



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

MINUTES

**INVESTMENT COMMITTEE MEETING
and
REGULAR MEETING**

THURSDAY – APRIL 30, 2020

AGENDA

APRIL 30, 2020

Monday – 9:00 A.M.

- 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 March 30, 2020
 - b. Approval of Transcripts - Regular Board meeting February 27, 2020, Pages 1-12
- 4- Approval of Benefit Applications – **REFER TO MONTHLY DOCKET**
- 5- Investment Items
 - a. Cash Flow / Needs Update
 - b. Market Update
 - c. Portfolio Rebalancing
 - d. Approval of Phone Poll
 - e. Manager Update
- 6- Hearings

No hearings scheduled due to Executive Order in Response to COVID-19, issued March 15, 2020, by JB Pritzker, Governor, Illinois
- 7- Senate Pensions Working Group Hearing
- 8- Consideration of Rate of Return Sensitivity Analysis
- 9- Other business

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. March 30, 2020, convening remotely via 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
Michael Lappe	- Vice President
Brian Wright	- Recording Secretary
Jennie Bennett	- Trustee
Melissa Conyears-Ervin	- Trustee
Susie Park	- Trustee
Stephen Skardon	- Trustee

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

ABSENT

Board Member:

Edward Wodnicki	- Trustee
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Public in Attendance:

Darleen Berry	- No Affiliation noted
Thomas Bujanski	- No Affiliation noted
CA Forensics	- No Affiliation noted
Kim Chong	- No Affiliation noted
Michael Cosentino	- Active CPD
Coleen Dougan	- Disability applicant CPD
Rosemarie Giambalvo	- Retired CPD
Julie Joyce	- Active CPD
James Kennedy	- Retired CPD
Ralph Licari	- Attorney
James Maloney	- Former PABF Trustee
Peter Medina	- Active CPD
Lynne Mata	- No Affiliation noted
Michel Mette	- Active CPD

Ronan O'Brien	- No Affiliation noted
Mary O'Connor	- Retired CPD
Julie Pena	- No Affiliation noted
Angelo Sanchez	- Disability applicant CPD
Sharon Salustro	- No Affiliation noted
Thomas Sherry	- Retired CPD
Michael Tanzi	- No Affiliation noted
Charles Turgeon	- No Affiliation noted
James Turney	- Active CPD
Michelle Turney	- Disability Recipient CPD
William Whelehan	- Former PABF Trustee

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 three requests. Rosemarie Giambalvo, Michelle Turney 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 March 30, 2020, regular board meeting.

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

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

The next order of business was the review and approval of the transcript of February 27, 2020, pages 1-12.

A motion was made by Trustee Wright, seconded by Trustee Lappe that the Board approve the transcript of February 27, 2020, as identified.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

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

DOCKET

PAGE NO. REFERENCE

1 - 5 Incurred Expenses for the Month of April 2020

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board approve the Incurred Expenses as detailed on pages 1 through 5.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

**6 - 10 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations
And Exempt Rank**

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board approve the Refunds as detailed on pages 6 through 10.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

11 - 12 Payment to Heirs of Deceased Annuitants

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board approve payments to heirs of deceased annuitants as detailed on pages 11 and 12.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

13 - 16 Annuities [Summary pg. 17]

A motion was made by Trustee Beyna, seconded by Trustee Skardon that the Board approve the Annuities as detailed on pages 13 – 16.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

18 - 19 Annuities to Widows [Summary pg. 20]

A motion was made by Trustee Lappe seconded by Trustee Skardon that the Board approve the other Annuities to Widows as detailed on pages 18 - 19.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

DOCKET

PAGE NO. REFERENCE

21 Annuities to Widows Under 5/5-144

A motion was made by Trustee Beyna seconded by Trustee Skardon that the Board take this matter under advisement until further records are available to review.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

22 Annuities to Children

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

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

23 Duty / Occupational Disability Claim / Ordinary – New

DUTY CLAIM

a) Dougan, Coleen

After review of the submitted IME;

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

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

DUTY CLAIM

b) Sanchez, Angelo R.

After review of the submitted IME;

A motion was made by Trustee Beyna, seconded by Trustee Lappe 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: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

DOCKET

PAGE NO. REFERENCE

24 - 27 Payment of Death Benefits (Summary p. 28)

A motion was made by Trustee Beyna, seconded by Trustee Skardon to approve payment of the Death Benefits indicated on pages 24 through 27.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

**29 REQUESTS FOR PENSION CREDIT FOR MILITARY SERVICE
LEAVE OF ABSENCE UNDER 5/5-212.**

Documentation verified, a motion was made by Trustee Beyna, seconded by Trustee Lappe that the Board approve the request to purchase prior military service under 5-212 on page 29.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

**30 REQUESTS TO PURCHASE ADDITIONAL PENSION CREDIT FOR PRIOR
MILITARY SERVICE UNDER 5-214.3**

Documentation verified, a motion was made by Trustee Beyna, seconded by Trustee Skardon, that the Board approve the request to purchase additional pension credit for prior military service under 5/214.3 as detailed on page 30.

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
Against: 0.
Absent: Wodnicki 1.

The docketed items having been completed, Secretary Wright turned the chair back to Fund President Beyna.

INVESTMENT ITEMS

Cash Flow/Needs

The Executive Director, Erin Keane, presented the Fund's cash flow and cash position. The outlook for after June 2020 was reviewed at the request of Trustee Bennett.

Review of Employer Contributions for payment year 2019 and intercept

The Board reviewed the City of Chicago contributions to date.

Market Update

Kevin Leonard of NEPC reviewed discussed current market conditions and performance of the Fund's portfolio.

Recording of the Motion of Phone Poll

President, Trustee Beyna, read into the record for adoption the phone poll taken April 17, 2020, concerning Chicago Equity Partners. The motion was to move all assets currently held at Chicago Equity Partners to the Russell 1000 Index Fund after notice was received that they are closing business operations and to transition the assets with the most cost-effective transition manager identified through a bid process.

The motion was made by Trustee Wright, seconded by Trustee Beyna

ROLL CALL: For: Beyna, Conyears-Ervin, Lappe, Skardon, Wodnicki, Wright 6.
 Against: 0.
 Absent: Bennett, Park 2.

Portfolio Rebalancing

Kevin Leonard of NEPC discussed the status of the portfolio versus the Fund's policy targets and did not recommend portfolio rebalancing.

Senate Pensions Working Group

Erin Keane informed the Board members about communication from the State Senate and the subsequent committee call on April 23, 2020, concerning how the Fund has been affected by COVID-19.

Sensitivity Analysis

The Board considered whether to have GRS, the Fund's actuary, run an interest rate of return sensitivity analysis given the possibility of long-term impacts of the pandemic on investment returns. *A motion was made by Trustee Wright, seconded by Trustee Skardon that the Board approve the study completed.*

ROLL CALL: For: Bennett, Beyna, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.

HEARINGS

All of the disability hearings scheduled for this date have been postponed. The hearings will be rescheduled after the COVID-19 Stay-At-Home order has been lifted and the Fund can provide a safe environment for everybody.

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

ROLL CALL: For: Beyna, Bennett, Conyears-Ervin, Lappe, Park, Skardon, Wright 7.
 Against: 0.
 Absent: Wodnicki 1.