
PROCEEDINGS
OF THE
Board of Trustees
OF THE
**Public School Teachers' Pension and
Retirement Fund of Chicago**

Regular Meeting – Official Report
Thursday, December 8, 2016

A regular meeting of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held Thursday, December 8, 2016.

The President, Mr. Jay C. Rehak, called the meeting to order at 9:38 a.m.

ROLL CALL

Members present: Mr. Jeffery Blackwell, Ms. Bernice Eshoo, Dr. Walter Pilditch, Mr. Jay C. Rehak, Mr. Jerry Travlos, Ms. Gail D. Ward, Mr. Raymond Wohl – 7

Members absent: Ms. Lois W. Ashford, Mr. Robert F. Bures, Mr. Mark F. Furlong, Ms. Tina Padilla, Ms. Mary Sharon Reilly – 5

Ms. Reilly, Mr. Furlong, and Ms. Padilla arrived during public participation.

Ms. Ashford arrived during the report of finance and audit.

Also in attendance were Mr. Charles A. Burbridge (*Executive Director*), Ms. Tiffany Reeves (*Deputy Executive Director and Chief Legal Officer*), Mr. Robert Jurinek (*Internal Auditor*), Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*), Ms. Michelle Watterworth, Ms. Manju Patnaik and Mr. Owen Ron of Plante Moran (*External Auditor*), and various observers and staff members.

PUBLIC PARTICIPATION

Presentation by Linda Williams

Ms. Linda Williams, a retired member, stated that CTPF sent information regarding reimbursement for Medicare Part B premium via email. Ms. Williams stated that several retirees do not have access to email therefore CTPF should send this important communication via USPS mail.

Presentation by Arlene Crandall

Ms. Arlene Crandall, a retired member, stated that she's grateful for CTPF's health insurance. She expressed her opinion regarding the Medicare Part B communication that was sent to retirees.

Ms. Mary Cavallaro, Chief Benefits Officer, stated that the information will be in the newsletter.

Presentation by Lois Lubin

Ms. Lois Lubin, a retired member, stated that she was able to receive clarification between a wellness and a physical check-up from BCBS.

Presentation by Lyn Bernstein

Ms. Lyn Bernstein, a retired member, stated that she received a letter from CTPF informing her of money owed for her Medicare Part B. Ms. Bernstein is requesting that CTPF deduct less money from her pension check than what was stated in the letter she received.

REPORT OF THE COMMITTEE ON FINANCE AND AUDIT

Fiscal Year 2016 Audit Presentation

Ms. Michelle Watterworth, Ms. Manju Patnaik and Mr. Owen Ronk of Plante Moran presented the results of the 2016 audit of the Fund in accordance with the generally accepted accounting principles. They stated that CTPF staff was cooperative and courteous during the audit; their assistance and professionalism are invaluable. They stated that the opinion letter is in draft form and will issue a final opinion letter once the Comprehensive Annual Financial Report (CAFR) is finalized. They further stated that it is an unmodified opinion which means that Plante Moran believes the financial statements based on their audit testing are materially accurate in accordance with generally accepted accounting principles. Plante Moran noted they identified an internal control deficiency related to controls over census data. They stated that no unusual practices and no significant disagreements with management. Plante Moran addressed questions raised by the Trustees.

Committee Chairperson Wohl will schedule a Finance and Audit Committee meeting in January for the purpose of reviewing the CAFR.

REPORT OF THE POLICY COMMITTEE

Ms. Renee Schildgen, CTPF Assistant Legal Counsel, presented and reviewed for approval the *Employee Handbook*, Freedom of Information Act Policy and the Member Identification Policy. Ms. Schildgen noted that the Policy Committee met December 1, 2016, and recommended approval of the policies as presented.

Motion to Approve Policies, Approved

Ms. Reilly made a motion, seconded by Mr. Blackwell, to approve the *Employee Handbook*, Freedom of Information Act Policy and the Member Identification Policy as presented. The motion passed unanimously.

REPORT OF THE PRESIDENT**Motion to Approve Governance Training Hours, Approved**

Ms. Reilly made a motion, seconded by Dr. Pilditch, to approve the governance training hours that will be conducted December 8, 2016, to count towards ethics training required by state law. The motion passed unanimously.

Adopt the 2017 Trustee Meeting Calendar

President Rehak reviewed the proposed 2017 Trustee meeting calendar. The Board agreed to approve the Board meetings as amended.

Motion to Approve the 2017 Board Meeting as Amended, Approved

Mr. Furlong made a motion, seconded by Ms. Ward, to approve the 2017 Board meeting schedule as amended. The motion passed unanimously.

Conference Request

Mr. Wohl, Mr. Rehak, and Ms. Padilla requested approval to attend the 2017 Legislative Conference in January 2017 in Washington, D.C.

Ms. Padilla requested approval to attend the NASP 28th Annual Pension and Financial Service Conference in June 2017 in Los Angeles.

Mr. Blackwell requested approval to attend the Opal 2017 Investment Symposium in February 2017 in New Orleans.

Motion to Authorize Trustee Travel, Approved

Ms. Ashford made a motion, seconded by Mr. Wohl, to approve the conference requests as listed above. The motion passed unanimously.

Motion to go into Executive Session, Approved

Mr. Wohl made a motion, seconded by Mr. Blackwell, to go into executive session for the purpose of discussing litigation and personnel matters. The motion passed unanimously.

The executive session lasted from 11:02 a.m. to 1:30 p.m.

Mr. Furlong left the meeting during executive session.

Motion to go into Open Session, Approved

Ms. Reilly made a motion, seconded by Ms. Padilla, to go into open session. The motion passed unanimously.

Motion to File Derivatives Lawsuit, Approved

Mr. Wohl made a motion, seconded by Mr. Blackwell, to file a derivatives lawsuit as recommended by outside counsel. The motion passed by the following vote:

Ayes: Ms. Ashford, Mr. Blackwell, Ms. Eshoo, Ms. Padilla, Dr. Pilditch, Mr. Rehak, Ms. Reilly, Mr. Travlos, Ms. Ward, Mr. Wohl – 10

Abstentions: Mr. Furlong – 1

Motion to Authorized Board President and Executive Director to File a PSLARA Lawsuit, Approved

Ms. Padilla made a motion, seconded by Ms. Eshoo, to authorize the Board President and Executive Director with the advice of the Chief Legal Officer and Fund Legal Counsel to file a PSLRA Lawsuit as recommended by Outside Legal Counsel. The motion passed by the following vote:

Ayes: Ms. Ashford, Mr. Blackwell, Ms. Eshoo, Mr. Furlong, Ms. Padilla, Dr. Pilditch, Mr. Rehak, Ms. Reilly, Mr. Travlos, Ms. Ward – 10

Nays: Mr. Wohl – 1

ADJOURNMENT

On a motion by Ms. Padilla, seconded by Ms. Padilla, and by unanimous vote, the meeting adjourned at 1:35 p.m.

Respectfully submitted,



Bernice Eshoo
Recording Secretary

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Executive Session– Official Report
Thursday, December 8, 2016

An executive session of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held Thursday, December 8, 2016.

The President, Mr. Jay C. Rehak, called the meeting to order at 11:02 a.m.

ROLL CALL

Members present: Ms. Lois W. Ashford, Mr. Jeffery Blackwell, Ms. Bernice Eshoo, Mr. Mark F. Furlong, Ms. Tina Padilla, Dr. Walter Pilditch, Mr. Jay C. Rehak, Ms. Mary Sharon Reilly, Mr. Jerry Travlos, Ms. Gail D. Ward, Mr. Raymond Wohl – 11

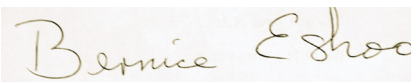
Members absent: Mr. Robert F. Bures – 1.

Also in attendance were Mr. Charles A. Burbridge (*Executive Director*), Ms. Tiffany Reeves (*Deputy Executive Director and Chief Legal Officer*), Mr. Robert Jurinek (*Internal Auditor*), and Mr. Joseph Burns of Jacobs, Burns, Orlove and Hernandez (*Legal Counsel*).

Discussion ensued regarding personnel matters and litigation matters. No action was taken.

There being no further business, the executive session adjourned at 1:35 p.m.

Respectfully submitted,



Bernice Eshoo
Recording Secretary