

**MUNICIPAL EMPLOYEES ANNUITY AND BENEFIT FUND OF CHICAGO
MINUTES FOR SPECIAL INVESTMENT MEETING NO. 2021-03-01
MARCH 4, 2021**

A special Investment Meeting of the Retirement Board of the Municipal Employee's Annuity and Benefit Fund was held in the Fund offices and by video conference on March 4, 2021. The meeting was called to order at 9:02 a.m.

Roll Call:

Trustee Degnan	Present
Trustee Johnson	Present
Trustee Thompson	Present
Mr. Slack	Present

Mr. Craig Slack noted as the Treasurer's designated proxy representative that he was present and would be participating in the meeting on behalf of the Treasurer until she joined the call.

A quorum was present

Trustee Soni joined the meeting at 9:06 a.m.

Trustee Conyears-Ervin joined the meeting at 10:25 a.m.

Additional attendees included the following individuals, either in person or by video conference:

Mr. Dennis White, Executive Director, Ms. Stacey Ruffolo, Deputy Executive Director, Ms. Donna Hansen, Office Manager, Mr. Steve Yoon, Investment Officer, Ms. Sarah Boeckman, Burke, Burns & Pinelli, Mr. Brian Wrubel, Marquette Associates, Mr. Jaime Wesner, Marquette Associates, Mr. Neil Capps, Marquette Associates, Mr. Mauricio Banuelos, City Treasurer's Office, Mr. Craig Slack, Deputy City Treasurer, City Treasurer's Office, Mr. Luke How, Ullico Investment Company, LLC, Mr. Reed Singer, Ullico Investment Company, LLC, Karen Bowie, Nuveen Asset Management, Erik, Kurzweg, Nuveen Asset Management, Kitty Martin, Nuveen Asset Management.

President Johnson noted that Public Act 101-0640, allowed the meeting to be conducted by video/audio conference. Consistent with the Act, the President noted that a roll call vote would be required on each matter acted upon. The President read into the record the MEABF's standard announcements for meetings during the COVID-19 pandemic.

Public Comment

Consistent with Public Act 91-0715 and reasonable constraints determined by the Board of Trustees, at each regular meeting of the Board or its committees that is open to the

public, members of the public were allowed to address the Board on relevant matters within its jurisdiction.

The President asked if there were any requests for public comment.

There were no requests from the public to address the Board.

Legislative Update

A memorandum was provided by Ms. Bello, the Funds Legislative Liaison, which was distributed to the Board. Ms. Bello noted that Senate Bill 212, concerning the Fund's annual employer contribution was scheduled for a March 3, 2021 Senate Pensions Committee hearing, but it was postponed. Ms. Bello stated that the Senate Pensions Committee chairman would like to hold a subject matter hearing for Wednesday March 10, 2021 regarding Senate Bill 212.

Trustee Johnson asked her opinion regarding the Senate Pensions Committee potential support in regard to additional pension finding. Ms. Bello responded at this time she could not make that determination and as more information became available to Ms. Bello, she would report back to the Board.

Mr. White stated that he has spoken to President Johnson and both are available for the Wednesday March 10, 2021 senate Pensions Committee subject matter hearing. Mr. White stated that he has also reached out to the Fund's actuaries and Mr. Yoon to confirm their availability for the hearings.

Ms. Bello continued with her report and informed the Board of House Bill 232, an investment divestiture bill. She explained to the Board that it would require the Board to make its best efforts to identify all pro-profit companies that contract with companies that shelter migrant children. Ms. Bello deferred to the Board for their position in regard to House Bill 232.

Mr. White asked for the advice of legal counsel. Ms. Boeckman, Fund's Counsel, stated that it would be her legal recommendation that the Board does not take a Formal position on House Bill 232. Ms. Boeckman respectfully requested that Ms. Bello remind the sponsor and other legislators that the Board has a fiduciary duty to take all prudent steps to maximize the Fund's investment returns and with the Fund's current funding status levels, the Fund remains concerned on any bill that could potentially restricts the Fund's investment freedom to seek those best returns on behalf of our members.

Ms. Beckman asked Mr. Yoon, to comment on whether, the Fund has any current exposure with these types of companies defined in House Bill 232. Mr. Yoon replied he would need better clarification from the sponsor on the bill to give an accurate answer.

Ms. Bello confirmed for purposes of the committee being on Friday March 5, 2021 and the sponsor calling the bill, she would recommend that MEABF is neutral in regard to House Bill 232.

Ms. Bello updated the Board on House Bill 447, a bill that would impact the pension felony forfeiture statue. Ms. Bello stated that this may not impact the Fund on account that Article 8 does not have sworn police officers.

Mr. White asked for advice of legal counsel. Ms. Beckman noted that consistent with the divestiture bill, it would be her legal recommendation that the Board does not take a formal position on House Bill 447. She further noted that some of the Fund's sister pension funds submitted administrative concerns regarding the bill but noted that some of those may not be relevant to the Fund based on the Executive Director's position that Article 8 does not have any sworn police officers.

Ms. Bello confirmed with the assistance of Trustee Johnson that there are not sworn police officers that are members of MEABF.

Ms. Bello updated the Board on House Bill 766, regarding the disclosure of Fund participant information to labor organizations. After a brief discussion amongst the Board and at the recommendation of Fund's counsel the Board agreed to remain neutral. Ms. Boeckman respectfully asked Ms. Bello to please make the bill sponsor aware of the Board's administrative concerns on House Bill 766.

Ullico- Infrastructure Market Update and Outlook

Mr. Luke Howe, Managing Director and Mr. Reed Singer, Managing Director, Acquisitions presented a portfolio performance of the Fund's investment in the Ullico infrastructure fund and infrastructure market update.

Trustee Johnson thanked Ullico for their involvement in the City of Chicago and he stated that he really respects their commitment to union labor.

Mr. Yoon stated that Infrastructure is a prudent asset class for the Fund to prioritize in reviewing its future asset allocation.

Nuveen Asset Allocation Review

Ms. Karen Bowie, CFA, Mr. Eric Kurzweg, CFA and Ms. Kitty Martin, Managing Director presented a portfolio update related to the performance of the small cap value portfolio. Ms. Bowie also discussed the market update and portfolio positioning based on the future outlook.

MEABF Asset Allocation Review

Mr. Wesner outlined the Fund's asset allocation study, highlighting cash flow projections and asset allocation options that presents various return-risk objectives.

Trustees asked Staff and the Investment consultant to provide more robust asset allocation options for consideration at upcoming Board meetings.

Mr. Yoon presented the Fund's cash flow proforma. During the discussion, Trustee Soni suggested that she and Mr. Yoon meet prior to the monthly meetings to walk through the cash flow.

Mr. Yoon presented the Fund's investment roadmap highlighting investment activities he anticipates for the remainder of the year.

There being no further business to come before the Board, Trustee Thompson made a motion to adjourn the meeting at 11:19 a.m. Seconded by Trustee Degan.

Carried by a voice vote.