

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SPECIAL MEETING 2016-11-02
NOVEMBER 28, 2016

A Special Meeting of the Retirement Board of the Municipal Employees' Annuity and Benefit Fund of Chicago was held in the offices of the Fund on November 28, 2016 at 9:06 a.m. to discuss issues related to SB 2437, the legislation proposed by the City of Chicago with respect to the City's plan related to funding for the Fund.

Roll call:

Trustee Guest	Present
Trustee Johnson	Present
Trustee Keane	Present
Trustee McMahon	Present

A quorum was present.

The following staff and consultants were present: Ms. Kelly Flannery, Deputy City Comptroller (Proxy for the Comptroller), James Mohler, Executive Director, Mary Pat Burns, Burke, Burns and Pinelli, Fund Counsel, Sarah Boeckman, Burke, Burns and Pinelli, Fund Counsel, Donna Hansen, Support Services Supervisor and Stacey Ruffolo, Project Coordinator.

The following individuals attended the meeting: Clay Diette, City of Chicago and Joe Healy, Laborers Local 1092.

Mr. Mohler opened the meeting by discussing issues related to the proposed legislation currently pending in the legislature. Mr. Mohler stated his concerns with the legislation based on the proposed funding structure and the subordination clause placing Fund members behind bond holders with respect to payments from the City of Chicago.

Trustee McMahon inquired of Mr. Diette whether the City had removed the sections of the proposed legislation regarding the subordination of members rights to bondholders and/or the "police powers" language. Mr. Diette responded that the City had redrafted the legislation removing the both clauses, as well as removing changes to the composition of the Board. Mr. Diette requested that the Board consider withdrawing its opposition slip to SB 2437 based on his representations that these changes were incorporated into the current draft of SB 2437. Trustee Guest requested that the Board be able to review SB 2437 prior to its reintroduction. Mr. Diette said that that would not be possible.

Discussion amongst the Board members, Fund Counsel and staff ensued.

On a motion by Trustee Guest, the Board moved into closed session at 9:35 a.m. in accordance with 5 ILCS 120/2(c)(11) to discuss issues related to potential litigation. Seconded by Trustee Johnson.

Roll call:

Trustee Guest	Aye
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Trustee Johnson	Aye
Trustee Keane	Aye
Trustee McMahan	Aye

Motion carried.

The Board moved into open session at 9:54 a.m. on a motion by Trustee Johnson. Seconded by Trustee Guest. Carried by a unanimous voice vote.

No formal actions were taken in closed session.

The Board directed Fund Counsel to prepare a letter to City representatives indicating the Board's support of revised SB 2437, based on the representations of the City representative, Mr. Diette, with respect to the deletions of certain provisions of SB 2437, pending final review of the revised legislation.

With no further agenda items to discuss, the meeting was adjourned at 9:55 a.m.. Motion by Trustee Johnson. Seconded by Trustee Guest. Carried by a voice vote.