



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

MINUTES

**INVESTMENT COMMITTEE MEETING
and
REGULAR MEETING**

THURSDAY – JUNE 26, 2020

Policemen's Annuity and Benefit Fund of Chicago
Investment Committee Meeting
and
Regular Board Meeting
AGENDA
JUNE 26, 2020
FRIDAY – 9:00 A.M.
Via Zoom and Teleconference

- 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 May 29, 2020
 - b. Approval of Executive Sessions minutes held May 29, 2020
- 4- Approval of Benefit Applications – **REFER TO MONTHLY DOCKET**
- 5- Review of HB2455, now PA 101-633
- 6- Approval of Benefit Applications – **REFER TO MONTHLY DOCKET**
- 7- Presentation of the Fund's Annual Financial Report by Mitchell Titus, Audit and Financial Statements for the year ending 12/31/2019
- 8- Investment Items
 - a. Cash Flow / Needs
 - b. Monthly Performance
- 9- Hearing: Rutkowski, Kirk – Duty Disability Claim
- 10- Legal Review*
- 11- Other Business

For members of the public wishing to listen to the proceeding, please dial into the meeting at:
1-312-626-6799
Meeting ID: 995-7502-9156
Password: 60606

**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. June 26, 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

Public in Attendance:

Michael Byrne	- Retired CPD
Michael Conentino	-No Affiliation noted
Rosemarie Giambalvo	- Retired CPD
Ralph Licari	-Attorney
Elizabeth Lindberg	- No Affiliation noted
Mark Myslinski	- City of Chicago Office of the Treasurer
Kirk Rutkowski	-Disability Applicant, Hearing
Several unidentified attendees	

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 Cosentino 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 May 29, 2020, regular board meeting.

A motion to approve the regular Board meeting minutes held May 29, 2020, was made by Trustee Skardon, seconded by Trustee Lappe.

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

The next order of business was the review of the Minutes of the Executive Sessions of the May 29, 2020, regular board meeting.

A motion to approve the executive session minutes from the meeting held May 29, 2020, was made by Trustee Skardon, seconded by Trustee Lappe.

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

Board attorney, Justin Kugler, reviewed House Bill 2455, which was signed into law by Governor Pritzker on June 5, 2020, now known as Public Act 101-633. This legislation modifies two sections within Article 5; §144 and §153, and defines benefits for the survivors of police officers who die as a result of COVID-19.

President Beyna advised the members that the Board would move to the approval of Benefit Applications and Expense items as appearing in the June 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 Lappe, seconded by Trustee Beyna 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.

Against: 0.
Absent: Bennett 1.

DUTY CLAIM

b) **Ivers, Neal I.**

After review of the submitted IME;

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board grant the officer subject to a full evidentiary hearing an ordinary benefit without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if it is deemed warranted.

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

DUTY CLAIM

c) **Stella, Nicholas**

After review of the submitted IME;

A motion was made by Trustee Beyna, seconded by Trustee Skardon that that the Board grant the officer subject to a full evidentiary hearing an ordinary benefit without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if it is deemed warranted.

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

DUTY CLAIM

d) **Stubblefield, Tahani L.**

The IME was not completed;

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board defer pending receipt of the medical report.

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

27 - 29 Payment of Death Benefits (Summary p. 30)

A motion was made by Trustee Skardon, seconded by Trustee Lappe to approve payment of the Death Benefits indicated on pages 27 through 29.

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

INVESTMENT ITEMS

Presentation by Mitchell & Titus

The purpose of the presentation was to review the Fund's December 31, 2019, Annual Financial Report. Representatives Jeanette Carmona, Irene Davis and Garfield Carr appeared via teleconference and reviewed with the Board the Fund's Audit results.

After review, PowerPoint presentation and discussion a motion was made by Trustee Skardon, seconded by Trustee Lappe, that the Board approve the annual financial report as submitted by Mitchell & Titus and the audited financial statements for the year ending December 31, 2019.

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 and August 2020 was reviewed.

A motion was made by Trustee Skardon, seconded by Trustee Lappe, to liquidate up to \$20 million from Acadian if needed to cover benefit payments.

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

Market Update, Performance and Manager Update

Kevin Leonard, Kristen Finney-Cook and Deanna Jones of NEPC reviewed monthly performance report.

WHEREUPON, Trustee Huang-Bennett entered the proceedings.

HEARINGS

This case was previously scheduled for January 20, 2020, at which time the claimant reported to the Board that he received a current medical assessment and was schedule for additional surgery. Therefore, this matter was deferred.

This date, Kirk A. Rutkowski appeared, with counsel, before the Board on his application for a duty disability benefit. After reviewing documents and hearing testimony, *a motion was made by Trustee Wright, seconded by Trustee Lappe that the Board award Kirk Rutkowski duty disability benefits.*

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

Absent: 0.

A motion was made by Trustee Wright, seconded by Trustee Lappe that the Board grant Kirk Rutkowski's duty disability award at 75% of salary as defined in the Pension Act.

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

WHEREUPON, Trustee Huang-Bennett exited the proceedings.

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

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

Appellate Court Decision

*In accordance with the appellate court's decision, a motion was made by Trustee Wright, seconded by Trustee Lappe that the Board approve a duty disability award to **Kimberly Nelson**.*

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

A motion was made by Trustee Wright, seconded by Trustee Lappe that the duty disability be granted at 50% of salary as defined in the Pension Act.

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

Public Comment

President Beyna noted for the record a correction to a statement made during the Public Comment section of today's meeting. A comment was made that there was an error on Page 69 of the Fund's actuarial valuation report regarding the effective date of Section 5/5-154 of the Illinois Pension Code. The comment was incorrect. Section 5/5-154 clearly states the effective date is beginning on January 1, 2000. This provision was signed into law on July 12, 2001, but effective January 1, 2000, as it is correctly stated in the Fund's actuarial report.

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

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

Absent: Bennett 1.