



**Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago**

**MINUTES**

**BOARD MEETING**

THURSDAY – APRIL 29, 2021

**Board Meeting**  
**AGENDA**  
**APRIL 29, 2021. 9:00 AM**  
**Via Teleconference**

- 1) Roll Call
- 2) Requests from Members of the Public to Address the Board
- 3) Approval of Administrative Items
  - a) Approval of Minutes – Board Meeting held March 25, 2021
  - b) Approval of Minutes – Executive Sessions held March 25, 2021
  - c) Approval of Transcript – Board Meeting held March 25, 2021
- 4) Approval of Board Orders
  - a) Edwin Hernandez
  - b) Victor Perez
  - c) Nathan Reichenberger
  - d) Child Benefit: Sgt. Tsoukalas
- 5) Approval of Benefit Applications and Expenses
- 6) Hearings
  - a) Disability Hearing – Bryan Cassidy
  - b) Widow’s Compensation Annuity Hearings
    - i) Harris, Sandra (David)
    - ii) Salcedo, Maria (Ruben)
  - c) Credit for Other Service
    - i) Isaac Thomas
    - ii) Michael Decker
    - iii) Donovan Jackson
- 7) Legal Review
  - a) In-process Cases Status Report
  - b) Settlement - Hespe
- 8) Investment Items
  - a) Cash flow/needs
  - b) Market Update and Performance/Flash Report
  - c) Private debt/Private Equity Pacing Plan and Re-up Recommendations
  - d) Soundmark Fee Reduction
  - e) Update on Passive RFP
- 9) Approval of Conference Attendance for Board Members
- 10) Pension Technology Group Presentation
- 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: 914 8411 9707*

\*Topics may be discussed in closed 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 "Board" or "Fund") was held on April 29, 2021, convening remotely via Zoom and Teleconference at 9:00 a.m. for the consideration of applications and bills, and for other such matters that came before the Board. This meeting was held in accordance with the Open Meetings Act and Governor Pritzker's Executive Order 2021-06 as a result of the COVID-19 pandemic. The Governor's Executive Order suspends the in-person attendance requirement for members of the public body and allow for remote participation by video and audio conference.

Board Members Present:

Thomas Beyna^	- President
Jennie Huang Bennett*	- Trustee
Melissa Conyears-Ervin*	- Trustee
John Lally^	- Trustee
Michael Lappe^	- Vice President
Susie Park	- Trustee
Stephen Skardon	- Trustee
Michael Stiscak^	- Recording Secretary

Staff Present:

Erin Keane^	- Executive Director
Kevin Reichart^	- Comptroller
Justin Kugler^	- Board Counsel
Kay Hylton^	- Benefits Manager
Bob Crawford^	- Disability Manager

Consultants Present:

Dr. Peter Orris*	- Board Physician
Richard Reimer*	- Board Attorney/Hearing Officer
Kevin Leonard*	- NEPC
Deanna Jones	- NEPC

Public in Attendance:

Mark Myslinski	- City of Chicago Office of the Treasurer
Craig Slack	- City of Chicago Office of the Treasurer
Bryan Cassidy*	- City of Chicago Police Officer
Isaac Thomas*	- City of Chicago Police Officer
Michael Decker*	- City of Chicago Police Officer
Donovan Jackson*	- City of Chicago Police Officer
Rosemarie Giambalvo▪	- Annuitant, CPD

Others in attendance via audio, identified only by telephone numbers

^ Denote attendance in person at the Fund office

\*Denotes partial attendance

▪ Indicates attendance via audio - requested to be identified by name in the minutes

## **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 asked if there were any requests from the public to address the Board. There were no requests to address the Board.

## **APPROVAL OF ADMINISTRATIVE ITEMS**

The first order of business was the review of the minutes of the March 25, 2021, board meeting.

*A motion to approve the regular board meeting minutes held March 25, 2021, was made by Trustee Skardon, seconded by Trustee Lappe.*

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

The next order of business was the review of the minutes of the Executive Sessions of the March 25, 2021, board meeting.

*A motion to approve the executive session minutes from the meeting held March 25, 2021, was made by Trustee Skardon, seconded by Trustee Lappe.*

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

The next order of business was the review of the transcript of the March 25, 2021, board meeting.

*A motion to approve the transcript from the meeting held March 25, 2021, was made by Trustee Skardon, seconded by Trustee Lappe.*

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

## **APPROVAL OF BOARD ORDERS**

### **Edwin Hernandez**

A draft order was provided to the Board by Board Counsel.

*A motion authorizing staff to adopt and publish the Board order prepared for Officer Edwin Hernandez was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

### **Victor Perez**

A draft order was provided to the Board by Board Counsel.

*A motion authorizing staff to adopt and publish the Board order prepared for Officer Victor Perez was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

**Nathan Reichenberger**

A draft order was provided to the Board by Board Counsel.

*A motion authorizing staff to adopt and publish the Board order prepared for Officer Nathan Reichenberger was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

**Child Benefit: Sgt. Tsoukalas**

A draft order was provided to the Board by Board Counsel.

*A motion authorizing staff to adopt and publish the Board order prepared for Sergeant Tsoukalas was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

President Beyna turned the meeting over to Board Secretary Stiscak for the approval of Benefit Applications and Expense items as appearing in April 2021 Docket.

**DOCKET: SCHEDULE I-A Incurred Expenses for the Month of April 2021**

*A motion to approve the Incurred Expenses as detailed on Schedule I-A was made by Trustee Skardon, seconded by Trustee Lappe.*

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

**DOCKET: SCHEDULE II-A, B, G Refunds of Contributions; Withdrawal of Service and Widow’s Annuity Accumulations**

*A motion to approve the Refunds as detailed on Schedules II-A, B and G was made by Trustee Skardon, seconded by Trustee Lappe.*

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

**DOCKET: SCHEDULE II-D Payment to Heirs of Deceased Annuitants**

*A motion to approve Payments to Heirs of Deceased Annuitants as detailed on Schedule II-D was made by Trustee Skardon, seconded by Trustee Lappe.*

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

**DOCKET: SCHEDULE III-A Annuities and Annuities-Revised with a Summary page**

*A motion to approve the Annuities as detailed on Schedule III-A and Revise III-A was made by Trustee Skardon, seconded by Trustee Lappe.*

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

**DOCKET: SCHEDULE III-B Annuities to Widows with a Summary page**

*A motion to approve the Annuities to Widows as detailed on Schedule III-B was made by Trustee Skardon, seconded by Trustee Lappe.*

ROLL CALL:           For:           Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                          Against:    0.  
                          Absent:     Bennett, Coneyears-Ervin.

**DOCKET: SCHEDULE III-C Annuities to Children**

*A motion to approve the Annuities to Children as detailed on Schedule III-C was made by Trustee Skardon, seconded by Trustee Lappe.*

ROLL CALL:           For:           Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                          Against:    0.  
                          Absent:     Bennett, Coneyears-Ervin.

**DOCKET: SCHEDULE IV New Disability Applications**

a) Marchbank, Elisheba, claiming duty-related disability

*A motion to o 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 was made by Trustee Beyna, seconded by Trustee Stiscak.*

ROLL CALL:           For:           Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                          Against:    0.  
                          Absent:     Bennett, Coneyears-Ervin.

**DOCKET: SCHEDULE V Payment of Death Benefits [Summary page]**

*A motion to approve payment of the Death Benefits indicated Schedule V was made by Trustee Skardon, seconded by Trustee Beyna.*

ROLL CALL:           For:           Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                          Against:    0.  
                          Absent:     Bennett, Coneyears-Ervin.

**LEAVES**

**DOCKET: SCHEDULE VI REQUESTS FOR PENSION CREDIT FOR MILITARY LEAVE OF ABSENCE UNDER 40 ILCS 5/5-212**

*A motion to approve pension credit for the military leaves of absence under 40 ILCS 5/5-212 as indicated on Schedule VI was made by Trustee Skardon, seconded by Trustee Lappe.*

ROLL CALL:           For:           Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                          Against:    0.  
                          Absent:     Bennett, Coneyears-Ervin.

**MISCELLANEOUS**

**DOCKET: SCHEDULE VII-A REQUESTS TO PURCHASE ADDITIONAL PENSION CREDIT FOR PRIOR COOK COUNTY LAW ENFORCEMENT SERVICE UNDER 40 ILCS 5/5-214 (c)**

Documentation verified, review and discussion concluded.

*A motion to approve the request to purchase additional pension credit for prior Cook County service under 40 ILCS 5/5-214(c) as detailed on Schedule VII-A was made by Trustee Skardon, seconded by Trustee Lappe.*

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

**DOCKET: SCHEDULE VII-B REQUESTS TO PURCHASE ADDITIONAL PENSION CREDIT FOR PRIOR MILITARY SERVICE UNDER 40 ILCS 5/5-214.3**

Documentation verified, review and discussion concluded.

*A motion to approve the request to purchase additional pension credit for prior military service under 40 ILCS 5/5-214.3 as detailed on Schedule VII-B was made by Trustee Skardon, seconded by Trustee Lappe.*

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

General docketed items completed.  
The next item, taken out of sequence

**LEGAL REVIEW**

*A motion to go into executive session per 5 ILCS 120/2(c)(11) was made by Trustee Skardon, seconded by Trustee Lappe.*

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

*A motion to exit executive session was made by Trustee Lappe, seconded by Trustee Skardon.*

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

Upon returning to open session *a motion to authorize Board counsel to take action with respect to the Kelly Hesper matter as discussed in executive session was made by Trustee Skardon, seconded by Trustee Lally.*

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

*A motion to appoint Rick Reimer as the Hearing Officer for all cases scheduled to be heard at this meeting, was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

**DOCKET: SCHEDULE VII-C HEARINGS**

- 1**        **Disability Hearing** - Bryan Cassidy
- 2**        **Widow's Compensation Annuity Hearings**
  - a) Sandra Harris (David)
  - b) Maria Salcedo (Ruben)
- 3**        **Credit For Other Service**
  - a) Isaac Thomas
  - b) Michael Decker
  - c) Donovan Jackson

**IN ORDER OF APPEARANCE**

Mrs. Sandra (David) Harris appeared with counsel before the Board on her application for a compensation widow's annuity. After reviewing documents and hearing all testimony *a motion to go into executive session per 5 ILCS 120/2(c)(4) was made by Trustee Lappe, seconded by Trustee Skardon.*

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

*A motion to exit executive session was made by Trustee Stiscak, seconded by Trustee Lappe.*

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

*A motion to deny the compensation widow's annuity to Sandra Harris was made by Trustee Stiscak, seconded by Trustee Skardon.*

ROLL CALL:            For:            Beyna, Lally, Lappe, Park, Stiscak.  
                              Against:      Skardon.  
                              Absent:       Bennett, Conyears-Ervin.

WHEREUPON, Trustees Bennett and Conyears-Ervin entered the proceedings

Mrs. Maria (Ruben) Salcedo appeared with counsel before the Board on her application for a compensation widow's annuity. After reviewing documents and hearing all testimony *a motion to go into executive session per 5 ILCS 120/2(c)(4) was made by Trustee Skardon, seconded by Trustee Park.*

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

*A motion to exit executive session was made by Trustee Stiscak, seconded by Trustee Lappe.*

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

*A motion to deny the compensation widow's annuity to Maria Salcedo was made by Trustee Stiscak, seconded by Trustee Skardon.*

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



Bryan Cassidy appeared with counsel before the Board on his application for an ordinary disability benefit. After reviewing documents and hearing all testimony *a motion to go into executive session per 5 ILCS 120/2(c)(4) was made by Trustee Skardon, seconded by Trustee Park.*

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

*A motion to exit executive session was made by Trustee Skardon, seconded by Trustee Lappe.*

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

*A motion to take the matter under advisement and continue the matter to the next Board meeting for a vote was made by Trustee Skardon, seconded by Trustee Stiscak.*

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

Officer Isaac Thomas appeared, without counsel, before the Board on his application to receive pension credit for prior service. After reviewing documents and hearing all testimony *a motion deny Officer Thomas his requested pension credit for the prior service was made by Trustee Lappe, seconded by Trustee Stiscak.*

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

Sergeant Donovan Jackson appeared, without counsel, before the Board on his application to receive pension credit for prior service. After reviewing documents and hearing all testimony *a motion deny Sergeant Jackson his requested pension credit for the prior service was made by Trustee Stiscak, seconded by Trustee Skardon.*

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

Officer Michael A. Decker appeared, without counsel, before the Board on his application to receive pension credit for prior service. After reviewing documents and hearing all testimony *a motion deny Officer Decker his requested pension credit for the prior service was made by Trustee Stiscak, seconded by Trustee Skardon.*

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

## **INVESTMENT ITEMS**

### Cash Flow/Needs

Comptroller Kevin Reichart reported on cash balance as well as benefit payment expenses and outstanding capital calls as of April 30, 2021. He also reported that the Fund has received from the City approximately \$394M of the total amount due of \$738M for tax levy year 2020, payment year 2021.

### Market Update and Performance

Kevin Leonard and Deanna Jones of NEPC, the Fund's Investment Consultant, provided a market update and review of investment performance of the Fund's portfolio as of March 31, 2021. They discussed the Board's recent new asset allocation and reviewed the private equity and private debt pacing plan.

Consistent with the NEPC's recommendation regarding target asset allocation and ranges, *a motion to allocate \$20M in a re-up commitment to the Monroe IV Private Debt Fund was made by Trustee Lappe, seconded by Trustee Stiscak.*

ROLL CALL:                   For:            Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                                  Against:     0.  
                                  Absent:     Bennett, Coneyears-Ervin.

Consistent with the NEPC's recommendation, the Board gave NEPC authorization to prepare a two (2) draft RFPs, one for an allocation of approximately \$20M to private debt and another for an allocation of approximately \$40M to private equity, both to be presented at the May meeting.

Consistent with the NEPC's recommendation, *a motion to allocate an additional \$5M to the Beachpoint Select Fund was made by Trustee Lappe, seconded by Trustee Stiscak.*

ROLL CALL:                   For:            Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                                  Against:     0.  
                                  Absent:     Bennett, Coneyears-Ervin.

Deanna Jones of NEPC provided an update on the passive RFP that the Board issued. The RFP responses are due by May 3, 2021 and NEPC will provide a summary book at the May meeting to indicate which managers have applied. In addition, she informed that Board that Soundmark, one of the Fund's real estate managers, provided a ten basis point fee reduction to be reflected in the next quarter's invoice.

Erin Keane, Executive Director requested approval for members of the Board to attend the upcoming Illinois Public Pension Fund Association (IPPPFA) conference and TexPERS conference both scheduled for May 2021.

*A motion to approve attendance for Trustees at these two conferences was made by Trustee Lappe, seconded by Trustee Lally.*

ROLL CALL:                   For:            Beyna, Lally, Lappe, Park, Skardon, Stiscak.  
                                  Against:     0.  
                                  Absent:     Bennett, Coneyears-Ervin.

Last on the agenda was a presentation by Rick Van Houten and Alyce Smith of Pension Technology Group.

All business concluded for this date, *a motion to adjourn the meeting was made by Trustee Lappe, seconded by Trustee Skardon.*

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