

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, FEBRUARY 16, 2023

3500 S. Morgan Street, Suite 400
Chicago, Illinois 60609

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

ROLL CALL

Trustees present:

EDWARD L. AFFOLTER, President	MATTHEW DUGGAN, Trustee
BRIAN BIGGANE, Vice President	STEVEN J. LUX, Trustee
FRANK HODOROWICZ, Secretary	CYNTHIA EVANGELISTI, Trustee

Also Present:

STEVEN SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MEKETA INVESTMENT GROUP, INC, Investment Consultant
TAYLOR MUZZY, Fund Counsel (participated by telephone during Report of the Attorney)
CHAD JOHNSON, Robbins, Gellar, Rudman & Dowd (participated by telephone during the Report of the Attorney)

MINUTES OF THE LAST MEETING

A motion was made by Trustee EVANGELISTI to approve the minutes of the regular Board meeting held on Thursday, January 19, 2023. Trustee LUX seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

READING OF COMMUNICATIONS

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE COMMITTEES

None

BENEFIT DATA**Annuities Granted**

Applications for Service, Employees' Spousal and Child Annuities as listed in Section IV (A) of the Benefit Data, dated December 15, 2022, January 19, 2023, and February 16, 2023, 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, Employees' Spousal and Child Annuities to the Omnibus.

Disabilities Granted

Applications for Ordinary and Duty Disability Benefits as listed in Section IV (B) of the Benefit Data, dated November 30, 2022, December 31, 2022, and January 31, 2023, were presented to the Board for approval.

Secretary HODOROWICZ 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 December 2022, January 2023, and February 2023 in accordance with Section IV (C) of the Benefit Data and asked for formal confirmation of the net requirements in the amounts of \$6,663,166.56, \$6,721,252.45 and \$6,713,617.07, respectively.

Vice President BIGGANE moved ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,663,166.56, \$6,721,252.45, and \$6,713,617.07 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>
Marzet Rhodes Special Recreation Instructor Annuitant	10/16/22	\$ 3,000.00 Death Benefit	Ella Lorraine Rhodes- Dix
Roosevelt Pittman Painter Annuitant	10/11/22	\$ 3,000.00 Death Benefit	Bridget Wiley
Peter Agyeman Crafts Instructor Annuitant	09/26/22	\$ 3,000.00 Death Benefit	Rosemond Agyeman
Charles Elkin Physical Instructor Annuitant	10/24/22	\$ 3,000.00 Death Benefit <u>300.00</u> Optional Death Benefit \$ <u>3,300.00</u>	Carol J. Elkin

Kevin G. Ashe Playground Supervisor Annuitant	09/17/22	\$ 3,000.00	Death Benefit	Stacey Catizone, Julie Masen and Maureen Ashe
Robert J. Thompson Sr. Landscape Design Annuitant	12/01/22	\$ 3,000.00	Death Benefit	Gail M. Thompson
Frederick Morish Attendant Annuitant	10/24/22	\$ 3,000.00 *	Death Benefit	Carrie A. Hibble
* The Fund withheld the November 1, 2022 annuity overpayment from the death benefit.				
Sammy L. Tripp Special Laborer Annuitant	12/08/22	\$ 3,000.00	Death Benefit	Lena Beatrice Tripp
Paul D'Andrea Park Supervisor Annuitant	11/21/22	\$ 300.00	Optional Death Benefit	Maureen Fayen
Alonzo Hayes Security Guard Annuitant	10/26/22	\$ 3,000.00	Death Benefit	Ana Maria Hayes
Thomas J. Snooks, Jr. Assistant Director of Security Employee	12/28/22	\$ 6,000.00 <u>5,633.59</u> <u>\$ 11,633.59</u>	Death Benefit Refund of AI	Kathleen A. Snooks
William F. Henry Laborer Annuitant	12/08/22	\$ 300.00	Optional Death Benefit	Eileen Henry
Sheila Kevin Zoological Instructor Annuitant	07/04/22	\$ 300.00	Optional Death Benefit	Daniel D. Kevin
Total amount of death claims submitted for approval		<u>\$ 39,833.59</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.

President AFFOLTER 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>
Popoca, David – Natatorium Instructor	\$ 18,108.52	32	2	7.25
Booker, Jerry – Special Rec. Leader	16,830.64	40	2	10.00
Paez, Hector M. – Special Rec. Leader	7,302.92	39	2	5.50

Beal, Tynisha – Attendant	10,619.35	29	2	5.75
Tirres, Adam J. – SR. Program/Even Coord.	25,592.83	37	2	6.50
Johnson, Stephan P. – Laborer	13,050.48	29	2	3.75
Garduno, Isabella G. – Recreation Leader	8,671.68	24	2	4.50
Velazquez, Reynaldo J. – Lifeguard	11,436.98	35	2	5.25
Wright, Shemar – Recreation Leader	5,877.73	23	2	4.50
Battle, Dontae D. – Natural Areas Worker	16,237.74	29	2	4.25
Delgado, Ivan – Lifeguard	6,194.11	25	2	3.50
Bolanos, Jesus – Lifeguard	7,020.62	41	1	4.25
Santiago, Carlos A. – Security Guard	6,400.22	48	1	2.75
Harris, Patrick C. – Security Guard	9,927.79	47	1	5.25
Foot, Dorothea M. – Attendant	7,830.02	54	2	5.25
Vance, Ryan A. – Program Specialist	36,650.36	38	2	7.75
Garcia, Madeline C. – Lifeguard	7,551.60	24	2	3.50
Wells, Jermerl M. – Physical Instructor	10,271.53	55	2	4.75
Clark, Jordan K. – Recreation Leader	9,317.02	26	2	6.50
Slowik, Pete J. – BTC Laborer	33,268.26	38	2	4.50
Cruz, Joshua A. – Special Rec. Instructor	12,258.59	36	2	6.00
Rivera, Omar A. – Lifeguard	26,695.17	31	1	11.50
Mister, Dwayne – Physical Instructor	28,336.78	39	1	11.25
Romando, John – Recreation Leader	<u>6,455.46</u>	24	2	4.00
Total:	<u>\$341,906.40</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 DUGGAN 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>
Randy J. DuRussel	52	20.75 years	\$ 14,967.48
Alfred L. Richardson	59	26.00 years	8,580.70
Shirley L. Molette	64	37.00 years	16,987.46
Maria G. Ramirez	58	19.00 years	8,971.02
Rebecca J. Kliber	55	36.50 years	19,251.39
Carlos Jimenez	54	33.50 years	<u>12,679.88</u>
			<u>\$ 81,437.93</u>

Trustee LUX 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>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>
Chicago Park District Participants (Tier 2 – approximately 1,166 or 39.26%) (Tier 3 - approximately 458 or 15.42%)	2,970*	2,694*	2,890*
Contributing participants reported by Chicago Park District for pay period ending December 22, 2022	2,497	2,413	2,643
Participants on Disability	10	24	15
Fund employee participants	9	8	8
Total participants as of last payroll	2,516	2,445	2,666
Retired employees	2,106	2,104	2,116
Surviving spouses	631	639	648
Children	8	9	11
Total receiving benefits	2,745	2,752	2,775
Retirements during the year (including spousal)	144	126	102
Deaths among retirees (including spousal)	151	149	172
New Members	451	112	90
Withdrawals with refund (including inactives)	136	128	104

* This represents the total number of active members in the Fund system. At the end of each year, any active member that does not have any contributions for at least one year, is moved to inactive status.

Secretary HODOROWICZ 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 November 30, 2022, December 31, 2022, and January 31, 2023, 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 December 31, 2022, were presented to the Board for ratification.

President AFFOLTER 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 November 30, 2022, December 31, 2022 and January 31, 2023, 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 Report to the Omnibus.

Summary of the Trial Balance (unaudited)

Summary of the Trial Balance (unaudited), Section V (D) as of December 31, 2022, shows ending net assets of \$382,422,696.00

Secretary HODOROWICZ moved ratification of the Summary of the Trial Balance (unaudited) to the Omnibus.

INVESTMENTS

The following reports as listed in Section VI (B) dated December 31, 2022, 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.

Trustee DUGGAN moved ratification of the Investments to the Omnibus.

MOTION TO ACCEPT ITEMS TRANSFERRED TO THE OMNIBUS

A motion was made by Vice President BIGGANE to ratify the foregoing reports as part of the Omnibus. Secretary HODOROWICZ seconded the motion.

Motion carried by the following roll call:

YEAS:	AFFOLTER, BIGGANE, DUGGAN, EVANGELISTI HODOROWICZ, LUX
NAYS:	None

REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director updated the Board on the progress of the new pension administration system and the document digitalization project.

The Executive Director informed the Trustees that Rubi Quijano would be serving as the Election Coordinator for the 2023 election.

The Executed Director presented a proposal from Governmental Business Systems to serve as the Election Monitor for the 2023 Election to the Trustees and discussed the revisions with the Trustees.

A motion was made by Vice President BIGGANE to accept the proposal from Governmental Business Systems to serve as the Election Monitor for the 2023 Election. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

Finally, the Executive Director apprised the Trustees of the following; the progress of the contracting process for physician services, a draft disability policy is expected to be presented at next month’s meeting, a quote for staff payroll, human resources and time & attendance services is expected to presented a next month’s meeting, annuity estimates that had been requested by participants since the January Board meeting, updated the Trustees on the number of marriage letters returned by the Fund’s annuitants and beneficiaries, and submitted and distributed to the Board the approved 2023 Conference Schedule and highlighted upcoming local conferences, virtual remote conferences, and events.

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

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ACTUARY

None

REPORT OF THE ATTORNEY

EXECUTIVE SESSION

A motion was made by Trustee DUGGAN to go into Executive Session for the purpose of discussing the status of current litigation. Motion was seconded by Secretary HODOROWICZ.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by Secretary HODOROWICZ to return to Open Session. Motion was seconded by Vice President BIGGANE.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE INVESTMENT CONSULTANT

Representatives from Aspect, Versor and BH-DG all participated in the Risk Mitigating Strategy search finalists' presentations to the Board as recommended by the Fund' Investment Consultant. The presenters answered questions posed by the Trustees. The Board then discussed the presentations in detail with the Fund's Investment Consultant.

A motion was made by President AFFOLTER to select BH-DG to fill the Fund's Risk Mitigating Strategy allocation with the exact allocation to be determined after the 2023 Asset Allocation Review is completed and pending successful contract negotiations. Vice President BIGGANE seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

Ghiane Jones and Keith Beaudoin, of the Meketa Investment Group, presented the Preliminary Monthly Update report as of January 31, 2023, featuring investment performance, market environment analysis, asset allocation, and individual investment manager performance. The report was reviewed in detail and the Investment Consultants responded to numerous questions raised by the Trustees.

Additionally, the Investment Consultants presented to the Board a recommendation to drawdown \$4,000,000 from the Parametric hedged equity allocation to meet the monthly cash needs of the Fund if employer contributions are not yet available.

A motion was made by Vice President BIGGANE to approve the drawdown of \$4,000,000 from the Parametric hedged equity allocation to meet the monthly cash needs of the Fund if employer contributions are not yet available. Trustee DUGGAN seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, DUGGAN, EVANGELISTI,
HODOROWICZ, LUX
NAYS: None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Trustee DUGGAN 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, March 16, 2023**, at 9:30 A.M. in the Judith A. Flaherty Conference Room on the 4th floor of the 3500 S. Morgan Street, Suite 400, Chicago, Illinois, 60609.

Respectfully submitted,



FRANK HODOROWICZ
Secretary