



RETIREMENT BOARD OF THE
POLICEMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO

MINUTES

**INVESTMENT COMMITTEE MEETING
and
REGULAR MEETING**

FRIDAY – MAY 29, 2020

Policemen's Annuity and Benefit Fund of Chicago
Board Meeting and
Investment Committee Meeting
AGENDA
MAY 29, 2020
FRIDAY – 9:00 A.M.
Conducted by Audio Conference

- 1- Roll Call
- 2- Requests from Members of the Public to Address the Board
- 3- Approval of Administrative Items
 - a. Approval of Minutes - Regular Board meeting held April 30, 2020
- 4- Approval of Benefit Applications – **REFER TO MONTHLY DOCKET**
- 5- Hearings

*No hearings scheduled due to Executive Order in Response to COVID-19,
issued March 15, 2020, by JB Pritzker, Governor, Illinois*
- 6- GRS Presentation
 - a. Consideration of Actuarial Valuation
 - b. Consideration of GASB 67/68 report
 - c. Considerations of GASB 75
- 7- 2019 Financial Report Status
- 8- Investment Items
 - a. Cash Flow / Needs
 - b. Market Update
 - c. Performance
 - i. Northern Trust Monthly
 - ii. NEPC Quarterly Report
 - d. Manager Update
 - e. William Blair - Manager guideline amendment
- 9- Board Member Update
- 10- Legal Review*
- 11- Other business

*Topics may be discussed in close session in accordance with the applicable Open Meetings Act provisions.

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago (the "Fund") was held 9:00 a.m. May 29, 2020, convening remotely via Zoom and Teleconference at the hour of 9:00 a.m. for the consideration of applications and bills, and for other such matters that came before the Board.

PRESENT

Board Members:

Thomas Beyna	- President
Jennie Bennett	- Trustee
Melissa Conyears-Ervin	- Trustee
Michael Lappe	- Vice President
Susie Park	- Trustee
Stephen Skardon	- Trustee
Brian Wright	- Recording Secretary

Staff:

Erin Keane	- Executive Director
David Kugler	- Board Counsel
Justin Kugler	- Legal Counsel
Kay Hylton	- Benefits Manager
Bob Crawford	- Disability Manager

Consultants:

Dr. Peter Orris	- Board Physician
Kevin Leonard	- NEPC
Deanna Jones	- NEPC
Kristen Finney-Cook	- NEPC
Lance Weiss	- GRS
Alex Rivera	- GRS
Kristen Brundirks	- GRS

Public in Attendance:

Michael Byrne	- Retired CPD
Rosemarie Giambalvo	- Retired CPD

ROLL CALL

President Beyna determined a quorum was present and called the meeting to order.

REQUESTS FROM MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD

President Beyna then asked if there were any requests from the public to address the Board. There were two requests. Rosemarie Giambalvo, and Michael Byrne were afforded the same allotted time and addressed the Board.

APPROVAL OF MINUTES OF PRIOR MEETINGS

The first order of business was the review of the Minutes of the March 30, 2020, regular board meeting.

A motion to approve the regular Board meeting minutes held April 30, 2020, was made by Trustee Skardon, seconded by Trustee Wright.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
Against: 0.
Absent: Bennett 1.

President Beyna advised the members that the Board would move to the approval of Benefit Applications and Expense items as appearing in the May 2020 Docket and turned the meeting over to Board Secretary Wright.

DOCKET

PAGE NO. REFERENCE

1 - 4 Incurred Expenses for the Month of May 2020

A motion was made by Trustee Skardon, seconded by Trustee Lappe that the Board approve the Incurred Expenses as detailed on pages 1 through 4.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
Against: 0.
Absent: Bennett 1.

5 - 9 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations And Exempt Rank

A motion was made by Trustee Lappe, seconded by Trustee Skardon that the Board approve the Refunds as detailed on pages 6 through 9.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
Against: 0.
Absent: Bennett 1.

10 Payment to Heirs of Deceased Annuitants

A motion was made by Trustee Skardon, seconded by Trustee Lappe that the Board approve payments to heirs of deceased annuitants as detailed on page 10.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
Against: 0.
Absent: Bennett 1.

11 - 15 Annuities [Summary pg. 16]

A motion was made by Trustee Skardon, seconded by Trustee Lappe that the Board approve the Annuities as detailed on pages 11 - 15.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
Against: 0.
Absent: Bennett 1.

DOCKET

PAGE NO. REFERENCE

17 – 18 Annuities – Revised

A motion was made by Trustee Skardon, seconded by Trustee Lappe that the Board approve the Revised Annuities as detailed on pages 17 - 18.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
 Against: 0.
 Absent: Bennett 1.

19 Annuities to Widows [Summary pg. 20]

A motion was made by Trustee Skardon seconded by Trustee Lappe that the Board approve the Annuities to Widows as detailed on page 19.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
 Against: 0.
 Absent: Bennett 1.

21 Annuities to Children

A motion was made by Trustee Lappe seconded by Trustee Skardon that the Board approve the Annuities to Children as detailed on page 22.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
 Against: 0.
 Absent: Bennett 1.

22 Health Care Subsidy Reimbursements

Underwood, et al. v. City of Chicago et al. (13-CH-17450)

A motion was made by Trustee Skardon seconded by Trustee Lappe that the Board approve the healthcare subsidies as detailed on page 22.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
 Against: 0.
 Absent: Bennett 1.

23 - 24 Duty / Occupational Disability Claim / Ordinary – New

DUTY CLAIM

a) Castillo, Veronica L.

After review of the submitted IME;

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board defer this for a full hearing.

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.
 Against: 0.
 Absent: Bennett 1.

Trustee Update and Trustee Election

As of May 1st, Trustee Wodnicki is retired and Trustee Wright has been promoted to lieutenant. He will continue to represent in his role now until the fund can hold a special election.

Staff is working on a date to conduct a special election for both of those positions. The plan is to have petitions available late June/Early July; with Election mid-August. A schedule of the relevant dates will be forwarded.

Presentation by Gabriel Roder Smith (GRS)

The purpose of the presentation was to review the December 31, 2019, actuarial valuation of the Police Pension Plan. Review was focused to the key actuarial valuation results; the asset and liability experience; projection results; and GASB Statement No. 67/68 result.

After review and discussion, *a motion was made by Trustee Wright, seconded by Trustee Skardon to approve the actuarial valuation and the GASB 67/68 report and the GASB 75 report as submitted.*

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 6.

Against: 0.

Absent: Bennett 1.

Cash Flow/Needs

The Executive Director, Erin Keane, presented the Fund's cash flow and cash position. The outlook for July 2020 was reviewed.

Review of Employer Contributions

The Executive Director provided an update on the City of Chicago contributions to date.

WHEREUPON, Trustee Huang-Bennett entered the proceedings.

Market Update, Performance and Manager Update

Kevin Leonard of NEPC reviewed monthly performance and the First Quarter 2020 performance report.

William Blair one of the Fund's international equity managers have requested certain language be taken out of their investment guidelines. *It was moved by Trustee Skardon seconded by Trustee Wright that the Board approve the change in the manager guideline.*

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.

Against: 0.

Legal Review

It was moved by Trustee Skardon, seconded by Trustee Lappe that the Board go into executive session per 2 (c) 11.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.

Against: 0.

It was moved by Trustee Skardon, seconded by Trustee Lappe that the Board exit executive session.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.

All business concluded for this date, *a motion was made by Trustee Skardon, seconded by Trustee Conyears-Ervin that this meeting is adjourned.*

ROLL CALL: For: Beyna, Bennett, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.