
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
TUESDAY – MARCH 28, 2017

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held March 28, 2017, 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, Lappe, Maloney, Summers, Wright 5.

ABSENT: Avila, Brown, Hauser 3.

PRESIDING: Vice President and Trustee Wright

Trustee Wright called the meeting to order.

The first order of business was review and approval of the Minutes of the last regular meeting of the Retirement Board held February 24, 2017.

It was moved by Trustee Hamburger, seconded by Trustee Summers that the Board approve the minutes from the regular meeting held February 24, 2017.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

Next was the approval of the minutes of the investment committee meeting held March 22, 2017. The Executive Director requested to amend the minutes to reflect the managers that were hired.

The first amendment is the motion that the Fund allocate up to \$25 million to Blueprint Advisors with the allocation to be gradual and such amount to be allocated by liquidating part of the largest core fixed income manager, Wells Capital Management.

The second amendment is the motion that the Fund allocate \$10 million each to Brookfield Asset Management and Sound Mark Partners, with the allocation coming from available cash or by continuing to liquidate GMO.

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

ROLL CALL

For: Hamburger, Lappe, Wright 3.

Absent: Avila, Brown, Hauser 3.

Abstain: Maloney, Summers 2.

Against: 0.

Trustee Wright requested adoption of Board orders as submitted by the Board's legal counsel.

In the matter of **Ryan J. O'Donnell**, "The Board after a review of the new submissions and the Board's prior September 29th, 2016, order finds that its decision previously made would not have changed had the newly submitted documents been before it at the time of its initial decision. Accordingly, the Board's prior order is hereby reaffirmed. O'Donnell was not then and is not now entitled to any disability benefit. Therefore, payment of O'Donnell's duty disability benefits will cease February 28th, 2017."

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the order on Ryan O'Donnell as presented.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 2.

In the matter of **Kevin D. Osborn**, "The Board finds that Osborn was at the time he exhausted his CPD medical leave time disabled by reason of his neck complaints as a result of an act of duty incident. Those complaints were exacerbated by previous physical defect or other disease. Further, the Board finds Osborn is currently not disabled by reason of his neck complaints and is able to return to service with the CPD. Therefore, Osborn's application for a duty disability benefit is granted in the amount of 50 percent of salary, as more fully defined in the Pension Act, for the time period April 18th, 2016, through April 30th, 2017. Osborn is directed to return to the CPD for assignment."

It was moved by Trustee Lappe, seconded by Trustee Maloney that the Board adopt the order on Kevin Osborn as submitted.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

In the matter of **Michelle Turney**, "The Board finds that Turney's disability resulting from the act of duty incident has ceased and payment of her duty disability benefits will, therefore, cease on March 31st, 2017. Turney is directed to return to the CPD for assignment."

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board adopt the order on Michelle Turney as submitted.

ROLL CALL

For: Hamburger, Lappe, Maloney, Summers, 4.

Absent: Avila, Brown, Hauser 3.

Against: Wright 1.

The Vice President turned the meeting over to the recording secretary, Trustee Maloney.

The Board Recording Secretary conducted the agenda as follows:

PAGE NO. REFERENCE

1 - 5 Incurred Expenses for the Month of March 2017.

It was moved by Trustee Lappe, seconded by Trustee Summers that the Board approve the Obligations as detailed on pages 1 through 5.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

6 - 8 Refunds of Contributions; Withdrawal of Service and Widow's Annuity Accumulations

It was moved by Trustee Lappe, seconded by Trustee Wright that the Board approve the Refunds as detailed on pages 6 through 8.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 3.

PAGE NO. REFERENCE

9 - 10 Payment to Heirs of Deceased Annuitants

*It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Payment to Heirs of Deceased Annuitants as detailed on pages 9 and 10, except for payments on behalf of **Sterling Watson**.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

In the matter of benefits due **Sterling Watson's** estate, *it was moved by Trustee Wright, seconded by Trustee Summers that the Board approve disbursement to his widow, as detailed on page 10.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

11 Refund of Unused Annuity Accumulations

*It was moved by Trustee **Wright**, seconded by Trustee Lappe that the Board approve the Refund as detailed on page 11.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

12 Refund of Annual Increase Contributions – *less than 20 years of service*

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the Refund as detailed on page 12.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

13 - 16 Annuities [Summary pg. 17]

It was moved by Trustee Lappe, seconded by Trustee Wright that the Board approve the Annuities as detailed on pages 13 through 16.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

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

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the Annuities to Widows as detailed on pages 18 and 19.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 4.

PAGE NO. REFERENCE

21 Annuity – Widow’s Calim

This matter concerns a **Berklin Fowles**, a deceased police officer. The details of his CPD appointment, retirement, marriage, death, widow’s annuity and a second marriage have been provided, on page 21(a). Selena Davis-Fowles appeared before the Board on her widow’s claim, as the widow of Berklin Fowles. *It was moved by Trustee Lappe, seconded by Trustee Wright that the Board deny the widow’s annuity claim of Selena Davis-Fowles.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

22 Ordinary Disability Applications

 a) **Razkowic, Jacqueline**

Based on the medical reports, it was moved by Trustee Wright, seconded by Trustee Lappe that the Board grant Officer Razkowic an ordinary disability benefit.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

 b) **Reilly, Dawn**

Based on the medical reports, it was moved by Trustee Wright, seconded by Trustee Summers that the Board grant Sergeant Reilly an ordinary disability benefit.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

23 Occupational/Duty Disability Application

 c) **Gawlicki, Lisa M.**

Based on the medical reports, it was moved by Trustee Wright, seconded by Trustee Lappe that the Board move to 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 deemed warranted.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

24 - 26 Payment of Death Benefits [Summary pg. 27]

It was moved by Trustee Summers, seconded by Trustee Wright that the Board approve the Death Benefits as detailed on pages 24 through 26.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 5.

PAGE NO. REFERENCE

MISCELLANEOUS

28 REQUESTS FOR PENSION CREDIT FOR LEAVE OF ABSENCE MILITARY SERVICE
Documentation verified, it was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the military leave of absences as detailed on page 28.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

29 REQUEST FOR CHILD DISABILITY BENEFITS
Documentation verified, it was moved by Trustee Wright, seconded by Trustee Summers that the Board approve the child disability benefit as detailed on page 29.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

30 GUARDIANSHIP APPOINTMENT
Documentation verified, it was moved by Trustee Wright, seconded by Trustee Hamburger that the Board acknowledge the guardianship appointment as detailed on page 30.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

31 REQUESTS FOR PENSION CREDIT FOR PRIOR COOK COUNTY
 SERVICE UNDER 5-214 (c)
Documentation verified, it was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve the prior Cook County service petitions as detailed on page 31.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

32 REQUESTS FOR PENSION CREDIT FOR PRIOR MILITARY
 SERVICE UNDER 5-214.3
Documentation verified, it was moved by Trustee Wright, seconded by Trustee Summers that the Board approve the prior military service petitions as detailed on page 32.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

General Agenda completed.

MINUTES CONTINUED

March 28, 2017

Page 6.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against

HEARINGS

33 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE

Holliday, David W.

Officer Holliday appeared, without counsel, on his petition for pension credit for prior service. Board counsel reviewed with Officer Holliday the procedures of an administrative hearing, along with his right to have an attorney present. Officer Holliday agreed to proceed without counsel. After hearing testimony from Officer Holliday and reviewing the documents submitted *it was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board deny Officer Holliday's request as it does not meet the provisions of the Pension Act.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

34 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE

Okon, Eddie

Officer Okon appeared, without counsel, on his petition for pension credit for prior service. Board counsel reviewed with Officer Okon the procedures of an administrative hearing, along with his right to have an attorney present. Officer Okon requested a continuance.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the request of Officer Okon for a continuance on the prior service petition.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

35 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE

Vazquez, Dave W.

Officer Vazquez failed to appear for the scheduled hearing on his petition.

It was moved by Trustee Hamburger, seconded by Trustee Summer that the Board continue this matter.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 7.

DISABILITY HEARINGS

36 DUTY DISABILITY STATUS REVIEW

Flynn, Terese

Counsel for Sergeant Flynn appeared before the Board on this disability status review and requested a continuance to the following month.

It was moved by Trustee Lappe, seconded by Trustee Maloney that the Board grant a continuance.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

37 DUTY DISABILITY CLAIMS

Fencl, Matthew

Counsel for Officer Fencl appeared before the Board on this duty disability claim and requested a continuance.

It was moved by Trustee Hamburger, seconded by Trustee Summers that the Board grant Officer Fencl a continuance.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

Gilmore, Patrick

Patrick Gilmore, appeared before the Board, with counsel, on his claim for a duty disability benefit. After hearing testimony from Sergeant Gilmore, his attending physician Dr. Hugo Solari and reviewing documents submitted on this claim, *it was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board continue this matter.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

Guerrero, Angelica

Angelica Guerrero appeared before the Board, with counsel, on her claim for a duty disability benefit. After hearing testimony from Officer Guerrero, the Board's consulting physician and reviewing the medical reports and documents submitted *it was moved by Trustee Lappe, seconded by Trustee Maloney, that the Board award Officer Guerrero a duty disability benefit.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

The Executive Director reviewed with the Board the following matters.

- A letter from Mayor Rahm Emmanuel was received stating that Treasurer Summers has been reappointed as a Trustee on the Retirement Board of the Policemen's Annuity & Benefit Fund of the City of Chicago for a term through November 30, 2019.
- Officer, **Dwayne McGee**, who is in receipt of duty disability benefits, was scheduled to be examined by the Board's consulting physician on three separate occasions, of each he was a "No-Show".

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board suspend Dwayne McGee's disability benefit until he is evaluated by the Board's consulting physician.

ROLL CALL

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

- Officer, **Ross Valenti**, who is in receipt of duty disability benefits, was examined by the Board's consulting physician. Dr. Orris recommends a specifically designed Functional Capacity Evaluation be completed on this officer concerning his use of a cane to ambulate.

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board approve the additional testing recommended by the Board's consulting physician.

ROLL CALL

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

The Executive Director reviewed with the Board the following matters.

- A letter was received from the City of Chicago Department of Law signed by Edward Siskel, Corporation Counsel, which was reviewed by Board counsel. It states: "Please be advised that **Ray M. Ramirez**, a former City of Chicago Police Department employee was recently convicted of attempted extortion under Case No. 13 CR 522 in federal court." The charging document was included and such information was forwarded to the Fund to assist in determining whether this conviction arose out of or in connection with Ray Ramirez' employment with the City. The Board requested further information regarding conviction and sentencing. Once further information is received, the matter will be addressed at the April Board meeting.
- With Officer Lappe facing mandatory retirement on July 23rd, preparation is needed for the special election required by the Illinois statute. Distributed to the Trustees was a draft timeline for the special election, and of noted importance, as part of the election process, is the Board's sufficiency hearing where the Fund would convene to pass on the sufficiency of the ballot and related candidate petitions. The sufficiency meeting has been scheduled for July 13, 2017. An adequate number of Trustees indicated they could attend the hearing in order to secure a quorum.

MINUTES CONTINUED

March 28, 2017

Page 9.

- An updated authorization with the Northern Trust Company, the Fund's custodian, is required, indicating approved signatures for custodial matters, which generally involve the movement of cash to fund benefit payments when due. The Northern Trust has requested a Board Resolution that designates the signers. The Executive Director prepared and distributed a draft of the Board Resolution.

It was moved by Trustee Hamburger, seconded by Trustee Summers that the Board approve the drafted Board Resolution for authorizations on custodial transactions.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

- The Executive Director requested Board approval for Trustees interested in attending the upcoming NCPERS Annual Conference held May 20 – 25, 2017.

It was moved by Trustee Maloney, seconded by Trustee Lappe that the Board approve attendance by Trustees at the annual conference hosted by NCPERS for 2017.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

- Distributed was correspondence from Henry Rosen of Robbins Geller relating to the Gerdau matter, in which the Board was appointed lead plaintiff. Mediation has been scheduled and there will be a conference call on April 6th to discuss the pending mediation. If any Trustee is interested in joining the call, he/she are to inform the Executive Director. Further written information from Robbins Geller on the mediation is forthcoming.
- There has been some interest from some trustees that the Fund revisit its bench of securities litigation firms. Such firms are allowed access to the Fund's purchase and sale data at Northern Trust for comparison with pending class action suits. An RFP has been drafted for review and feedback from the Trustees, to revisit at the April meeting, when it should be approved for posting, with an open period for responses of May 1st through May 31st 2017.

It was moved by Trustee Summers, seconded by Trustee Maloney that the Board enter into executive session for personnel matters.

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

MINUTES CONTINUED

March 28, 2017

Page 10.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

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

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.

EXECUTIVE DIRECTOR'S REPORT CONCLUDED

All business concluded for this date, March 28, 2017, *it was moved by Trustee Hamburger, seconded by Trustee Summers that this meeting be adjourned.*

ROLL CALL

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

Absent: Avila, Brown, Hauser 3.

Against: 0.