Keane        Aye

Trustee McMahon    Aye

Trustee Summers    Aye

Motion carried.

The Board moved into open session at 1:17 p.m. on a motion by Trustee Summers. Second by Trustee McMahon. Carried by a voice vote.

In open session, Mr. Mohler updated the Board on proposed legislation recently filed in the General Assembly.

There being no further business before the Board, Trustee McMahon made a motion to adjourn the Special Investment Meeting at 1:26 p.m. Seconded by Trustee Summers. Carried by a voice vote.