

**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, MAY 15, 2025**

A regular meeting of the Board was held on Thursday, May 15, 2025, 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 and Cynthia Evangelisti

ABSENT: None

ALSO PRESENT: Executive Director Steve Swanson and Comptroller Jaime McCabe, Park Employees’ Annuity and Benefit Fund of Chicago; Attorney Taylor Muzzy, Jacobs, Burns, Orlove & Hernandez; Alli Wallace Stone, Meketa Investment Group; Molly Barker, Lauterbach & Amen (L&A); Patricia Somerville-Koulouris, Paul Dugan, Brendan McMahon and Norma Cardenas (*arrived at 11:13 a.m.*), Northern Trust

APPROVAL OF MEETING MINUTES: *April 17, 2025 Regular Meeting:* The Board reviewed the April 17, 2025 regular meeting minutes. A motion was made by Secretary Hodorowicz and seconded by Trustee Biggane to approve the April 17, 2025 regular meeting minutes as written. Motion carried unanimously by voice vote.

April 17, 2025 Executive Sessions: The Board reviewed the April 17, 2025 executive session minutes. A motion was made by Trustee Evangelisti and seconded by Trustee Coogan to approve the April 17, 2025 executive session minutes as written. Motion carried unanimously by voice vote.

READING OF COMMUNICATIONS: Executive Director Swanson noted that there were three recent communications received by the Board which were Freedom of Information Act requests and were fulfilled.

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 March 20, 2025, April 17, 2025, and May 15, 2025, with the recommendation for approval pending verification of the eligibility of the applicants and the amounts listed. President Affolter 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 February 28, 2025, March 31, 2025 and April 30, 2025. Trustee Biggane moved the ratification of the Applications for Ordinary and Duty Disability Benefits to the Omnibus.

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Annuities in Force: The Board reviewed the Statement of Annuity Benefit Requirements for the months of March 2025, April 2025, and May 2025 in accordance with Section VI (C) of the Benefit Data and considered formal approval of the net requirements in the amounts of \$6,985,312.35, \$7,002,058.85 and \$7,006,835.17, respectively. Secretary Hodorowicz moved the ratification of the required funds from the Northern Trust Annuity Account in the amounts of \$6,985,312.35, \$7,002,058.85 and \$7,006,835.17 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>
Thomas J. Hanahan III Carpenter Annuitant	01/08/25	\$ 3,000.00	Death Benefit	Connie Molland & Karen Holycross
Michael Gresik Auto Parker Checker Annuitant	11/23/24	\$ 3,000.00	Death Benefit	Frank W. Gresik & Pamela A. Eggum
Tulio Melone Floriculturist Class I Annuitant	11/17/24	\$ 3,000.00	Death Benefit	Mark Melone
Frank A. Gallegos, Jr. Attendant Annuitant	01/31/25	\$ 3,000.00	Death Benefit	Tatiana M. Gallegos & Arabella I. Gallegos
Arif Xhaferi Attendant Annuitant	12/22/24	\$ 3,000.00	Death Benefit	Fatmir A. Xhaferi & Drini D. Xhaferi
Daniel DeJesus Floriculturist Annuitant	01/26/25	\$ 3,000.00	Death Benefit	Daniel DeJesus, Jr.
Marie Hall Attendant Annuitant	01/31/25	\$ 3,000.00	Death Benefit	Keron Hall
George Everett Physical Instructor Annuitant	01/10/25	\$ 3,000.00	Death Benefit	Wanda Evon
Anthony Nelson Brown, Jr. Senior Counsel Annuitant	12/15/24	\$ 3,000.00 300.00 <u>\$ 3,300.00</u>	Death Benefit Opt'l Spouse Death Benefit	Judith Ann Transue

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Kenneth Sloane Attendant Annuitant	01/28/25	\$ 3,000.00	Death Benefit	Tom Krystyniak
Mitchell Kostka Electrical Inside Employee	01/30/25	\$ 4,000.00 <u>14,332.32</u> <u>\$ 18,332.32</u>	Death Benefit Refund of Employee Cont.	Susan M. Kostka
Rudolph Stefancich Sign Painter Annuitant	03/03/25	\$ 3,000.00	Death Benefit	Bruce Stefancich
Marie Jones Attendant Annuitant	01/19/25	\$ 3,000.00	Death Benefit	Rita Jones, Norman Jones & Candice Jones
Total amount of death claims submitted for approval				<u>\$54,632.32</u>

Vice President Duggan 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>
Webster, Maxwell William - Natural Areas Manager	\$ 16,963.06	35	3	2.25
Dogan, Geon L. - Attendant	55,392.24	41	1	19.00
Warnecke, Virginia - Security Guard	10,517.47	56	2	6.00
Jackson, Larry - Laborer	48,256.20	41	2	12.25
McClinton, Ishmaal - Physical Instructor	14,894.33	29	2	8.25
Luis, Josephine - Special Recreation Instructor	8,602.54	23	3	2.75
Shelton, Jayvonese - Recreation Leader	8,977.42	25	3	3.00
Winnall, Joshua - Auditor	8,162.65	30	3	1.25
Sykes, Curtis - Attendant	6,262.30	46	3	2.50
Reynolds, Thomas B. - Attendant	<u>17,495.00</u>	68	2	7.00
Total:	<u>\$195,523.21</u>			

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President Affolter 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>
Miriam Fuentes	50	30.50 years	\$ 12,515.82
Michelle Gage	65	30.41 years	10,040.87
Joseph Henry	72	28.25 years	<u>12,498.52</u>
			<u>\$ 35,055.21</u>

<u>Name</u>	<u>Age</u>	<u>Years of Service</u>	<u>Amount</u>
Cynthia J. Evangelisti	61	34.75 years	\$ 22,935.54
Paul Linta	79	40.50 years	12,847.09
Sherry B. Overton	61	33.75 years	16,249.53
John M. Regalado	59	23.83 years	11,912.44
Adrianne I. Sainte-Eve	70	10.00 years	<u>5,627.44</u>
			<u>\$ 69,572.04</u>

Vice President Duggan 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>05/15/25</u>	<u>12/31/24</u>	<u>12/31/23</u>
Chicago Park District Active Participants	*3,328	3,270*	3,027*
(Tier 1 – approximately 1,216 or 36.54%)			
(Tier 2 – approximately 841 or 25.27%)			
(Tier 3 – approximately 1,271 or 38.19%)			
Contributing participants reported by Chicago Park District for pay period ending April 23, 2025	2,951	2,926	2,727
Participants on Disability	16	18	16
Fund employee participants	9	8	8

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Total participants as of last payroll	2,952	2,952	2,751
Retired employees	2,101	2,097	2,113
Surviving spouses	602	606	614
Children	1	2	3
Total receiving benefits	2,704	2,705	2,730
Retirements during the year (including spousal)	29	104	129
Deaths among retirees (including spousal)	30	129	144
New Members	83	571	559
Withdrawals with refund (including inactives)	32	96	125

* 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.

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

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 Vice President Duggan and seconded by Trustee Biggane 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 February 28, 2025, March 31, 2025, and April 30, 2025, for formal approval. President Affolter moved ratification of the Expenditure Report and Disbursements to the Omnibus.

Summary of Investment Fees, Administrative and General Expenses as of March 31, 2025: The Board reviewed the Investment Fees, Administrative and General Expenses as listed in Section VIII (B) of the Financial Data, as of March 31, 2025, for ratification. Trustee Biggane moved ratification of the Investment Fees, Administrative and General Expenses to the Omnibus.

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 February 28, 2025, March 31, 2025 and April 30, 2025, for formal approval. President Affolter moved ratification of the Cash Account – Reconciliation and Cash Flow Report to the Omnibus.

Summary of the Trial Balance (unaudited) as of March 31, 2025: The Board reviewed the Summary of the Trial Balance (unaudited) as listed in Section VIII (D) as of March 31, 2025, showing ending net assets

of \$455,884,915.34. Secretary Hodorowicz moved 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 March 31, 2025, 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.

Trustee Coogan moved the ratification of the Investments to the Omnibus.

MOTION TO ACCEPT ITEMS TRANSFERRED TO OMNIBUS: A motion was made by Trustee Biggane and seconded by Secretary Hodorowicz to ratify the foregoing reports as part of the Omnibus. Motion carried by voice vote with Trustee Evangelisti abstaining.

OTHER REPORTS – EXECUTIVE DIRECTOR: *Pension Administration System:* Executive Director Swanson gave a status update on the pension administration system through Pension Technology Group. He noted that payroll will now be processed through the system effective immediately and that testing has been completed by Northern Trust. Executive Director Swanson also noted that the next phase of the project will begin with a meeting on May 21, 2025. Updates will be provided to the Board 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 current technical issues have been resolved and that more boxes of files will be delivered next week to complete inventory. Executive Director Swanson also noted that the project should be finished sometime during calendar year 2025. Further discussion will be held at the next regular meeting.

Trustee Election: Executive Director Swanson informed the Board that the trustee election schedule is included with the meeting materials for the Board's review and that nomination petitions are due by May 27, 2025. Updates will be provided to the Board as they become available.

Bi-Annual Review of Executive Session Minutes: Executive Director Swanson informed the Board that all closed executive session meeting minutes are included with the meeting materials for the Board's review and that Attorney Muzzy has provided a recommendation on which minutes the need for confidentiality still exists and should remain closed, and which minutes can be made available for public inspection. A motion was made by Trustee Coogan and seconded by Vice President Duggan to adopt counsel's recommendation that the need for confidentiality still exists with respect to certain executive session minutes, which will remain closed, and to make available for public inspection the noted executive session minutes. Motion carried by roll call vote.

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AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Biggane, Coogan and Evangelisti
NAYS: None
ABSENT: None

Audit & Actuarial Valuation Update: Executive Director Swanson noted that the actuarial valuation and audit report will both be ready for review at the next regular meeting.

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 two 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 will receive \$6,500,000 by the end of May 2025.

Trustee Fiduciary Training: Executive Director Swanson informed the Board that the 2025 conference schedule is included with the meeting materials.

Executive Director Swanson also informed the Board that the office lease rates for the surrounding local Pension Funds are included with the meeting materials for the Board's review.

A motion was made by Vice President Duggan and seconded by President Affolter to accept the Executive Director's Report as presented. Motion carried unanimously by voice vote.

Ms. Wallace Stone left the meeting at 10:22 a.m.

OTHER REPORTS – ATTORNEY: *Takaki Overpayment Update and Paramount Global Securities Litigation Matter:* A motion was made by Trustee Evangelisti and seconded by Secretary Hodorowicz to enter into executive session under Section 2(c)(11) of the Open Meetings Act at 10:22 a.m. to discuss pending litigation involving Michael Takaki and Paramount Global. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Biggane, Coogan and Evangelisti
NAYS: None
ABSENT: None

A motion was made by President Affolter and seconded by Secretary Hodorowicz to adjourn executive session and re-enter the regular meeting at 10:28 a.m. Motion carried by roll call vote.

AYES: President Affolter, Vice President Duggan, Secretary Hodorowicz, Trustees Biggane, Coogan and Evangelisti
NAYS: None
ABSENT: None

Open session resumed at 10:28 a.m.

Ms. Wallace Stone rejoined the meeting at 10:29 a.m.

The Board took a brief recess at 10:29 a.m.

The Board resumed the meeting at 10:33 a.m.

OTHER REPORTS – OTHERS: There were no other reports presented.

INVESTMENTS: *Economic and Market Update as of April 30, 2025:* Ms. Wallace Stone apprised the Board of the current status of the market.

Performance Update as of April 30, 2025: Ms. Wallace Stone reviewed with the Board the Interim Performance Report as of April 30, 2025 which consisted of investment performance, asset allocation and individual investment manager performance. All questions were answered by Ms. Wallace Stone.

Ms. Somerville-Koulouris, Mr. Dugan, Mr. McMahon and Ms. Cardenas arrived at 11:13 a.m.

Northern Trust Presentation and Review on Custody, Securities Lending, and Equity Index Funds: Ms. Somerville-Koulouris, Mr. Dugan, Mr. McMahon and Ms. Cardenas presented the review from Northern Trust on custodial services, securities lending and equity index funds to the Board. All of the questions posed by the Trustees were answered by Ms. Somerville-Koulouris, Mr. Dugan, Mr. McMahon and Ms. Cardenas.

Ms. Somerville-Koulouris, Mr. Dugan, Mr. McMahon and Ms. Cardenas left the meeting at 11:58 a.m.

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

Ms. Wallace Stone left the meeting at 12:03 p.m.

OLD BUSINESS: A motion was made by Trustee Coogan and seconded by Trustee Evangelisti to enter into executive session under Section 2(c)(1) of the Open Meetings Act at 12:03 p.m. to discuss a Fund employee complaint. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

A motion was made by Trustee Biggane and seconded by Trustee Evangelisti to adjourn executive session and re-enter the regular meeting at 12:08 p.m. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Open session resumed at 12:08 p.m.

NEW BUSINESS: There was no new business to discuss.

PUBLIC COMMENT: There was no public comment.

ADJOURNMENT: A motion was made by Trustee Coogan and seconded by President Affolter to adjourn the meeting at 12:09 p.m. Motion carried unanimously by voice vote.

The next regular meeting is scheduled for June 18, 2025, at 9:30 a.m.

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Minutes approved by the Board of Trustees on _____.

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