
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
THURSDAY – OCTOBER 27, 2016

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held October 27, 2016, at 9:00 A.M. at the office of the Fund, 221 N. LaSalle Street, Room 1626, Chicago, Illinois for the consideration of applications and bills, and for other such matters that came before the Board. The contents of this meeting were transcribed by Esquire Communications, Ltd. Court Reporters and are made a part of the record.

PRESENT: Trustees Hamburger, Hauser, Lappe, Maloney, Wright 5.

ABSENT: Trustees Avila, Brown, Summers 3.

PRESIDING: President and Trustee Hauser

President Hauser called the meeting to order.

The first order of business, was review of the minutes from the regular Board Meeting held September 29, 2016.

It was moved by Trustee Hamburger, seconded by Trustee Maloney that the Board approve the minutes as submitted.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

At this time, the Board reopened the Investment Committee Meeting and further investment matters were discussed. The Investment Committee Meeting was then adjourned.

President Hauser requested adoption of Board orders as submitted by the Board's legal counsel.

In the matter of **Daniel Freeman**, Pursuant to 40 ILCS 5/5-214 and for all reasons stated within the order, the petition for police pension credit prior to his employment as a CPD officer for all or part of the time period requested is hereby denied.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board adopt the order on Daniel Freeman as submitted.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

In the matter of **Craig Nykiel**, the Board found that officer Nykiel is disabled as a result of an act of duty incident, however, the injury was exacerbated a pre-existing physical condition and therefore, his duty disability benefits are awarded at 50% of salary as defined in the Pension Act.

It was moved by Trustee Wright, seconded by Trustee Maloney that the Board adopt the order on Craig Nykiel as submitted.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

The President turned the meeting over to the Recording Secretary, Trustee Maloney.

The Board Recording Secretary conducted the agenda as follows:

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PAGE NO. REFERENCE

1 - 6 Incurred Expenses for the Month of October 2016.

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the Obligations as detailed on pages 1 through 6.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

7 - 10 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations; and Exempt Rank.

It was moved by Trustee Lappe, seconded by Trustee Wright that the Board approve the Refunds as detailed on pages 7 through 10.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

11 - 13 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the Payment to Heirs of Deceased Annuitants as detailed on pages 11 through 13.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

14 Refund of Annual Increase Contributions (*retired with less than 20 years of service*)

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the refunds as detailed on page 14.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

15 - 18 Annuities [Summary pg. 19]

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the Annuities as detailed on pages 15 through 18.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

20 Annuities to Widows [Summary pg. 21]

It was moved by Trustee Hauser, seconded by Trustee Lappe that the Board approve the Annuities to Widows as detailed on page 20.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

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PAGE NO. REFERENCE
22 Ordinary Disability Application

a) **Maglaya, Judith A.**

The medical documentation on this application was reviewed by the Board members.

It was moved by Trustee Lappe, seconded by Trustee Hauser that the Board grant the Sergeant an ordinary disability benefit.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

23 - 24 Duty Disability Applications

b) **Contreras, Renee P.**

The medical documentation on this application was reviewed by the Board members.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board defer all benefits subject to a full evidentiary hearing.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

c) **Dovin, George M.**

The medical documentation on this application was reviewed by the Board members.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board defer all benefits subject to a full evidentiary hearing.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

23 - 24 Duty Disability Applications, Continued

c) **Enderle, Diana M.**

The medical documentation on this application was reviewed by the Board members.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board grant the officer subject to a full evidentiary hearing an ordinary disability 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: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

d) **Giannos, Elias H.**

The medical documentation on this application was reviewed by the Board members.

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board grant the officer subject to a full evidentiary hearing an ordinary disability 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: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

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25 - 28 Payment of Death Benefits [Summary pg. 29]

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the Death Benefits as detailed on pages 25 through 28.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

MISCELLANEOUS

30 REQUESTS FOR PENSION CREDIT FOR PRIOR COOK COUNTY
SERVICE UNDER 5-214 (c)

Documentation verified, *it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the requests to purchase prior Cook County Service as detailed on page 30.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

31 REQUESTS FOR PENSION CREDIT FOR PRIOR MILITARY
SERVICE UNDER 5-214.3

Documentation verified, *it was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the requests to purchase pension credit for prior military service as detailed on page 31.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

32 REQUESTS FOR PENSION CREDIT FOR MILITARY LEAVE UNDER **USERRA**

Documentation verified, *it was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the requests to purchase service credit for military leave of absence periods as detailed on page 32.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

General Agenda completed.

Darryl Brown, currently in receipt of an ordinary disability benefit, has forwarded communication to the Board of Trustees "I, Darrel Brown, having been examined by a medical doctor have been cleared to perform the duties of a police officer without restriction. I request full reinstatement to the Chicago Department. I also request not to be present before the Board during this review process."

Pursuant to Darryl Brown's letter and his physician's report, *it was moved by Trustee Wright, seconded by Trustee Hamburger that the Board terminate the ordinary disability benefits of Officer Darryl Brown effective November 30, 2016.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

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It was moved by Trustee Wright, seconded by Trustee Maloney that the Board go into executive session pursuant to Section 2 (c)(11).

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

It was moved by Trustee Maloney, seconded by Trustee Wright that the Board exit the executive session.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

The Board back in session, President Hauser called for a motion for the Board to adopt the order submitted by counsel on **George E. Moore, Sr.** After considering the documents tendered by Officer Moore, the Board finds pursuant to 40 ILCS 5/5-214.2, Officer Moore missed the deadline for requesting and completing the application for prior service. Therefore, the request of George E. Moore, Sr. for pension credit for prior employment is hereby denied.

It was moved by Trustee Wright, seconded by Trustee Maloney that the Board adopt the order on George E. Moore as submitted..

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

Next order of Business was continuing with the Scheduled Hearings.

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HEARINGS

33 REQUEST FOR CREDIT FOR PRIOR SERVICE

Cooper, Gary

Officer Cooper appeared before the Board, without counsel, on his application for pension credit for prior service. Board counsel reviewed with Officer Cooper the procedures of an administrative hearing, along with his right to have an attorney present. Officer Cooper agreed to proceed without counsel. After hearing testimony from Officer Cooper and reviewing the documents submitted, *it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board deny Officer Cooper's application in accordance with the guidelines of the Pension Act.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

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PAGE NO. REFERENCE
DUTY DISABILITY STATUS REVIEWS

34 **Aich, Alvaro A.**

Alvaro A. Aich appeared before the Board, without counsel, on a status review of his duty disability benefit. Board counsel reviewed with Officer Aich the procedures of an administrative hearing, along with his right to have an attorney present. Officer Aich agreed to proceed without counsel. After hearing testimony from Officer Aich, the Board's consulting physician, Sgt. Kemper from the Chicago Police Department, Medical Section, and reviewing the medical reports and documents submitted, *it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board terminate Officer Aich's disability benefit effective November 30, 2016.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

35 **Dolan, Christine M.**

Christine M. Dolan appeared before the Board, without counsel, on a status review of her duty disability benefit. Board counsel reviewed with Detective Dolan the procedures of an administrative hearing, along with her right to have an attorney present. Detective Dolan agreed to proceed without counsel. After hearing testimony from Detective Dolan, Sgt. Kemper from the Chicago Police Department, Medical Section, and reviewing the medical reports and documents submitted, *it was moved by Trustee Lappe, seconded by Trustee Wright that the Board terminate Detective Dolan's disability benefit effective November 30, 2016.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

36 **Moore, Sr., George E.**

George E. Moore, Sr. appeared before the Board, with counsel, on a status review of his duty disability benefit. After hearing testimony from Officer Moore, the Board's consulting physician, and reviewing the medical reports and documents submitted, the Board determined that George Moore's disability status is unchanged at this time and he should be reassessed by the Board's consulting physician in three or four months.

37 **Turney, Michelle L.**

Michelle Turney appeared before the Board, with counsel, on a status review of her duty disability benefit. After hearing testimony from Sergeant Turney, the Board's consulting physician, and reviewing the medical reports and documents submitted, *it was moved by Trustee Lappe, seconded by Trustee Wright that the Board go into executive session per 2 (c)(11).*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board exit the executive session.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.
Absent: Avila, Brown, Summers 3.
Against: 0.

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It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board schedule an IME with Dr. Hoepfner for Michelle Turney.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

It was noted that Sergeant Turney's duty disability status and related benefits will continue.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board go into executive session per 2 (c)(11).

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board exit the executive session.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

38 ORDINARY DISABILITY CLAIM

Janda, Liane I.

The attorney representing Liane Janda appeared before the Board to request a continuance in order to obtain current medical reports.

it was moved by Trustee Wright, seconded by Trustee Hamburger that the Board grant the continuance.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

39 DUTY DISABILITY CLAIMS

Nelson, Jerald L.

Jerald L. Nelson appeared before the Board, with counsel, on his application for a duty disability benefit.

After hearing testimony from Officer Nelson and reviewing the medical reports and documents submitted,

it was moved by Trustee Wright, seconded by Trustee Maloney that the Board grant Officer Nelson a duty disability benefit.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

It was then moved by Trustee Wright, seconded by Trustee Lappe that the Board grant the duty disability benefit at 75% of salary as defined in the Illinois Statutes.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

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PAGE NO. REFERENCE
DUTY DISABILITY STATUS REVIEWS, Continued

Pearson, Del W.

Del W. Pearson appeared before the Board, with counsel, on his application for a duty disability benefit. After hearing testimony from Officer Pearson and reviewing the medical reports and documents submitted, *it was moved by Trustee Maloney, seconded by Trustee Hamburger that the Board grant Officer Pearson a duty disability benefit.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

It was then moved by Trustee Maloney, seconded by Trustee Lappe that the Board grant the duty disability benefit at 75% of salary as defined in the Illinois Statutes.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

Rollins, Edward J.

Edward J. Rollins appeared before the Board, with counsel, on his application for a duty disability benefit. After hearing testimony from Officer Rollins and reviewing the medical reports and documents submitted, *it was moved by Trustee Lappe, seconded by Trustee Maloney that the Board grant Officer Rollins a duty disability benefit.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

It was then moved by Trustee Lappe, seconded by Trustee Maloney that the Board grant the duty disability benefit at 75% of salary as defined in the Illinois Statutes for the period April 22, 2016 through July 24, 2016.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

- The Executive Director reviewed with the Board the previously discussed mailing from the Fund to its members explaining that they will be solicited for health insurance enrollment from two organizations; a City-sponsored plan; and a FOP-sponsored plan, for the continuation of healthcare coverage. The Board's attorney indicated that under the Illinois Statutes, the Fund needs the member's consent to deduct health insurance premiums from a member's annuity. As such the letter has been amended to include a signature line authorizing premium deductions from a member's annuity, along with a requirement that the member indicate their selection of Aetna/Labor First enrollment or BCBS enrollment. It was noted that such letter is not a means to enroll in either plan. Should a member not elect either, they would not need to return the form. Adjustments and corrections were made to the letter. The Board agreed to the direct mailing letter from the Fund and the mechanism to obtain signature authorization to deduct the insurance premiums.

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WHEREUPON; Dr. Orris left the proceedings.

President Hauser called for a motion on the amended minutes of the October 24, 2016, Investment Committee meeting, which was reconvened on October 27, 2016.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the amended minutes as presented.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

The Executive Director reviewed with the Board the following matters.

- The Executive Director continued with discussion of earlier this day concerning the letter to annuitants regarding their health care coverage. A few more edits were discussed and agreed upon. Discussion was held regarding annuitants whose annuities are not sufficient to pay for premium deductions of a plan that he or she may select, noting that in such cases, the Fund will not allow any deduction and the member would need to work directly with the provider. The Executive Director informed the Board members that both the City-sponsored Blue Cross Blue Shield plan and the FOP-sponsored plan will have representatives in the Fund's office to review the plans and discuss administrative issues next week. All interested Trustees are invited to attend.
- The Executive Director updated the Board members on the Fund's signature verification process for 2016. There are approximately 100 annuitants who have not responded to numerous attempts to contact them and obtain a verification signature and updated contact information for the Fund's files. Therefore, the October 31, 2016, annuity payment has been suspended for each non-respondent, until the member contacts the Fund and the appropriate documents are obtained.
- Next, the Executive Director requested up-to three hearings be scheduled for the December Board meeting in order to keep the process of disability applications and status reviews progressing. The Trustees agreed to no more than three hearings at the December 2016 Board meeting.
- The Fund's Comptroller and Executive Director drafted two RFPs for Board review. The actuarial firm, GRS, and the audit firm, Mitchell & Titus, have been retained by the Fund for five years and under the Illinois statute, such services should be subject to a new RFP, as both services are over \$25,000. The Executive Director proposed that both RFPs be posted on the Fund's website, with some form of advertising, beginning November 1st with the period closed on November 30, 2016.

It was moved by Trustee Maloney, seconded by Trustee Lappe that the Board approve the two RFP's be posted as discussed.

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.

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- The Executive Director indicated that there are some personnel matters to discuss. August Anthony Madonia (Tony) has been promoted to Assistant Comptroller as of October 1, 2016; Ivan Rogic has been promoted to Staff Accountant as of October 1, 2016; Justin Kugler has been hired to begin November 1, 2016, as a full time staff attorney and compliance officer. Pacifico Panaligan has retired as Assistant Comptroller.

EXECUTIVE DIRECTOR'S REPORT CONCLUDED

All business concluded for this date, October 27, 2016, *it was moved by Trustee Lappe, seconded by Trustee Wright that this meeting be adjourned.*

ROLL CALL

For: Hamburger, Hauser, Lappe, Maloney, Wright 5.

Absent: Avila, Brown, Summers 3.

Against: 0.