

RECORD OF PROCEEDINGS  
of the  
RETIREMENT BOARD (the "BOARD") of the  
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")  
RESCHEDULED BOARD MEETING  
WEDNESDAY, NOVEMBER 20, 2019

The 55 East Monroe Building  
55 East Monroe Street, Suite 2720  
Chicago, Illinois 60603

President AFFOLTER called the meeting to order at 9:30 A.M.

**ROLL CALL**

Trustees present:

EDWARD L. AFFOLTER, President  
BRIAN BIGGANE, Vice President  
FRANK HODOROWICZ, Secretary

MATTHEW DUGGAN, Trustee  
STEVEN J. LUX, Trustee  
CECILIA PRADO, Trustee

Also Present:

DEAN J. NIEDOSPIAL, Executive Director  
JAIME L. MCCABE, Comptroller  
ERIK C. HERNANDEZ, Benefits Manager  
MICHAEL SPYCHALSKI, Marquette Associates (attended the entire meeting).

Absent:

PAMELA A. MUNIZZI, Trustee

**MINUTES OF THE LAST MEETING**

A motion was made by Vice President BIGGANE to approve the minutes of the regular Board meeting held on Thursday, October 17, 2019. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

**REPORT OF THE COMMITTEES**

The Personnel Committee reported that it had met prior to the Board meeting to discuss staff salary adjustments to be included in the Fund's 2020 Operating Budget.

**COMMUNICATIONS**

The Executive Director noted a recent FOIA request.

A motion was made by Trustee LUX to accept the Reading of Communications. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

## **BENEFIT DATA**

### **Annuities Granted**

Applications for Service and Employees' Spousal Annuities as listed in Section IV (A) of the Benefit Data, dated June 20, 2019, July 18, 2019, August 15, 2019, September 19, 2019, October 17, 2019 and November 20, 2019, were presented to the Board with the recommendation for approval based upon the report of the President as to the eligibility of the applicants and the correctness of the amounts of annuities and benefits indicated.

Trustee LUX moved ratification of the Applications for Service and Employees' Spousal Annuities to the Omnibus.

### **Disabilities Granted**

Applications for Ordinary and Duty Disability Benefits as listed in Section IV (B) of the Benefit Data, dated May 31, 2019, June 30, 2019, July 31, 2019, August 31, 2019, September 30, 2019 and October 31, 2019, were presented to the Board for approval.

Trustee LUX moved ratification of the Ordinary and Duty Disability Benefits to the Omnibus.

### **Annuities in Force**

The Secretary asked the Trustees to consider the statement of annuity benefit requirements for the months of June 1, 2019, July 1, 2019, August 1, 2019, September 1, 2019, October 1, 2019 and November 1, 2019, in accordance with Section IV (C) of the Benefit Data and asked for formal confirmation of the net requirements in the amounts of \$6,219,749.28, \$6,297,011.10, \$6,307,128.58, \$6,305,134.68, \$6,309,036.23 and \$6,310,845.23 respectively.

Trustee LUX moved ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,219,749.28, \$6,297,011.10, \$6,307,128.58, \$6,305,134.68, \$6,309,036.23 and \$6,310,845.23, to the Omnibus.

### **Report on Death Claims**

<u>Name of Decedent</u>	<u>Date of Death</u>	<u>Amount Payable</u>	<u>To Whom Payable</u>
Jerome Herman Field Cashier Annuitant, 6-084050	04/07/19	\$ 3,000.00 Death Benefit	Jan Arnote, Designated Beneficiary
Andrew Green Attendant Annuitant, 6-098150	04/10/19	\$ 3,000.00 Death Benefit	Burma S. Green, Designated Beneficiary
Thomas Kolloff Carpenter Annuitant, 6-088960	03/31/19	\$ 3,000.00 Death Benefit	Michael Kolloff, Karen Kolloff and Krista Wiltermood, Designated Beneficiaries

Note: Michael Kolloff has not returned his completed applications; this case will remain open until receipt of his completed forms.

Robert V. Peck Craft Instructor Annuitant, 6-068160	05/27/19	\$ 3,000.00	Death Benefit	Robert A. Peck & Donna L. Loftus, Designated Beneficiaries
William T. Donovan Assistant Surveyor Annuitant, 6-086200	5/12/19	\$ 3,000.00	Death Benefit	Marlin J. Roden, Designated Beneficiary
Anthony DiPaolo Accounting Cashier Annuitant, 6-084460	07/07/19	\$ 3,000.00	Death Benefit	Dino DiPaolo, Designated Beneficiary
Dianne Hedlund Sr. Clerk Annuitant, 6-087400	02/07/19	\$ 3,000.00	Death Benefit	Matthew Hedlund, Andrea Giannios, Viveca Hedlund, John Roger Linnea Thelin, Neil Hedlund, Holly Cesena, Glenn Hedlund, Designated Beneficiaries
Note: John Roger Hedlund, Linnea Thelin, Neil Hedlund, Holly Cesena and Glenn Hedlund have not returned their completed applications; this case will remain Open until receipt of all completed forms.				
Raymond L. Bigwood Photo Typesetter Annuitant, 6-086850	08/02/19	\$ 3,000.00	Death Benefit	Craig Alan Asmus & Tina M. Lemke, Designated Beneficiaries
William H. Miller Electrical Engineer Annuitant, 6-074970	07/04/19	\$ 3,000.00	Death Benefit	Joyce L. Dahlberg and William H. Miller, Jr, Designated Beneficiaries
Patrick J. Quinn Sheet Metal Worker Annuitant, 6-094110	08/07/19	\$ 3,000.00	Death Benefit	Ann Marie Labuz, Designated Beneficiary
Donald L. Smith Floriculturist Annuitant, 6-074130	09/16/19	\$ 3,000.00	Death Benefit	Kristen Paulson, Designated Beneficiary
Sheila Kerry Attendant Annuitant, 6-087830	07/19/19	\$ 3,000.00	Death Benefit	Colleen Voll, Alanna Talles and Stephen P. Kerry, Designated Beneficiaries
Patrick D. Mulligan Electrical Inspector Annuitant, 6-089600	08/24/19	\$ 3,000.00	Death Benefit	Kevin M. Harynek, Designated Beneficiary
Robert Nelson, Jr. Attendant Annuitant, 6-011154	04/11/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Bernice Nelson, Surviving Spouse
Clarence Cvicker Gardener Annuitant, 6-072660	03/07/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Jean R. Cvicker, Surviving Spouse

John W. Houston Park Supervisor of Recreation Annuitant, 6-079070	04/04/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Bessie L. Houston, Surviving Spouse
Carolyn F. Nyberg Attendant Annuitant, 6-011357	06/04/19	\$ 4,500.00 <u>300.00</u> <u>\$ 4,800.00</u>	Death Benefit Optional Death Benefit	Paul F. Nyberg, Surviving Spouse
Victor Davis Physical Instructor Employee, 57239	05/21/19	\$ 10,000.00 <u>300.00</u> <u>\$ 10,300.00</u>	Death Benefit Optional Death Benefit	Kimberly A. Davis, Surviving Spouse
Timothy Hill Laborer Annuitant, 6-085750	07/14/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit	Lillian Hill, Surviving Spouse
Clifford Haynes Attendant Employee, 65981	06/23/19	\$ 6,000.00	Death Benefit	Brenda Haynes, Surviving Spouse
Frank Solorio Attendant Annuitant, 6-088350	05/11/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Frances C. Solorio, Surviving Spouse
Robert F. Deuser Chauffeur Annuitant, 6-084250	8/21/19	\$ 3,000.00	Death Benefit	Elizabeth A. Deuser, Surviving Spouse
James Savarino Attendant Annuitant, 6-087630	08/24/19	\$ 3,000.00	Death Benefit	Carmela Savarino, Surviving Spouse
Michael W. Harjung Animal Zookeeper Class II Annuitant, 6-082980	07/24/19	\$ 3,000.00	Death Benefit	Mary L. Harjung, Surviving Spouse
John Houston Park Supervisor Annuitant, 6-079070	04/04/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Bessie Lee Houston, Surviving Spouse
Marcus A. O'Donnell Laborer Annuitant, 7-084160	08/04/19	\$ 300.00	Optional Death Benefit	Carol O'Donnell, Surviving Spouse
Rayburn Young Laborer Annuitant, 6-094890	08/24/19	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Pamela Young, Surviving Spouse
James Slater Landscape Annuitant, 6-096480	09/10/19	\$ 3,000.00	Death Benefit	Ellen L. Krupp, Surviving Spouse
Total amount of death claims submitted for approval		<u>\$ 95,500.00</u>		

The information in the files supporting these claims and the facts relative thereto have been gathered in the office of the Retirement Board. Based on this information, the Executive Director certifies to the correctness and validity of the above claims.

Trustee LUX moved ratification of the Report on Death Claims to the Omnibus.

### **Applications for Refunds - over \$5,000**

Applications for refund of pension contributions, Section IV (E), involving payment in excess of \$5,000 were received from the following former employees of the Chicago Park District and presented to the Board by the Secretary:

<u>Name and Occupation</u>	<u>Amount</u>	<u>Age</u>	<u>Years of Service</u>
<b>Eduardo Alvarado</b> , Lifeguard	\$ 13,352.80	25	6.00
<b>Jalisa Bryant</b> , Physical Instructor	11,330.85	27	4.50
<b>Christian Contreras</b> , Lifeguard	9,966.45	25	4.25
<b>Erica Cornier</b> , Natatorium Instructor	22,001.47	32	9.50
<b>Robin Easter</b> , Recreation Leader	5,572.95	29	4.50
<b>Crystal Guerrero</b> , Lifeguard	8,696.12	26	4.50
<b>Kiyana Henry</b> , Physical Instructor	6,309.34	24	3.75
<b>Kacy Hinton</b> , Lifeguard	7,129.54	23	3.75
<b>Edmund Jantz</b> , Steamfitter	53,305.56	31	6.50
<b>Dorian Kabir</b> , Recreation Leader	6,345.53	32	4.50
<b>Alexandra Knowles</b> , Physical Instructor	11,229.76	26	6.00
<b>Justin Kohls</b> , Senior Budget Analyst	21,261.76	36	4.25
<b>Anthony Macias</b> , Natatorium Instructor	18,593.27	27	7.50
<b>Dennis McArdle</b> , Lifeguard	9,607.42	24	4.50
<b>Kyle McPherson</b> , Laborer	44,395.01	35	13.00
<b>Yolanda Patterson</b> , Attendant	12,162.87	40	6.50
<b>Melinda Queen</b> , Activities Instructor	5,455.20	32	2.00
<b>Christopher Quinn</b> , Physical Instructor	13,656.31	30	4.00
<b>Jordan Richardson</b> , Physical Instructor	8,486.68	28	4.00
<b>Adriana Velazquez</b> , Lifeguard	19,454.66	29	9.00
<b>Byron Whaley</b> , Security Officer	14,290.05	51	8.00
<b>Santos Acosta III</b> , Laborer	43,688.66	40	12.75
<b>Patrick Anderson</b> , Physical Instructor	9,852.18	26	5.00
<b>Ronnie Chester</b> , Physical Instructor	31,357.33	31	8.00
<b>Trissilyn Clayton</b> , Physical Instructor	12,275.72	33	6.00
<b>Anna Colletti</b> , Natatorium Instructor	11,289.37	28	5.25
<b>Danny Delgado</b> , Recreation Leader	5,398.10	24	4.25
<b>Jeremy Dunn</b> , Laborer	11,696.55	29	3.50
<b>Erin Ebbesmeyer</b> , Special Projects Facilitator	11,877.30	26	3.50
<b>Irene Etchison</b> , Attendant	13,571.87	61	8.00
<b>Hector Figueroa</b> , Physical Instructor	9,859.14	46	4.75
<b>Claudia Garcia</b> , Recreation Leader	5,277.20	31	3.75
<b>Paul Gayden</b> , Lifeguard	10,534.28	30	10.75
<b>Dana Gosha</b> , Recreation Leader	14,555.63	45	11.50
<b>Seveta Griffin</b> , Physical Instructor	5,752.58	27	3.00
<b>Aimee Heffernan</b> , Inclusion Aide	14,732.25	36	11.00
<b>Rogelio Hernandez</b> , Lifeguard	7,096.41	27	3.00
<b>Kelly Hunt</b> , Benefits Manager	41,387.48	39	5.25
<b>Michael Iozzo</b> , Attendant	11,306.23	38	6.50

<b>Latoya Jackson</b> , Activities Instructor	16,024.00	35	4.25
<b>Michael Kwit</b> , Physical Instructor	13,418.03	39	5.50
<b>Modwene Lavin</b> , Program & Event Facilitator	8,411.63	55	2.50
<b>Candice McKinney</b> , Physical Instructor	11,239.92	28	7.50
<b>Laquesha Monden</b> , Physical Instructor	6,776.49	29	5.00
<b>Danielle Moore</b> , Recreation Leader	8,150.68	26	6.00
<b>Article Plair</b> , Activities Instructor	11,910.77	42	8.00
<b>Rhianna Ragsdale</b> , Physical Instructor	14,086.25	26	7.50
<b>Ashley Reed</b> , Permit Coordinator	9,223.59	24	4.75
<b>Christopher Sabo</b> , Lifeguard	5,188.10	33	2.25
<b>Terry Sullivan</b> , Natatorium Instructor	26,585.35	32	12.50
<b>Danny Vargas</b> , Physical Instructor	5,723.04	23	3.00
<b>Andrew Vastis</b> , Attendant	11,024.37	34	7.00
<b>Jermaine Williams</b> , Activities Instructor	19,043.54	34	5.50
<b>Vincent Williams</b> , Activities Instructor	<u>23,863.29</u>	29	9.50
<b>Total:</b>	<u>\$ 784,780.93</u>		

The preceding individuals were duly informed regarding the effect of their refunds on their rights in the Fund and were given full explanation to the credit they would be forfeiting by acceptance of the refunds.

Trustee LUX moved ratification of the Applications for Refunds over \$5,000 to the Omnibus.

#### **Refunds of Spouse's Annuity Deduction - over \$5,000**

Application for refund of the following spousal annuity deductions are submitted for ratification by the Trustees. These employees are unmarried at the date of his/her retirement and are entitled to these refunds.

<u>Name</u>	<u>Age</u>	<u>Years of Service</u>	<u>Amount</u>
Yvette Melton	59	31.50 years	\$ 8,541.45
Clifford Newman	66	23.25 years	7,505.55
Shirley L. Evans	58	36.25 years	9,630.13
Deborah A. Mangan	64	20.25 years	12,907.83
Carolyn Suggs	52	30.00 years	10,773.20
Sherita L. Taylor	53	30.00 years	12,060.59
Stephanie C. Smith	69	23.25 years	7,665.27
Edward F. Borngraver Jr.	66	16.75 years	<u>5,733.91</u>
<b>Total</b>			<u>\$74,817.93</u>

Trustee LUX moved ratification of the Refunds of Spouse's Annuity Deductions over \$5,000 to the Omnibus.

**Membership Statistics (informational only)**

	<u>11/20/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
<b>Chicago Park District participants</b>	<b>3,286</b>	<b>3,187</b>	<b>3,543</b>
Participants contributing to PEABF (Tier II approx. 1,300 or 46.6%)	2,787	2,852	2,803
Participants on Disability	24	18	16
Fund employee participants	9	10	10
<b>Total participants as of last payroll</b>	<b>2,820</b>	<b>2,880</b>	<b>2,829</b>
Retired employees	2,140	2,136	2,096
Surviving spouses	689	706	735
Children	12	12	16
<b>Total receiving benefits</b>	<b>2,841</b>	<b>2,854</b>	<b>2,847</b>
Retirement during the year (including spousal)	98	133	146
Death among retirees (including spousal)	109	156	140
New Members	242	421	796
Withdrawals with refund	121	146	138

Trustee LUX moved ratification of the Membership Statistics to the Omnibus.

**FINANCIAL DATA****Expenditure Report**

Disbursements as listed in Section V (A) of the Financial Data, dated May 31, 2019, June 30, 2019, July 31, 2019, August 31, 2019, September 30, 2019, and October 31, 2019 were presented to the Board for approval.

Vice President BIGGANE moved ratification of the Expenditure Reports to the Omnibus.

**Summary of Investment Fees, Administrative, and General Expenses**

Investment Fees, Administrative, and General Expenses as listed in Section V (B) of the Financial Data, as of June 30, 2019 and September 30, 2019, were presented to the Board for ratification.

Vice President BIGGANE moved ratification of the Summary of Investment Fees, Administrative, and General Expenses to the Omnibus.

**Cash Account - Reconciliation and Cash Flow Report**

Cash Account – Reconciliation and Cash Flow Report as listed in Section V (C) of the Financial Data, as of May 31, 2019, June 30, 2019, July 31, 2019, August 31, 2019, September 30, 2019, and October 31, 2019, were presented to the Board for approval. The Trustees discussed maintaining the cash balance in the Northern Trust STIF account in accordance with the Fund's investment policy.

Vice President BIGGANE moved ratification of the Reconciliation and Cash Flow Reports to the Omnibus.

**Summary of the Trial Balance (unaudited)**

Summary of the Trial Balance (unaudited), Section V (D) as of June 30, 2019 and September 30, 2019, shows ending net assets of \$366,756,781.40 and \$352,771,264.87, respectively.

Vice President BIGGANE moved ratification of the Summary of the Trial Balance (unaudited) to the Omnibus.

**INVESTMENTS**

The following reports as listed in Section VI (B) June 30, 2019 and September 30, 2019, are presented to the Board for acceptance:

Market Value of Investments Owned	VI (B) 1
Fixed Income	VI (B) 2
Equity Advisors	VI (B) 3
Alternative Investments	VI (B) 4
Real Estate Accounts	VI (B) 5

Official copies of the preceding have been placed on file and made a part of the "Minutes" of this meeting.

**There were no significant activities in the investment accounts.**

Trustee LUX moved ratification of the investment reports to the Omnibus.

**MOTION TO ACCEPT ITEMS TRANSFERRED TO THE OMNIBUS**

A motion was made by Trustee PRADO to ratify the foregoing reports as part of the Omnibus. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

**REPORT OF THE EXECUTIVE DIRECTOR****Fund Counsel Hourly Rate**

The Executive Director distributed a letter from Jacobs, Burns, Orlove, Stanton & Hernandez, Fund Counsel, which proposes that their hourly rate remain at \$270, the same as the previous year.

**Actuarial and Consulting Services Proposal**

The Executive Director distributed a proposal from Segal Consulting, Fund Actuary, to provide actuarial and consulting services for the Fund through June 30, 2024. The Trustees reviewed the proposal and asked the Executive Director to secure a best and final offer from Segal Consulting.

**Other**

Chicago Park District PPRT - The Executive Director reported that the Fund received a supplemental contribution from the PPRT in the amount of \$3.1 million on October 22, 2019.

Illinois Department of Insurance – The Executive Director distributed a publication from the Illinois Department of Insurance which outlines the annual earnings, salary or wages maximum for the Fund’s Tier II members for 2020, as well as the unadjusted change in the CPI-U over the last 12 months. He noted that this information has been forwarded to the appropriate Chicago Park District staff.

Upcoming events – The Executive Director noted that the Fund’s current asset allocation will be reviewed with the Fund’s investment consultant at the January Board meeting and that the 2020 Fund Operating Budget would be distributed to the Trustees for their review in advance of the December Board meeting.



Senate Hearing – The Executive Director reported that he and the Fund’s Investment Consultant, Marquette Associates, attended a hearing and presented a report on the Fund’s use of minority and female-owned investment managers and broker/dealers to the Illinois State Senate Special Committee on State and Pension Fund Investments on Wednesday, October 23<sup>rd</sup>. The Executive Director and the Trustees discussed the importance of continuing to support minority and female-owned investment managers, brokers and businesses.

Conferences – The Executive Director distributed a copy of the Board approved 2019 and 2020 Conference Schedules to the trustees and highlighted upcoming local conferences and events.

A motion was made by Trustee PRADO to accept the Report of the Executive Director. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

**REPORT OF THE ACTUARY**

None

**REPORT OF THE ATTORNEY**

None

**REPORT OF THE LOBBYIST**

None

**REPORT OF THE INVESTMENT CONSULTANT**

Mr. Michael Spychalski of Marquette Associates distributed the Preliminary Monthly Update report as of October 31, 2019, featuring investment performance, market environment analysis, asset allocation, rebalancing and individual investment manager performance as well as a memorandum regarding UBS TPF fee proposal Recommendation. The report and memorandum were reviewed in detail and the Investment Consultant responded to numerous questions raised by the Trustees.

A motion was made by Trustee LUX to commit \$5 million to remain in the UBS Trumbull Property Fund for 4 years in consideration of a 25% reduction in fees. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

A motion was made by Secretary HODOROWICZ to redeem \$1.4 million from the Ullico -W1 fund to pay pension benefits. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

A motion was made by Secretary HODOROWICZ to accept the Report of the Investment Consultant. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, HODOROWICZ, DUGGAN,  
LUX, PRADO

NAYS: None

**OLD BUSINESS**

None

**NEW BUSINESS**

None

**ADJOURNMENT**

There being no further business, Trustee LUX moved to adjourn the meeting . Trustee PRADO seconded the motion. Motion prevailed unanimously and the meeting was adjourned.

The next regular meeting of the Retirement Board will be on **Thursday, December 19, 2019**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27<sup>th</sup> floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,



Frank C. Hodorowicz  
Secretary