

Aug 30, 2016 2:47 PM

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**The Retirement Board**

of the

**Policemen's Annuity and Benefit Fund  
City of Chicago**

221 North LaSalle Street-Room 1626

Chicago, Illinois 60601

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Outside Chicago: 1-800-656-6606

[www.chipabf.org](http://www.chipabf.org)



Regina Tuczak, CPA  
Executive Director

James A. Dollard, CPA  
Comptroller

Pacifico Panaligan, CPA  
Assistant Comptroller

Peter Orris, M.D.  
Physician

David R. Kugler  
Attorney for the Board

Address Communications  
to the Retirement Board

August 30, 2016

The Honorable Bruce Rauner

Governor of Illinois

James R. Thompson Center

100 West Randolph, Suite 16-100

Chicago, IL 60601

Dear Governor Rauner:

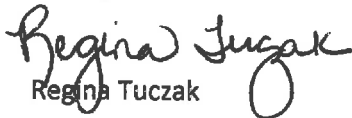
The Policemen's Annuity and Benefit Fund of Chicago ("PABF") is pleased to submit its annual report on Illinois Economic Opportunity Investments made by this retirement system as provided by PA 096-0753.

The Trustees of PABF have a strong commitment to the local economy and that of Illinois as a whole, and we value our local partnerships and those managers who have a presence in the state. To date in 2016 only one new investment was made, to an Evanston based manager, Pluscios.

As of July 31, 2016, PABF employed 10 Illinois-based investment managers managing assets with a market value of \$ 709.8 m, representing 29.4% of our investment portfolio.

If you have any questions, please do not hesitate to contact PABF on 312-372-5502.

Sincerely,

  
Regina Tuczak  
Executive Director

  
Aoifinn Devitt  
Chief Investment Officer

Policemen's Annuity and Benefit Fund of Chicago

**Illinois Based Investment Managers**

Investment Manager	Location	Market/Fair Value as of 7/31/2015	
		\$M	% of Total Fund
Northern Trust	Chicago	\$ 105.32	4.4%
Holland Capital	Chicago	\$ 91.46	3.8%
Great Lakes	Chicago	\$ 108.83	4.5%
William Blair	Chicago	\$ 249.52	10.3%
Mesirow	Chicago	\$ 32.40	1.3%
Adams Street	Chicago	\$ 61.30	2.5%
Muller & Monroe	Chicago	\$ 14.49	0.6%
RCP	Chicago	\$ 25.33	1.1%
DRA Advisors	Chicago	\$ 1.16	0.0%
Pluscios	Evanston, IL	\$ 20.00	0.8%
<b>Total IL Investment Managers</b>		<b>\$ 709.81</b>	<b>29.4%</b>
<b>Total Fund</b>		<b>\$ 2,412.01</b>	<b>100.0%</b>

## Policemen's Annuity and Benefit Fund of Chicago

## Publicly Traded Equity Holdings Headquartered in Illinois

Security Name	Location of HQ	*Market Value attributable to the Fund
Abbott Laboratories	Abbott Park	\$2,459,772.19
AbbVie, Inc.	North Chicago	\$2,416,212.89
Akorn, Inc.	Lake Forest	\$11,856.87
Allscripts Healthcare Solutions, Inc.	Chicago	\$11,848.12
Allstate Corporation	Northbrook	\$1,668,475.17
Aptargroup, Inc.	Crystal Lake	\$24,426.39
Archer-Daniels-Midland Company	Chicago	\$630,324.63
Arthur J. Gallagher & Co.	Itasca	\$41,412.82
Baxter International Inc.	Deerfield	\$112,869.84
Boeing Company	Chicago	\$1,687,809.28
Brunswick Corporation	Lake Forest	\$20,367.26
Care Capital Properties, Inc.	Chicago	\$10,906.40
Caterpillar Inc.	Peoria	\$2,454,035.72
CBOE Holdings, Inc.	Chicago	\$26,721.85
CDK Global Inc	Hoffman Estates	\$42,821.47
CDW Corp.	Lincolnshire	\$32,342.05
CF Industries Holdings, Inc.	Deerfield	\$572,121.41
CME Group Inc. Class A	Chicago	\$164,775.21
CNA Financial Corporation	Chicago	\$4,319.05
Deere & Company	Moline	\$127,478.18
Discover Financial Services	Riverwoods	\$109,814.92
Dover Corporation	Downers Grove	\$53,201.07
Equity LifeStyle Properties, Inc.	Chicago	\$30,335.77
Equity Residential	Chicago	\$705,662.52
Exelon Corporation	Chicago	\$161,474.56
Fortune Brands Home & Security, Inc.	Deerfield	\$43,956.04
General Growth Properties, Inc.	Chicago	\$86,283.64
Groupon, Inc. Class A	Chicago	\$5,903.48
Hill-Rom Holdings, Inc.	Batesville	\$16,492.54
Hyatt Hotels Corporation Class A	Chicago	\$5,855.81
IDEX Corporation	Lake Forest	\$30,943.63
Illinois Tool Works Inc.	Glenview	\$1,569,996.21
Ingredion Incorporated	Westchester	\$46,187.14
Jones Lang LaSalle Incorporated	Chicago	\$21,905.47
LKQ Corporation	Chicago	\$48,016.42
McDonald's Corporation	Oak Brook	\$526,361.26
Mead Johnson Nutrition Company	Glenview	\$1,388,549.16

## Policemen's Annuity and Benefit Fund of Chicago

Middleby Corporation	Elgin	\$32,447.62
Mondelez International	Deerfield, IL	\$3,820,215.89
Morningstar, Inc.	Chicago	\$170,905.72
Motorola Solutions, Inc.	Schaumburg	\$57,509.47
Northern Trust Corporation	Chicago	\$1,380,989.80
Old Republic International Corporation	Chicago	\$23,255.12
Packaging Corporation of America	Lake Forest	\$31,020.05
R.R. Donnelley & Sons Company	Chicago	\$17,480.86
Retail Properties of America, Inc. Class A	Oak Brook	\$19,620.93
Stericycle, Inc.	Lake Forest	\$42,558.64
Telephone and Data Systems, Inc.	Chicago	\$13,812.77
TransUnion	Chicago	\$8,785.67
TreeHouse Foods, Inc.	Oak Brook	\$28,052.86
Tribune Media Co. Class A	Chicago	\$15,164.81
Ulta Salon, Cosmetics & Fragrance, Inc.	Bolingbrook	\$70,802.99
United Continental Holdings, Inc.	Chicago	\$68,903.14
United States Cellular Corporation	Chicago	\$2,871.20
US Foods Holding Corp.	Rosemont	\$5,364.75
USG Corporation	Chicago	\$11,719.66
Ventas, Inc.	Chicago	\$122,901.01
W.W. Grainger, Inc.	Lake Forest	\$62,395.88
Walgreens Boots Alliance Inc	Deerfield	\$2,073,724.70
Zebra Technologies Corporation Class A	Lincolnshire	\$12,873.35
<b>Total</b>		<b>\$35,996,798.59</b>
<b>Total Domestic Equity Holdings:</b>		<b>\$568,270,394.00</b>
<b>% in Illinois</b>		<b>6.3%</b>

Policemen's Annuity and Benefit Fund of Chicago

**Publicly Traded Fixed Income Holdings Headquartered in Illinois**

Name	Location of HQ	Market Value attributable to the Fund
Abbott Laboratories	Northbrook, IL	\$ 1,185,096.0
AbbVie Inc	North Chicago, IL	\$ 505,771.7
Baxalta, Inc.	Bannockburn, IL	\$ 250,617.7
Chicago Transit Auth	Chicago, IL	\$ 207,847.9
Commonwealth Edison Company	Chicago, IL	\$ 33,196.0
Discover Financial	Riverwoods, IL	\$ 180,999.0
Exelon Corporation	Chicago, IL	\$ 539,878.0
IL GO Tax	NA	\$ 48,266.0
McDonald's Corp	Oak Brook, IL	\$ 417,180.6
Walgreens Boots Alli	Deerfield, IL	\$ 866,985.0
Wm. Wrigley Jr. Co.	Chicago, IL	\$ 562,486.0
Zebra Technologies Corp.	Lincolnshire, IL	\$ 641,300.0
<b>Total</b>		\$ 6,946,917.9
<b>Total Fixed Income Holdings:</b>		\$ 629,406,475.00
<b>% in Illinois</b>		1.3%

Policemen's Annuity and Benefit Fund of Chicago

**Real Estate Properties Held Within Illinois**

<b>Name</b>		<b>Location</b>
200 West Jackson	200 West Jackson	Chicago
360 North Michigan Avenue	360 North Michigan Avenue	Chicago
West Town Center	West Town Center	Chicago
Walton on the Park	Walton on the Park	Chicago
131 South Dearborn Street	131 South Dearborn Street	Chicago
Windbrooke Crossing	Windbrooke Crossing	Buffalo Grove
Kirkland Crossing	Kirkland Crossing	Aurora
35 West Wacker	35 West Wacker Drive	
Water Tower Place	835 North Michigan Avenue	Chicago
73 East Lake	73 East Lake Street	Chicago
26525 North Riverwood Blvd.	26525 North Riverwood Blvd.	Mettawa
Olympia Centre - Retail	737 North Michigan Avenue	Chicago
The Bernardin	747 North Wabash Avenue	Chicago
Olympia Centre-Office/Garage	737 North Michigan Avenue	Chicago
Oak Brook Marriott	1401 West 22nd Street	Oak Brook
CNT-10601 Seymour Avenue East	10601 Seymour Avenue East	Franklin Park
Addison Park on Clark - Retail (**)	Clark and Addison Street	Chicago
Orbus Distribution Center	9033 Murphy Road	Woodridge
Santa Fe Industrial	7220-7435 Santa Fe Drive	Hodgkins
Greenpoint Business Park	Lamont Road	Elmhurst
CNT-30120 Skokie Highway	3200 Skokie Highway	North Chicago

Policemen's Annuity and Benefit Fund of Chicago

Addison Park on Clark - Apt (**)	Clark and Addison Street	Chicago
Rochelle Industrial One	Route 38	Rochelle
CNT-705 Tri-State Parkway	705 Tri-State Parkway	Gurnee
CNT Wadsworth Land	16770 W. Route 173	Wadsworth
Oakwood Commerce Centre	700 Woods Dale Road	Wood Dale
CNT-5650 CenterPoint Court	5650 CenterPoint Court	Gurnee
CNT-10700 Waveland Avenue	10700 Waveland Avenue	Franklin Park
CNT-5605 CenterPoint Court	5605 Centerpoint Court	Gurnee
CNT-5750 CenterPoint Court	5750 CenterPoint Court	Gurnee
Harris Warehouse Properties	500 Bond Street	Lincolnshire
CNT-1601 Estes	1601 Estes	Elk Grove Village
CNT-10601 Seymour Avenue West	10601 Seymour Avenue West	Franklin Park
BI-IL-Addison-221 Swift	221 Swift Rd	Addison
BI-IL-Dupo-721 Prairie Dupont	721 Prairie Dupont Dr.	Dupo
BI-IL-Glendale Heights-1695 Gl	1695 Glen Ellyn Road	Glendale Heights
BI-IL-Alsip-13005 Hamlin Court	13005 Hamlin Court	Alsip
BI-IL-Addison-201 Swift	201 Swift Rd	Addison
BI-IL-Tinley Park-18501 Norths	18501 Northstar Ct.	Tinley Park
BI-IL-Schaumburg-2361 Palmer	2361 Palmer Dr.	Schaumburg
BI-IL-Romeoville-Lakeside	1247 Lakeside Drive	Romeoville
BI-IL-Lake Zurich-845 Telser R (**)	845 Telser Road	Lake Zurich
CNT Gurnee Land Lots	5600 CenterPoint Court	Gurnee
BI-IL-Champaign-901 C Fair	901-919 Country Fair Dr.	Champaign
BI-IL-Romeoville-725 Oakridge	725 Oakridge Dr	Romeoville
CNT-Fleetwood-Tugwell	4001-4045 Fleetwood	Franklin Park

Policemen's Annuity and Benefit Fund of Chicago

CNT-1400 Busse Road	1400 Busse Road	Elk Grove Village
1400 Busch Parkway - Building	1400 Busch Parkway	Buffalo Grove
Rochelle Development JV	Route 38	Rochelle
1K Fulton	1K Fulton	
155 North Wacker	155 North Wacker	
1K Fulton	1K Fulton	Chicago
155 North Wacker	155 North Wacker	Chicago
669 N. Michigan Ave.	669 N. Michigan Ave.	Chicago
695 Touhy Avenue	695 Touhy Avenue	Chicago
2312 Touhy Avenue	2312 Touhy Avenue	Chicago
2316 Touhy Avenue	2316 Touhy Avenue	Chicago
2320 Touhy Avenue	2320 Touhy Avenue	Chicago
2324 Touhy Avenue	2324 Touhy Avenue	Chicago
2445 Higgins Road	2445 Higgins Road	Chicago
2447 Higgins Road	2447 Higgins Road	Chicago
2317 Landmeier Road	2317 Landmeier Road	Chicago
AMLI Operating Company	AMLI Operating Company	Chicago
AMLI at St. Charles	AMLI at St. Charles	Saint Charles
AMLI at River North	AMLI at River North	Chicago
AMLI Evanston	AMLI Evanston	Evanston
AMLI at Naperville	AMLI at Naperville	Naperville
AMLI Lofts	AMLI Lofts	Chicago
AMLI at Museum Gardens	AMLI at Museum Gardens	Vernon Hills
AMLI 900	AMLI 900	Chicago
AMLI at Seven Bridges	AMLI at Seven Bridges	Woodridge



Policemen's Annuity and Benefit Fund of Chicago

AMLI Deerfield  
151 N. Franklin3

AMLI Deerfield  
151 N. Franklin3

Deerfield  
Chicago

**Self Storage Units**

Lake View	Chicago
Beverly	Chicago
Hermosa	Chicago
South Loop	Chicago
Arlington	Arlington Heights
Des Palines	Des Plaines
Palatine	Palatine
Lombard	Lombard
Darien	Darien
Lyons	Lyons
Bridgeview	Bridgeview
Addison	Addison
McCook	Chicago
West Rogers Park	Chicago
Uptown	Chicago

## Policemen's Annuity and Benefit Fund of Chicago

**Private Equity Funds Headquartered within Illinois**

<b>Partnerships/Portfolio Companies/Properties</b>	<b>Location</b>
Adams Street 2008 Direct (Pship)	Chicago
Adams Street Co-Investment Fund II (Pship)	Chicago
Apex Venture Partners	Chicago
ARCH Venture Fund III	Chicago
ARCH Venture Fund IV	Chicago
ARCH Venture Fund IV-A	Chicago
ARCH Venture Fund V	Chicago
Banc Fund VI	Chicago
Banc Fund VII	Chicago
Banc Fund VIII	Chicago
CIVC Partners Fund IIIA	Chicago
CIVC Partners Fund IV	Chicago
Code, Hennessy & Simmons IV	Chicago
DN Partners II, L.P.	Chicago
Hispania Private Equity II, L.P.	Chicago
Hopewell Ventures, L.P.	Chicago
Industrial Opportunity II	Evanston, IL
Lake Capital Partners	Chicago
LaSalle Capital Group, L.P.	Chicago
Linden Capital Partners II, LP	Chicago
Madison Dearborn Capital Partners IV	Chicago
Madison Dearborn Capital Partners V	Chicago
Madison Dearborn Capital Partners V, L.P.	Chicago
Madison Dearborn Capital Partners VI	Chicago
Madison Dearborn Capital Partners VI, L.P.	Chicago
MK Capital II, L.P.	Northbrook
Prairie Capital V, LP	Chicago
Prism Mezzanine Fund, L.P.	Chicago
Prospect Partners III, LP	Chicago
Rock Island Capital Q Fund I, L.P.	Oak Brook
RoundTable Healthcare Partners	Lake Forest, IL
RoundTable Healthcare Partners II	Chicago
RoundTable Healthcare Partners III	Chicago

Policemen's Annuity and Benefit Fund of Chicago

Smith Whiley Pelham Fund II, L.P.	Evanston
Smith Whiley Pelham Fund III, L.P.	Evanston
Sterling Capital Partners III	Chicago
Sterling Capital Partners IV	Chicago
The Resolute Fund II, L.P. (Jordan Company)	Chicago
The Resolute Fund II, L.P. (Jordan Company)	Chicago
Thoma Bravo Fund IX, L.P.	Chicago
Thoma Bravo Fund X, L.P.	Chicago
Thoma Cressey Fund VIII	Chicago
Thoma Cressey Fund VIII, L.P.	Chicago
Water Street Capital Partners	Chicago
Water Street Healthcare Partners	Chicago
Water Street Healthcare Partners II	Chicago

Total Funds: 46

Policemen's Annuity and Benefit Fund of Chicago

**Private Equity Holdings Headquartered in Illinois held within Partnership Structures**

**Redacted pursuant to 5 ILCS 140/7 (1) (g)**

Policemen's Annuity and Benefit Fund of Chicago

**Brokerage Commissions allocated to IL-based brokerages**

**DOMESTIC EQUITY (EXCLUDING REITS AND HEDGE FUNDS)**

Total commissions paid to MWBE firms in 2015			Total commissions paid to MWBE firms in as of March 31, 2016		
	\$	%		\$	%
African-American	\$76,785.1	42.4%	African-American	\$19,712.2	43.4%
Asian	\$0.0	0.0%	Asian	\$0.0	0.0%
Disabled	\$1,430.1	0.8%	Disabled	\$2,146.8	4.7%
Latino	\$10,272.0	5.7%	Latino	\$3,687.2	8.1%
Female	\$18,795.6	10.4%	Female	\$889.6	2.0%
Total	\$107,282.8	59.2%	Total	\$26,435.8	58.2%
Total commissions paid to IL MWBE firms in 2014 (in thousands)			Total commissions paid to IL MWBE firms in as of September 30, 2015 (in thousands)		
	\$	%		\$	%
IL Based	\$104,753.8	57.8%	IL Based	\$17,093.7	37.6%
GRAND TOTAL	\$ 181,149			\$ 45,460	

**INTERNATIONAL EQUITY (EXCLUDING REITS AND HEDGE FUNDS)**

Policemen's Annuity and Benefit Fund of Chicago

Total commissions paid to MWBE firms in 2015			Total commissions paid to MWBE firms in as of March 31, 2016		
	\$	%		\$	%
African-American	\$57,231.5	10.1%	African-American	\$11,221.7	6.4%
Asian	\$0.0	0.0%	Asian	\$0.0	0.0%
Disabled	\$0.0	0.0%	Disabled	\$0.0	0.0%
Latino	\$28,999.3	5.1%	Latino	\$1,559.0	0.9%
Female	\$22,776.4	4.0%	Female	\$10,234.8	5.8%
<b>Total</b>	<b>\$109,007.2</b>	<b>19.2%</b>	<b>Total</b>	<b>\$23,015.5</b>	<b>13.0%</b>
Total commissions paid to IL MWBE firms in 2014 (in thousands)			Total commissions paid to IL MWBE firms in as of September 30, 2015 (in thousands)		
	\$	%		\$	%
IL Based	\$105,448.2	18.5%	IL Based	\$21,456.5	12.1%
<b>GRAND TOTAL</b>	<b>\$ 569,155</b>		<b>GRAND TOTAL</b>	<b>\$ 176,663</b>	

**FIXED INCOME (EXCLUDING REITS AND HEDGE FUNDS)**

Total trades through MWBE firms in 2015			Total trades through MWBE firms in as of March 31, 2016		
	\$	%		\$	%
African-	\$875,036,535.3	21.0%	African-	\$215,000,7	22.2%

Policemen's Annuity and Benefit Fund of Chicago

American			American	<b>94.0</b>	
Asian	<b>\$0.0</b>	<b>0.0%</b>	Asian	<b>\$0.0</b>	<b>0.0%</b>
Disabled	<b>\$898,189,325.2</b>	<b>21.6%</b>	Disabled	<b>\$151,322,819.0</b>	<b>15.6%</b>
Latino	<b>\$33,808,337.2</b>	<b>0.8%</b>	Latino	<b>\$36,021,173.0</b>	<b>3.7%</b>
Female	<b>\$3,418,985.0</b>	<b>0.1%</b>	Female	<b>\$0.0</b>	<b>0.0%</b>
Total	<b>\$1,810,453,182.7</b>	<b>43.5%</b>	Total	<b>\$402,344,786.0</b>	<b>41.5%</b>
Total commissions paid to IL MWBE firms in 2014 (in thousands)			Total commissions paid to IL MWBE firms in as of September 30, 2015 (in thousands)		
	\$	%		\$	%
IL Based	<b>\$1,763,467,983.8</b>	<b>42.3%</b>	IL Based	<b>\$369,553,057.8</b>	<b>38.1%</b>
GRAND TOTAL	<b>\$4,164,402,107.6</b>			<b>\$969,602,039</b>	

REITS

Total commissions paid to MWBE firms in 2015 (in thousands)			Total commissions paid to MWBE firms in as of March 31, 2016 (in thousands)		
	\$	%		\$	%

Policemen's Annuity and Benefit Fund of Chicago

African-American	\$0.0	0.0%	African-American	\$0.0	0.0%
Asian	\$0.0	0.0%	Asian	\$0.0	0.0%
Disabled	\$0.0	0.0%	Disabled	\$0.0	0.0%
Latino	\$0.0	0.0%	Latino	\$0.0	0.0%
Female	\$6,229.4	43.6%	Female	\$1,298.9	33.4%
Total	\$6,229.4	43.6%	Total	\$1,298.9	33.4%
Total commissions paid to IL MWBE firms in 2014 (in thousands)			Total commissions paid to IL MWBE firms in as of September 30, 2015 (in thousands)		
	\$	%		\$	%
IL Based	\$6,229.4	43.6%	IL Based	\$1,298.9	33.4%
GRAND TOTAL	\$14,280.84			\$3,892.49	



