

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

Executive Session
August 19, 2021

A closed Executive Session of the Meeting of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held on August 19, 2021.

The Executive Session began at 1:00 p.m.

ROLL CALL

Members present: Mr. Jeffery Blackwell, Mr. James Cavallero, Ms. Lois Nelson, Ms. Tina Padilla, Ms. Jacquelyn Price Ward, Ms. Gervais Clay, Mr. Philip Weiss, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez, Mr. Miguel Del Valle, Jr. – 10

Also in attendance for this portion of the Executive Session were Mr. Carlton Lenoir (*Executive Director*), Ms. Adriane McCoy (*Internal Audit Director*), Mr. Daniel Hurtado (*Chief Legal Officer*), and Ms. Marisel Hernandez of Jacobs, Burns, Orlove & Hernandez, LLP (*Board Counsel*).

Ms. Hernandez noted that although the Trustees reviewed the Executive Session minutes of January 5, 2021, through April 27, 2021, at the July 15, 2021, meeting, the minutes were not formally approved in open session. In addition, Ms. Hernandez presented the Executive Session minutes of June 3, 2021, June 17, 2021, June 22, 2021, and June 24, 2021 and recommended that they be approved. There were no questions by the Trustees.

Executive Director Lenoir discussed the proposed appointment of Andrew Kelsen as Interim Chief Investment Officer until a permanent replacement can be selected. Executive Director Lenoir indicated that internal candidates would have every opportunity to apply and be

considered for the permanent position. He also stated that he would like to conduct a national search for a permanent Chief Investment Officer. The Trustees discussed the possibility of having a deputy Chief Investment Officer.

Ms. Hernandez updated the Trustees on Board Counsel's litigation report, noting that the Fund is waiting for several decision from courts.

Mr. Hurtado discussed the Spectrum securities litigation settlement proposal. Mr. Hurtado indicated that, although lead plaintiff's counsel initially negotiated a settlement for \$39,000,000, an HRG shareholder filed an objection, resulting in the creation of a sub-class. This led all parties to re-negotiate the settlement. As a result of the mediator's recommendation, the Spectrum class would receive \$32,000,000, which the CLO and Board counsel recommended the Trustees accept.

Ms. McCoy reviewed the specific items in the Internal Audit Report that had been provided to the Trustees and the status of various internal audits.

Mr. Hurtado recommended approval of the Hearing Officer's decisions in the Granzlee Banks, Shirley Boyd, David Hicks, and Timothy Bryant return to work cases. There was no discussion.

There being no further business, a motion was made by Trustee Price-Ward, seconded by Trustee Reilly, to adjourn the executive session Mr. Jeffery Blackwell, Mr. James Cavallero, Ms. Lois Nelson, Ms. Tina Padilla, Ms. Jacquelyn Price Ward, Mr. Philip Weiss, Ms. Mary Sharon Reilly, Ms. Maria J. Rodriguez, and Mr. Miguel Del Valle voted in favor of the motion. There were no nays. The executive session adjourned at 2:45 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lois Nelson". The signature is written in black ink and is positioned above the printed name.

Lois Nelson
Recording Secretary