

RECORD OF PROCEEDINGS
of the
RETIREMENT BOARD (the "BOARD") of the
PARK EMPLOYEES' ANNUITY and BENEFIT FUND (the "FUND")
REGULAR BOARD MEETING
THURSDAY, AUGUST 17, 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
FRANK HODOROWICZ, Secretary
BRIAN BIGGANE, Trustee

JOAN COOGAN, Trustee
CYNTHIA EVANGELISTI, Trustee
STEVEN J. LUX, Trustee

Also Present:

STEVEN SWANSON, Executive Director
JAIME L. MCCABE, Comptroller
MEKETA INVESTMENT GROUP, Fund's Investment Consultant

Absent:

MATTHEW DUGGAN, Vice President

MINUTES OF THE LAST MEETING

A motion was made by Trustee EVANGELISTI to approve the minutes of the regular Board meeting held on Thursday, July 20, 2023. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

READING OF COMMUNICATIONS

The Executive Director noted recent FOIA requests.

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 June 15, 2023, July 20, 2023, and August 17, 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.

President AFFOLTER 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 May 31, 2023, June 30, 2023, and July 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 June 2023, July 2023, and August 2023 in accordance with Section IV (C) of the Benefit Data and asked for formal confirmation of the net requirements in the amounts of \$6,722,069.59, \$6,823,346.49 and \$6,825,255.99, respectively.

Trustee LUX moved ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,722,069.59, \$6,823,346.49 and \$6,825,255.99 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>
John D. Gornick Plumber Annuitant	03/10/23	\$ 3,000.00	Death Benefit	Christine M. Gornick
Thomas M. Duggan Laborer Annuitant	03/29/23	\$ 3,000.00 <u>300.00</u> <u>\$ 3,300.00</u>	Death Benefit Optional Death Benefit	Carmen A. Duggan
Theodore A. Sutkus Attendant Annuitant	03/14/23	\$ 300.00	Optional Death Benefit	Karen A. Sutkus
Lawrence S. Hartl Carpenter Annuitant	03/31/23	\$ 3,000.00	Death Benefit	Julianne Hartl

Joshua Kelly Attendant Employee	04/04/23	\$ 10,000.00 <u>28,087.69</u> <u>\$ 38,087.69</u>	Death Benefit Refund of Employee Contributions	Margaret M. Kelly
Chung Yon Park Music Instructor Annuitant	04/10/23	\$ 3,000.00	Death Benefit	Key Hwa Park
Jacqueline Griffin Physical Instructor Employee	05/11/23	\$ 6,000.00 <u>17,494.17</u> <u>\$ 23,494.17</u>	Death Benefit Refund of Employee Contributions	Cynthia V. Livingston
Salvador Ruiz Jr. Tree Surgeon Employee	03/18/23	\$ 10,000.00 6,011.41 <u>300.00</u> <u>\$ 16,311.41</u>	Death Benefit Refund of AI Optional Death Benefit	Brandice Carson- Ruiz
Tulio Caputo Sheet Metal Worker Annuitant	04/15/23	\$ 3,000.00	Death Benefit	Georgianna M. Caputo
Terrence L. Hansen Motor Truck Driver Annuitant	05/12/23	\$ 3,000.00	Death Benefit	Bernadette Hansen
Melvin M. King Art Craft Instructor Annuitant	04/05/23	\$ 3,000.00	Death Benefit	Debbie L. King-Harris
Booker T. Wilson Playground Supervisor Annuitant	06/02/23	\$ 3,000.00	Death Benefit	LaTonya Donaldson-Wilson
Veronica DePhillips Area Recreation Leader Annuitant	05/03/23	\$ 3,000.00	Death Benefit	Russell DePhillips, Kevin DePhillips and Tina Rouen
Anthony Seminaro B&C Laborer Annuitant	04/03/23	\$ 3,000.00	Death Benefit	Joyce Seminaro
Joseph Krajniak Hoisting Engineer Annuitant	05/30/22	\$ 3,000.00	Death Benefit	Susanna M. Bennet and Cathleen

Note: This case will remain open until receipt of Cathleen Krajniak's applications.

Total amount of death claims submitted for approval \$111,493.27

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.

Secretary HODOROWICZ 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>
Klepac, Charles – Admin Secretary III	\$ 20,326.57	31	2	4.25
Ortega, Nina C. – Special Rec. Instructor	10,358.89	29	2	5.25
Thompson, Kieron J. – Lifeguard	50,593.79	37	1	14.25
Diaz, Lizette – Lifeguard	13,164.25	26	2	5.25
Steele, Shemeika M.– Attendant	14,655.54	28	2	8.25
Garcia, Dylise E. – Lifeguard	7,489.68	23	2	3.25
Labeledz, Sebastian L.– Attendant	8,963.06	27	2	4.75
Davis, Angela L. – Compliance Officer	10,631.65	44	2	2.25
Brown, Ariel M. – Physical Instructor	14,290.11	30	2	8.5
Alonso, Ernesto – Recreation Instructor	17,906.80	33	2	8.0
White, Sarah M. – Lakefront Planning Coord.	40,995.92	42	2	5.5
Billingsley, Rochelle B. – Laborer	29,712.73	51	2	7.5
Ashford, Sherina A. – Attendant	8,450.01	57	2	4.75
Mitchell, Michelle L. – Inclusion Aide	5,786.82	41	1	4.25
Martin, Erica – Physical Instructor	41,251.18	36	1	16.75
Noceda, Salvadore J. – Physical Instructor	8,687.18	26	2	4.25
Tripp, Ryan S. – Compliance Officer	36,475.37	32	2	8.0
Szczotka, Luisa I. – Laborer	18,665.36	37	2	5.0
Anderson, Kimberly L. – Attendant	59,941.52	48	1	18.0
Perez, Ajitzi A. – Lifeguard	13,519.92	24	2	6.0
Conner, Wanda R. – Attendant	11,784.54	52	2	5.25
Chandler, Shymel A. – Laborer	26,528.74	33	2	6.75
Mercado, Joseph – Natatorium Instructor	20,050.57	29	2	4.75
Johnson, DeAngelo R. – Laborer	21,084.14	42	2	5.25
Mangan, John P. – Recreation Leader	7,296.21	22	2	4.25
Moreno, Vanessa – Physical Instructor	12,284.52	28	2	5.5
Winson, Victor A. – Special Rec. Instructor	92,391.19	51	1	21.5
Brim, Jerald C. – Recreation Leader	8,715.06	30	2	5.25
Tull, David L. – Security Officer	13,730.52	43	1	5.0
Curry, LaDonna – Gymnastics Instructor	9,112.93	34	2	4.75
King, Natasha D. – Physical Instructor	7,492.26	40	1	3.25
Hampton, Richard C. – Recreation Leader	6,025.18	29	2	3.75

Carter, Collette L. – Special Rec. Leader	6,571.80	59	2	3.5
Medina, Carlos O. – Physical Instructor	23,096.11	33	2	9.0
Petty, Breanna E. – Physical Instructor	<u>12,203.29</u>	28	2	5.25

Total: **\$710,233.41**

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

Secretary HODOROWICZ 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>
Chris C. Campbell	50	19.00 years	\$ 8,172.66
Doreen M. O’Donnell	58	36.50 years	22,394.37
Aquilina Rivera	82	54.00 years	13,639.82
Henry E. Sims	74	27.50 years	5,058.83
Jeanette Stovall	60	27.50 years	15,587.03
John L. Wockner	61	33.25 years	7,656.93
Leonardo Guzman	66	37.75 years	11,468.27
Cheryl D. Hill-Beverly	67	36.50 years	17,181.65
Donna L. Jones	51	27.50 years	13,066.81
Debra Allen	58	32.75 years	15,249.47
Gerald E. Malinski	50	30.00 years	<u>9,926.44</u>
Total			<u>\$139,402.28</u>

Trustee BIGGANE 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>8/17/23</u>	<u>12/31/22</u>	<u>12/31/21</u>
Chicago Park District Participants (Tier 2 - approximately 1,051 or 34.68%) (Tier 3 - approximately 676 or 22.30%)	3,031*	2,818*	2,694*
Contributing participants reported by Chicago Park District for pay period ending July 19, 2023	2,612	2,497	2,413
Participants on Disability	8	10	24
Fund employee participants	10	9	8
Total participants as of last payroll	2,630	2,516	2,445
Retired employees	2,113	2,106	2,104
Surviving spouses	628	631	639
Children	4	8	9
Total receiving benefits	2,745	2,745	2,752
Retirements during the year (including spousal)	68	144	126
Deaths among retirees (including spousal)	68	151	149
New Members	282	451	112
Withdrawals with refund	81	136	128

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 May 31, 2023, June 30, 2023, and July 31, 2023, were presented to the Board for approval.

President AFFOLTER 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 June 30, 2023, were presented to the Board for ratification.

Trustee LUX 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, 2023, June 30, 2023 and July 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.

Trustee 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 June 30, 2023, shows ending net assets of \$404,932,796.95

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 June 30, 2023, 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 LUX moved ratification of the Investments to the Omnibus.

MOTION TO ACCEPT ITEMS TRANSFERRED TO THE OMNIBUS

A motion was made by Trustee BIGGANE to ratify the foregoing reports as part of the Omnibus. President AFFOLTER seconded the motion.

Motion carried by the following roll call:

YEAS: AFFOLTER, BIGGANE, COOGAN, 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 including the development of the smart phone application.

Joel Babbitt from the NPPFA made an educational presentation to the Board regarding options that employers can implement to allow employees to save money for healthcare costs in retirement.

The Executive Director presented and discussed with Board the amended 2023 budget, which specifically included a quote from Lauterbach & Amen for accounting services and board meeting support services due to the resignation of the newly hired Staff Accountant. Additionally, the revised 2023 budget included funds for the purchase of reception area furniture to accommodate the additional number of participants that visit the Fund's new office location.

A motion was made by Trustee LUX to accept the quote from Lauterbach & Amen based on the recommendation of the Executive Director and to include confirmation that the additional services will not conflict with Lauterbach & Amen's role as the Fund's Independent Auditor. Motion was seconded by Trustee BIGGANE.

Motion carried by the following roll call:

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

NAYS: None

A motion was made by President AFFOLTER to accept the amended 2023 budget based on the recommendation of the Executive Director. Motion was seconded by Trustee BIGGANE.

Motion carried by the following roll call:

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

NAYS: None

The Executive Director presented and discussed with the Board the 2024 Employer Contribution letter which documents the statutorily required employer contribution to the Fund in 2024.

A motion was made by Secretary HODOROWICZ to accept the 2024 Employer Contribution letter based on the recommendation of the Executive Director. Motion was seconded by President AFFOLTER.

Motion carried by the following roll call:

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

NAYS: None

Additionally, the Executive Director apprised the Trustees of the following: the document digitalization project, annuity estimates that had been requested by participants since the July Board meeting, the number of marriage letters returned by the Fund's annuitants and beneficiaries, contributions received from the Park District, 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 Secretary HODOROWICZ to accept the report of the Executive Director. Motion was seconded by Trustee EVANGELISTI.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE LEGISLATIVE CONSULTANT

The written report of the Fund's Lobbyist was presented to the Trustees by the Executive Director.

A motion was made by Secretary HODOROWICZ to accept the Report of the Lobbyist. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE ATTORNEY

A motion was made by Trustee BIGGANE to approve and direct the Fund's Legal Counsel to submit their invoices related to the Viacom matter to Robbins Geller Rudman & Dowd LLP for payment. Trustee LUX seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

REPORT OF THE INVESTMENT CONSULTANT

Meketa Investment Group, the Fund's Investment Consultant, distributed the Preliminary Monthly Update report as of July 31, 2023, 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.

Based on the recommendation of the Investment Consultant, the following firms will be invited to present at the September Board meeting regarding the fixed income asset manager search, CFI Partners, Garcia Hamilton, and Loop Capital.

A motion was made by Secretary HODOROWICZ to post the Request for Proposal for Domestic Mid-Cap Growth Equity. Trustee BIGGANE seconded the motion.

Motion carried by the following roll call:

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

NAYS: None

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

Motion carried by the following roll call:

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

NAYS: None

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

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

The next regular meeting of the Retirement Board will be on **Thursday, September 21, 2023**, at 9:30 A.M. in the Judith A. Flaherty Conference Room of the 3500 S. Morgan Street, Suite 400, Chicago, Illinois, 60609.

Respectfully submitted,



FRANK HODOROWICZ
Secretary