

**RECORD OF PROCEEDINGS of the
RETIREMENT BOARD (the “Board”) of the
PARK EMPLOYEES’ ANNUITY AND BENEFIT FUND OF CHICAGO (the “Fund”)
REGULAR BOARD MEETING
THURSDAY, NOVEMBER 21, 2024**

A regular meeting of the Board was held on Thursday, November 21, 2024, at 9:30 a.m. in the Judith A. Flaherty Conference Room on the 4th Floor located at 3500 South Morgan Street, Suite 400, Chicago, Illinois 60609, pursuant to notice.

CALL TO ORDER: The meeting was called to order at 9:30 a.m.

ROLL CALL:

PRESENT: President Edward L. Affolter, Vice President Matthew Duggan, Secretary Frank Hodorowicz, Trustees Brian Biggane, Joan Coogan (*arrived at 9:41 a.m.*), Cynthia Evangelisti and Kelly Flannery

ABSENT: None

ALSO PRESENT: Executive Director Steve Swanson and Comptroller Jaime L. McCabe, Park Employees’ Annuity and Benefit Fund of Chicago; Attorney Taylor Muzzy, Jacobs, Burns, Orlove & Henandez; Alli Wallace Stone and Steve Voss, Meketa Investment Group; Molly Barker, Lauterbach & Amen, LLP (L&A)

OATH OF OFFICE OF KELLY FLANNERY FOR A TERM ENDING JUNE 30, 2026: Trustee Flannery presented her written “Oath of Office” which was found to be in the form required by law.

APPROVAL OF MEETING MINUTES: *October 17, 2024 Regular Meeting:* The Board reviewed the October 17, 2024 regular meeting minutes. A motion was made by Vice President Duggan and seconded by Trustee Evangelisti to approve the October 17, 2024 regular meeting minutes as written. Motion carried unanimously by voice vote.

October 17, 2024 Executive Session: The Board reviewed the October 17, 2024 executive session meeting minutes. A motion was made by Secretary Hodorowicz and seconded by Trustee Biggane to approve the October 17, 2024 executive session meeting minutes as written. Motion carried unanimously by voice vote.

READING OF COMMUNICATIONS: Executive Director Swanson noted the recent communications received by the Board.

REPORT OF THE COMMITTEES: No report of the committees was presented.

BENEFIT DATA: *Annuities Granted:* The Board reviewed the Applications for Service, Child and Employees’ Spousal Annuities as listed in Section VI (A) of the Benefit Data, dated September 19, 2024, October 17, 2024, and November 21, 2024, with the recommendation for approval pending verification of the eligibility of the applicants and the amounts listed. Vice President Duggan moved the ratification of the Applications for Service, Child, and Employees’ Spousal Annuities to the Omnibus.

Disabilities Granted: The Board reviewed the Applications for Ordinary and Duty Disability Benefits as listed in Section VI (B) of the Benefit Data, dated August 31, 2024, September 30, 2024 and October 31,

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2024. Secretary Hodorowicz moved the ratification of the Applications for Ordinary and Duty Disability Benefits to the Omnibus.

Annuities in Force: The Board reviewed the Statement of Annuity Benefit Requirements for the months of September 2024, October 2024, and November 2024 in accordance with Section VI (C) of the Benefit Data and considered formal approval of the net requirements in the amounts of \$6,946,555.71, \$6,941,097.87 and \$6,892,947.01, respectively. Trustee Biggane moved the ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,946,555.71, \$6,941,097.87 and \$6,892,947.01 to the Omnibus.

Report on Death Claims: The Board reviewed the following Death Claims report in accordance with Section VI (D) for ratification:

<u>Name of Decedent</u>	<u>Date of Death</u>	<u>Amount Payable</u>		<u>To Whom Payable</u>
Sammie Turner Special Recreation Act. Instructor Annuitant	05/14/24	\$ 3,000.00	Death Benefit	Mamie Myers
Robert Goldberg Playground Supervisor Annuitant	07/27/24	\$ 3,000.00	Death Benefit	Mark J. Kmiecik & Joshua Goldberg
Thomas Krull Park Supervisor Annuitant	07/24/24	\$ 3,000.00	Death Benefit	Gerry Ann Krull
Mildred Melton Attendant Annuitant	07/04/24	\$ 3,000.00	Death Benefit	Lisa Melton & Nekylay Reid Melton
Larry Roberts Laborer Annuitant	07/17/24	\$ 3,000.00 <u>300.00</u> \$ <u>3,300.00</u>	Death Benefit Opt'I Spouse Death Benefit	Katherine L. Roberts
Lorraine S. Bizub Attendant Annuitant	07/12/24	\$ 3,000.00	Death Benefit	Michael Bizub, Allen Bizub & Christopher Bizub
Note: Christopher Bizub has not yet returned his completed application. This case will remain open until receipt of his forms.				
Anthony Liace Director of Security Active	08/03/24	\$ 10,000.00 <u>10,119.27</u> \$ <u>20,119.27</u>	Death Benefit Refund of Automatic Increase	JoAnna M. Santiago-Liace
Bong Son Cook Laborer Annuitant	08/11/24	\$ 3,000.00	Death Benefit	Alberta Cook & Louis Cook

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Danny Thomas Attendant Annuitant	07/18/24	\$ 300.00	Opt'l Spouse Death Benefit	Mittie Thomas
Daniel M. Purciarello Deputy Director Planning & Dev. Annuitant	09/03/24	\$ 3,000.00 <u>300.00</u> \$ <u>3,300.00</u>	Death Benefit Opt'l Spouse Death Benefit	Mary Purciarello
Peter Chatman Special Recreation Instructor Inactive	03/28/24	\$ 227.28	Refund of Employee Contributions	Adrienne Chatman
Floyd Cavin Painter Inactive	02/18/23	\$ 31,955.72	Refund of Employee Contributions	Latona D. Cavin
Jorge L. Lopez Attendant Inactive	06/06/23	\$ 2,018.08	Refund of Employee Contributions	Lourdes Alicea
Carlo Interrante Animal Keep CI-1 Annuitant	09/10/24	\$ 3,000.00	Death Benefit	Marie Interrante
Robert Chen Tractor Engineer Annuitant	09/29/24	\$ 3,000.00 <u>300.00</u> \$ <u>3,300.00</u>	Death Benefit Opt'l Spouse Death Benefit	Lili E. Chen
Willie R. Howard Painter Annuitant	08/05/24	\$ 3,000.00	Death Benefit	Sharee Robinson & Jonathan Howard
Note: Jonathan Howard has not yet returned his completed application. This case will remain open until receipt of his completed forms.				
Patricia Nino Laborer Annuitant	09/21/24	\$ 3,000.00	Death Benefit	Frank Nino
Marie M. Ribaldo Security Guard Inactive	10/18/22	\$ 8,153.56	Refund of Employee Contributions	David M. Ribaldo & Daniel A. Ribaldo
Vytas Markevicius Designer Annuitant	10/04/24	\$ 3,000.00	Death Benefit	Audrey Golding
Robert C. Chico Stationary Engineer Annuitant	09/15/24	\$ 3,000.00	Death Benefit	Maria T. Martell-Chico
Edna Mordican Laborer Annuitant	08/25/24	\$ 3,000.00	Death Benefit	Gus Mordican
William E. Gomolinski Engineer Class 1 Annuitant	09/11/24	\$ 300.00	Opt'l Spouse Death Benefit	Joyce A. Gomolinski
Robert W. Powers Rigger Foreman Annuitant	09/26/24	\$ 3,000.00	Death Benefit	Melodie Ann Powers

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Anthony Raso Jr. Playground Supervisor Annuitant	10/02/24	\$ 3,000.00 <u>300.00</u> \$ <u>3,300.00</u>	Death Benefit Opt'l Spouse Death Benefit	Myrtice Raso
Marcel Walton Attendant Annuitant	11/24/22	\$ 37,512.20	Refund of Annuity Reserve	Jenifer Walton
Debra A. Castanedo Laborer Annuitant	10/13/19	\$ 3,000.00 <u>8,708.33</u> \$ <u>11,708.33</u>	Death Benefit Refund of Annuity Reserve	Toni Suarez
Timothy H. Smith Natatorium Instructor Inactive	5/31/22	\$ 5,242.34	Refund of Employee Contributions	Michael L. Smith
Note: Antoine Smith has not yet returned his completed application. This case will remain open until receipt of his completed forms.				
Total amount of death claims submitted for approval		<u>\$ 174,979.12</u>		

Secretary Hodorowicz moved the ratification of the Report of Death Claims to the Omnibus.

Applications for Refunds – over \$5,000: The Board reviewed the following Applications for Refunds over \$5,000 in accordance with Section VI (E) received from former employees of the Chicago Park District:

<u>Name and Occupation</u>	<u>Amount</u>	<u>Age</u>	<u>Tier</u>	<u>Years of Service</u>
Richardson, Jamese – Special Project Asst.	16,551.89	35	2	5.0
Ramos, Robert – Security Officer	8,439.80	47	1	4.5
Lowe, Crystal – Attendant	5,157.01	35	3	2.0
Brown, Marcus – Laborer	39,098.71	37	3	9.75
Crockett, Sheaneaka – Maintenance Laborer	8,002.11	25	3	1.75
Lewis, Bryanna T. – Human Resource Coord.	15,369.17	28	2	5.0
Mcphearson, Shauneia – Park Supervisor	58,633.64	32	2	11.25
Hall, Milton – Natatorium Instructor	33,598.28	30	2	11.75
Murray, Kyle J. – Natatorium Instructor	41,211.85	39	2	11.75
Owens, Louise – Monthly Attendant	16,354.99	64	2	6.5
Roland, Michael J. – Attendant	25,606.37	39	2	12.25
Poje, Kenneth J. – Director of Audit	22,298.63	71	3	1.75
Otis, James W. – Physical Instructor	33,954.38	41	1	20.75
Miller, Danielle D. – Physical Instructor	5,586.73	33	2	3.75
Pira, Christopher T. – Activities Instructor	6,337.76	43	2	4.5
Bahamundi, Luis A. – Recreation Leader	7,335.55	40	2	5.75
Jimenez, Gabriella M. – Physical Instructor	13,180.01	34	2	6.75
Hradecki, Lukasz 0 Natural Areas Worker	<u>21,640.88</u>	30	2	5.25
Total:	<u>\$378,357.76</u>			

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

Refunds of Spouse's Annuity Deductions – over \$5,000: The Board reviewed the following Applications for Refunds of Spouse Annuity Deductions over \$5,000 in accordance with Section VI (F) received from former employees of the Chicago Park District who have been confirmed to be unmarried at the time of retirement:

<u>Name</u>	<u>Age</u>	<u>Years of Service</u>	<u>Amount</u>
Robert J. Bisbee Jr.	57	30.50 years	\$ 16,753.50
Teresa D. Wooldridge	64	33.00 years	16,121.10
Kevin M. Norris	60	39.50 years	11,929.86
Charles V. Kelley	50	13.75 years	<u>6,710.89</u>
			<u>\$ 51,515.35</u>

Secretary Hodorowicz moved ratification of the Applications for Refunds of Spouse Annuity Deductions over \$5,000 to the Omnibus.

Nursing Home Case(s) – None: There were no nursing home cases.

Membership Statistics: The following membership statistics were provided to the Board for informational purposes:

	<u>11/21/24</u>	<u>12/31/23</u>	<u>12/31/22</u>
Chicago Park District Active Participants (Tier 1 – approximately 1,248 or 36.42%) (Tier 2 – approximately 906 or 26.44%) (Tier 3 – approximately 1,273 or 37.14%)	3,427*	3,027*	2,818*
Contributing participants reported by Chicago Park District for pay period ending October 23, 2024	2,917	2,727	2,497
Participants on Disability	19	16	10
Fund employee participants	9	8	9
Total participants as of last payroll	2,945	2,751	2,516
Retired employees	2,099	2,113	2,106
Surviving spouses	611	614	631
Children	2	3	8
Total receiving benefits	2,712	2,730	2,745
Retirements during the year (including spousal)	85	129	144
Deaths among retirees (including spousal)	103	144	151
New Members	506	559	451
Withdrawals with refund (including inactives)	91	125	136

* 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 ratification of the Membership Statistics to the Omnibus.

Trustee Coogan arrived at 9:41 a.m.

REPORT OF THE LEGISLATIVE CONSULTANT: The Board was provided with the report from the Fund Legislative Consultant for their review. A motion was made by Secretary Hodorowicz and seconded by Vice President Duggan to accept the Legislative Consultant's Report as presented. Motion carried unanimously by voice vote.

FINANCIAL DATA: Expenditure Reports: The Board reviewed the Expenditure Report and Disbursements as listed in Section VIII (A) of the Financial Data, dated August 31, 2024, September 30, 2024, and October 31, 2024, for formal approval.

Summary of Investment Fees, Administrative and General Expenses as of September 30, 2024: The Board reviewed the Investment Fees, Administrative and General Expenses as listed in Section VIII (B) of the Financial Data, as of September 30, 2024, for ratification.

Cash Account – Reconciliation and Cash Flow Reports: The Board reviewed the Cash Account – Reconciliation and Cash Flow Report as listed in Section VIII (C) of the Financial Data, as of August 31, 2024, September 30, 2024 and October 31, 2024, for formal approval.

Summary of the Trial Balance (unaudited) as of September 30, 2024: The Board reviewed the Summary of the Trial Balance (unaudited) as listed in Section VIII (D) as of September 30, 2024, showing ending net assets of \$438,751,878.82.

President Affolter moved the ratification of the Expenditure Report and Disbursements, ratification of the Summary of Investment Fees, Administrative and General Expenses, ratification of the Reconciliation and Cash Flow Report and ratification of the Summary of the Trial Balance (unaudited) to the Omnibus.

INVESTMENTS: Summary of Investments – Market Value of Investments Owned, Fixed Income, Equity Advisors, Alternative Investments and Real Estate and Other: The Board reviewed the following reports as listed in Section IX (A) dated September 30, 2024, for acceptance:

- 1) Market Value of Investments Owned
- 2) Fixed Income
- 3) Equity Advisors
- 4) Alternative Investments
- 5) Real Estate and Other

The Board noted that official copies of the investment reports have been placed on file.

There were no significant activities in the investment accounts.

Secretary Hodorowicz moved the ratification of the Investments to the Omnibus.

MOTION TO ACCEPT ITEMS TRANSFERRED TO OMNIBUS: A motion was made by Trustee Flannery and seconded by Vice President Duggan to ratify the foregoing reports as part of the Omnibus. Motion carried unanimously by voice vote.

INVESTMENTS: *Economic and Market Update as of October 31, 2024:* Ms. Wallace Stone apprised the Board of the current status of the market.

Performance Update as of October 31, 2024: Ms. Wallace Stone reviewed with the Board the Interim Performance Reports as of September 30, 2024 and October 31, 2024, which consisted of the investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Wallace Stone.

Domestic Equity Portfolio Transition Update: Ms. Wallace Stone provided the Board with an update on the Fund's domestic equity portfolio. A motion was made by President Affolter and seconded by Vice President Duggan to reallocate \$5,500,000 from the Ariel Domestic Equity Fund to cash for the purpose of funding benefit payments based on the recommendation of the investment consultant. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Biggane, Coogan, Evangelisti and Flannery

NAYS: None

ABSENT: None

A motion was made by Secretary Hodorowicz and seconded by Trustee Coogan to accept the Investment Report as presented. Motion carried unanimously by voice vote.

Ms. Wallace Stone and Mr. Voss left the meeting at 10:23 a.m.

OTHER REPORTS – ATTORNEY: *Dalon Lindsey Overpayment Update:* Attorney Muzzy apprised the Board that he is in the process of corresponding with Dalon Lindsey regarding the missed payments for his overpayment schedule. Further discussion will be held at the next regular meeting.

Takaki Overpayment Update: Attorney Muzzy gave the Board an update on the status of the overpayment schedule for Michael Takaki and noted that due to the lack of response from Mr. Takaki, legal action will be initiated as previously authorized by the Board. Further discussion will be held at the next regular meeting.

A motion was made by Trustee Biggane and seconded by President Affolter to accept the Attorney's Report as presented. Motion carried unanimously by voice vote.

OTHER REPORTS – EXECUTIVE DIRECTOR: Executive Director Swanson discussed the 2025 Board meeting schedule and noted that the June regular meeting originally scheduled for June 19, 2025 will be rescheduled to June 18, 2025 due to the holiday.

Pension Administration System: Executive Director Swanson gave a status update on the pension administration system through Pension Technology Group. He noted that user testing is ongoing and that check printing development will most likely commence at the end of January 2025 due to limited staffing with Northern Trust. Executive Director Swanson also noted that the live payroll aspect of the system will hopefully be implemented by the second quarter of 2025. Updates will be provided as they become available.

Document Digitalization and Records Inventory Project: Executive Director Swanson reviewed the current status of the records inventory project conducted by L&A with the Board. He noted that all necessary

documents have been scanned and uploaded into SharePoint which will then be uploaded into DocuWare. Updates will be provided as they become available.

SEIU/CPD Settlement Agreement: Executive Director Swanson discussed the settlement agreement between SEIU Local 73 and the Chicago Park District and noted that contributions have been made in full and the agreement has been closed. No further action is needed.

Annuity Estimates: Executive Director Swanson noted that the annuity estimates were included with the meeting materials for the Board's review.

Marriage Letters: Executive Director Swanson informed the Board that to date there are still five pensioners whose benefit payments are being withheld as a result of not completing the necessary eligibility verification. Further discussion will be held at the next regular meeting.

CPD Contributions: Executive Director Swanson informed the Board that the Fund has received approximately \$59,600,000 in contributions so far for calendar year 2024 and that they will be receiving an additional \$3,400,000 from employer contributions prior to the end of 2024. Further discussion will be held at the next regular meeting.

Trustee Fiduciary Training: This item was not discussed.

2025 Budget: Executive Director Swanson provided the Board with the proposed annual budget for calendar year 2025 which included salary increases for Fund employees.

Mr. Swanson and Ms. McCabe left the meeting at 11:20 a.m.

The Board took a brief recess at 11:34 a.m. and reconvened at 11:46 a.m.

Mr. Swanson rejoined the meeting at 11:51 a.m.

The Board discussed the proposed salary increase percentages for Fund employees for calendar year 2025. A motion was made by Trustee Coogan and seconded by Trustee Biggane to approve the budget for calendar year 2025 as proposed and amended as follows: include 4% salary increases and a non-pensionable bonus of \$3,500 for all current Fund employees and eliminate the proposed new position of Administrative Assistant. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Biggane, Coogan, Evangelisti and Flannery

NAYS: None

ABSENT: None

OTHER REPORTS – LOBBYIST: The Board noted that this item was discussed under *Report of the Legislative Consultant*.

OTHER REPORTS – OTHERS: No other reports were presented.

OLD BUSINESS: There was no old business to discuss.

NEW BUSINESS: There was no new business to discuss.

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PUBLIC COMMENT: There was no public comment.

ADJOURNMENT: A motion was made by Secretary Hodorowicz and seconded by President Affolter to adjourn the meeting at 12:08 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for December 19, 2024, at 9:30 a.m.

Board President or Secretary

Minutes approved by the Board of Trustees on _____.

Minutes prepared by Molly Barker, Professional Services Administrator, Lauterbach & Amen, LLP