

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, MAY 20, 2021

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

Trustee absent:

PAMELA A. MUNIZZI, Trustee

Also Present:

STEVEN SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MICHAEL SPYCHALSKI, Marquette Associates
TAYLOR MUZZY, Fund Counsel

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, April 15, 2021. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by President AFFOLTER to approve the minutes of the Executive Session meeting held on Thursday, April 15, 2021. Trustee PRADO seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

READING OF COMMUNICATIONS

The Executive Director reviewed a communication from one of the Fund's Securities Litigation Firms, Cohen Milstein, regarding a data breach that the Firm had suffered. The Firm only possessed publicly available investment information of Fund, so no further action was determined to be warranted.

REPORT OF THE COMMITTEES

None

BENEFIT DATA

Annuities Granted

Applications for Service, Child and Employees' Spousal Annuities as listed in Section IV (A) of the Benefit Data, dated March 18, 2021, April 15, 2021, and May 20, 2021, 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.

Secretary HODOROWICZ moved ratification of the Applications for Service, Child 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 February 28, 2021, March 31, 2021, and April 30, 2021, 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 March 2021, April 2021, and May 2021 in accordance with Section IV (C) of the Benefit Data and asked for formal confirmation of the net requirements in the amounts of \$6,411,798.55, \$6,430,760.46 and \$6,422,661.64, respectively.

Secretary HODOROWICZ moved ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,411,798.55, \$6,430,760.46 and \$6,422,661.64 to the Omnibus.

Report on Death Claims

The following report, Section IV (D) was submitted for ratification as indicated:

<u>Name of Decedent</u>	<u>Date of Death</u>	<u>Amount Payable</u>	<u>To Whom Payable</u>
Richard A. Lee, Sr. Operating Engineer Annuitant	01/22/21	\$ 3,000.00 Death Benefit	Michelle M. Zolfo, Kelly Steinhauer, Richard A. Lee, Jr., Bryan J. Lee and Andrea Marie Lee
Leonard Postregna Director of Operations Service Annuitant	11/05/20	\$ 3,000.00 Death Benefit	Steven M. Postregna
Roy R. Brimer Vermin Exterminator Annuitant	11/06/20	\$ 3,000.00 Death Benefit	Melissa Ninko

Felix Zvitovits Attendant Foreman Annuitant	09/23/20	\$ 3,000.00	Death Benefit	Joanne Konsoer
Norval White Laborer Annuitant	01/28/21	\$ 3,000.00	Death Benefit	Delonya L. Gant and Lynnice A. Haynes
Darlene Grandolfo Claims Adjuster Annuitant	02/01/21	\$ 3,000.00	Death Benefit	Denise Grandolfo
Venice Johnson Drama Instructor Annuitant	07/21/20	\$ 3,000.00	Death Benefit	Shelia Johnson
Frank J. Amato Park Operation Supervisor Annuitant	12/31/19	\$ 3,000.00 <u>121,435.97</u> <u>\$ 124,435.97</u>	Death Benefit Refund of AR	Antonio M. Abul-Husn
Joseph Perrone, Jr. Maintenance Serviceman Annuitant	03/10/21	\$ 3,000.00	Death Benefit	Pauline Perrone and Rosanna Babicz
Henry Charles Foster Recreation Leader Annuitant	01/31/21	\$ 3,000.00	Death Benefit	Brian Keith Foster
James Benedick Electrician Annuitant	10/30/20	\$ 3,000.00	Death Benefit	Thomas Benedick & Denice E. Salazar
Lucille Simpson Craft Instructor Annuitant	02/12/21	\$ 3,000.00	Death Benefit	Yvonne Simpson-Robinson, Donna Marie Hazley and Deirdra Simpson Torres
Donald O. Smith Maintenance Foreman Annuitant	02/6/21	\$ 3,000.00	Death Benefit	Sharon M. Stec, Donald C. Smith and Deborah McConville
Claudia Flaws Aircraft Instructor Annuitant	12/15/20	\$ 3,000.00	Death Benefit	John M. Flaws, Michael A. Flaws, Randall K. Flaws, Jean A. Chervinko Kevin P. Flaws, William P. Flaws and Robert Flaws
Robert Flaws has not yet returned his completed forms. This case will remain open until receipt of the completed forms.				
Carolyn J. Moran Attendant Annuitant	03/15/20	\$ 3,000.00	Death Benefit	Thomas J. Moran
Edward H. Ryneerson Web Design Manager Annuitant	02/24/21	\$ 64,248.75	Refund of AR	Harper L. Ryneerson, Mia Ryneerson and Kali Ryneerson
Martin Vece Construction Coordinator Annuitant	12/27/20	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Jacqueline Vece

The amount payable was applied to the January 2021 annuity overpayment due back to the Fund.

Sam G. Gianaras	01/21/21	\$ 3,000.00	Death Benefit	Dorothy Gianaras
Craft Supervisor		<u>300.00</u>	Optional Death Benefit	
Annuitant		<u>\$ 3,300.00</u>		

Raymond Richard	12/26/21	\$ 3,000.00	Death Benefit	Alita Richard
Park Supervisor of Recreation		<u>300.00</u>	Optional Death Benefit	
Annuitant		<u>\$ 3,300.00</u>		

The amount payable was applied to the January 2021 annuity overpayment due back to the Fund.

Donald M. Pasier	11/14/20	\$ 300.00	Optional Death Benefit	Sylvia C. Pasier
Physical Instructor				
Annuitant				

Conrad R. Munoz	01/16/21	\$ 3,000.00	Death Benefit	Beatriz Munoz
Garage Attendant				
Annuitant				

Manuel Nunez	03/14/21	\$ 3,000.00	Death Benefit	Maria Nunez
Activities Instructor				
Annuitant				

Francesca Fullone	02/25/21	\$ 3,000.00	Death Benefit	Adeline Fullone
Attendant				
Annuitant				

Total amount of death claims submitted for approval		<u>\$249,884.72</u>		
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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>Tier</u>	<u>Years of Service</u>
Rosendo Alvarez , Security Guard	\$ 11,093.58	62	2	5.50
Jory Beltran , Lifeguard	16,914.96	28	2	7.00
Dominic Boggia , Attendant	5,817.90	52	1	2.75
Jack Chavez , Attendant	12,498.54	32	2	6.50
Brandon Collins , Recreation Leader	6,371.50	25	2	3.50
Julian Davila , Lifeguard	9,504.32	27	2	3.75
German Hernandez , Lifeguard	9,723.79	22	2	3.75
Adam Lilliebridge , Natatorium Instructor	16,885.43	26	2	6.50
Marcus Madison , Natural Areas Worker	10,305.72	29	2	3.00
Elizabeth Medina , Lifeguard	15,203.81	34	1	7.50
Sonia Mercado , Laborer	19,605.98	49	2	5.50
Lois Robinson , Special Projects Coordinator	<u>10,453.98</u>	63	1	3.25
Total:	<u>\$ 144,379.51</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.

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

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

Applications 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>
Gregory J. Bohus	50	30.25 years	\$ 5,014.37
Sonia Lugo	52	33.50 years	12,000.17
Ricky Bedenfield	65	21.25 years	7,507.09
Johnie L. Smith	65	19.75 years	<u>7,274.25</u>
			<u>\$ 31,795.88</u>

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

Nursing Home Care

None

Membership Statistics (informational only)

	<u>04/30/21</u>	<u>12/31/20</u>	<u>12/31/19</u>
Chicago Park District Participants (Tier II – approximately 1,399 or 48.80%)	2,867*	2,890*	3,132*

Contributing participants reported by Chicago Park District for pay period ending April 28, 2021	2,576	2,643	2,778
Participants on Disability	15	15	28
Fund employee participants	9	8	9
Total participants as of last payroll	2,600	2,666	2,815
Retired employees	2,105	2,116	2,144
Surviving spouses	639	648	686
Children	11	11	13
Total receiving benefits	2,755	2,775	2,843
Retirements during the year (including spousal)	18	102	131
Deaths among retirees (including spousal)	37	172	142
New Members	0	90	320
Withdrawals with refund	30	104	165

President AFFOLTER moved the ratification of the Membership Statistics to the Omnibus.

FINANCIAL DATA

Expenditure Report

Disbursements as listed in Section V (A) of the Financial Data, dated February 28, 2021, March 31, 2021, and April 30, 2021, were presented to the Board for approval.

Trustee LUX moved ratification of the Expenditure Report 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 March 31, 2021, 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 February 28, 2021, March 31, 2021 and April 30, 2021, 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.

Trustee LUX moved ratification of the Reconciliation and Cash Flow Report to the Omnibus.

Summary of the Trial Balance (unaudited)

Summary of the Trial Balance (unaudited), Section V (D) as of March 31, 2021, shows ending net assets of \$386,740,323.88

Trustee DUGGAN moved ratification of the Summary of the Trial Balance (unaudited) to the Omnibus.

INVESTMENTS

The following reports as listed in Section VI (B) dated March 31, 2021, 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 and Other	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.

Secretary HODOROWICZ moved ratification of the Investments to the Omnibus.

MOTION TO ACCEPT ITEMS TRANSFERRED TO THE OMNIBUS

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director updated the Board on the following subjects; the termination of the office lease and the search for a new office space, the information technology review that the Fund is conducting, the information technology managed service provider request for proposal, the development of a non-investment procurement policy, annuity estimate tracking, the website annuity estimator project, Chicago Park District forms utilized by the Fund Staff, the steps-to-retirement checklist, the audit and actuarial valuation report progress, employer contributions, the 2021 Trustee election and scheduled Trustee fiduciary training.

A motion was made Secretary HODOROWICZ to advertise a request of proposal for the services of an Information Technology Managed Service Provider. Motion was seconded by Trustee PRADO.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, HODOROWICZ,

LUX, PRADO

NAYS: None

A motion was made Secretary HODOROWICZ to accept the report of the Executive Director. Motion was seconded by Trustee DUGGAN.

Motion carried by the following roll call:

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

NAYS: None

EXECUTIVE SESSION

A motion was made by President AFFOLTER to go into Executive Session for the purpose of discussing pending litigation and the status of current litigation. Motion was seconded by Trustee PRADO.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by Vice President BIGGANE to return to Open Session. Motion was seconded by Trustee PRADO.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ACTUARY

None

REPORT OF THE ATTORNEY

TAYLOR MUZZY, Fund Counsel presented a portion of the report of the attorney in closed session due to the discussion of current litigation. Fund Counsel then advised the Trustees of a situation regarding request for refund of contributions pertaining to an incarcerated inactive participant of the Fund.

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE LOBBYIST

A written report from the Fund's Lobbyist, James Brosnahan, was presented to the Trustees by the Executive Director.

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE INVESTMENT CONSULTANT

Mr. Michael Spychalski of Marquette Associates, the Fund's Investment Consultant, distributed the Preliminary Monthly Update report as of April 30, 2021, featuring investment performance, market environment analysis, asset allocation, and individual investment manager performance. The report was reviewed in detail and the Investment Consultant responded to numerous questions raised by the Trustees.

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

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

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

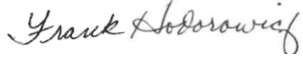
None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, June 17, 2021**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 27th floor of the 55 East Monroe Street Building, Suite 2720, Chicago, Illinois, 60603.

Respectfully submitted,



FRANK HODOROWICZ
Secretary