
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
THURSDAY OCTOBER 26, 2017

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held October 26, 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 Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

ABSENT: Summers 1.

PRESIDING: President Hauser

President Hauser called the meeting to order.

President Hauser began the meeting by appointing Trustee Wright to fill the vacancy of the Recording Secretary on the Retirement Board. The position was vacant due to the retirement of Trustee Maloney, the prior Recording Secretary.

Trustee Wright resigned his position of Vice-President.

To fill the vacancy of Vice-President, President Hauser appointed Trustee Hamburger to the position of Vice-President.

A review of the Minutes of the Regular meeting held September 28, 2017, was completed.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the minutes of September 28, 2017, as submitted.

ROLL CALL

For: Beyna, Caldero, Hamburger, Hauser, Wright 5.

Absent: Summers 1.

Against: 0.

Abstain: Brown, Wodnicki 2.

The next order of business was review and adoption of Board orders as submitted by the Board's counsel.

In the matter of **Tyler Partyka** the Board finds that "Pursuant to 40 ILCS 5/5-214, and for all of the reasons stated herein, Partyka has not established entitlement to the police pension service credit for the period May 15, 2016, through June 11, 2017, at which time he was employed as a patrol commander for the Village of Oak Park, Illinois, as the statutory provisions of the Act do not grant police pension credit for such service. Partyka's request for police pension service credit for all or part of the time period requested is, therefore, denied."

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve the order on Tyler Partyka, as submitted.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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In the matter of **Robert Bell**, the “Board finds that pursuant to [the] ... statute, the application for the benefits that he seeks had to be made no later than February 17th, 2010. The submission made on August 22, 2017, was not timely brought. Accordingly, the Board finds that the application for police pension credit prior to [his] appointment as a CPD officer for all or part of the time period requested is hereby denied.”

It was moved by Trustee Brown, seconded by Trustee Wright that the Board approve the order on Robert Bell, as submitted.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

In the matter of **Edward K. Isadore**, the “Board finds that pursuant to the above-referenced statute, the application for benefits that he seeks had to be made no later than February 17, 2010, and the submission made on August 1, 2017, was not timely brought. Accordingly, the Board finds that the application for police pension service credit prior to appointment 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 approve the order on Edward Isadore, as submitted.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

In the matter of **Karen Tellez**, the “Board finds that for the time period of January 10, 2017, through March 19, 2017, Tellez was disabled, but Tellez' disabling injury incurred on November 21, 2015, was not sustained while in the performance of an act of duty; therefore, Tellez' application for a duty disability benefit is denied. Tellez is granted an ordinary disability benefit, as more fully defined in the Pension Act, for the time period of January 10, 2017, the date Tellez effectively exhausted her CPD medical leave time, through March 19, 2017, the date prior to Tellez' return to duty with the CPD.”

It was moved by Trustee Brown, seconded by Trustee Wright that the Board approve the order on Karen Tellez, as submitted.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

In the matter of **Marcus Wade**, the “Board finds that Wade was disabled as a result of an act of duty incident but that his current medical condition is not now disabling as disability is defined in the Act. Therefore, Wade's application for a duty disability benefit is granted in the amount of 75% of salary as more fully defined in the Pension Act, to commence on February 7, 2017, and terminate on October 31, 2017. Wade is directed to return to the CPD for assignment.”

It was moved by Trustee Wright, seconded by Trustee Beyna that the Board approve the order on Edward Isadore, as submitted.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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Board counsel reviewed with the Board members current legal matters.

The first item was review of the **Tribune litigation** in New York. Mr. Kugler indicated that lawsuits were commenced in the New York courts, including the bankruptcy court, seeking to recapture monies that investors made in the sale of Tribune stock. This Fund, as a defendant, realized approximately \$500,000, when the Tribune stock was sold. The plaintiffs have made an offer to various defendants, including the Fund, to settle the case for approximately \$75,000 of the half million dollars that the Fund received.

At the last Board meeting, the Fund decided not to accept the settlement offer, based on the status of the case and successful defense of the case thus far. Mr. Kugler reminded the Board that the settlement offer must be accepted or rejected by the 30th of this month. Communication was directed to the attorneys in New York advising them of the Board's decision not to accept the offer. However, Mr. Kugler advised that if the Board had any questions on the case, such as the risks involved, the attorneys on the case have made themselves available for a conference call with the Board.

The Board unanimously agreed that its position hasn't changed, and will not accept the settlement offer. The Board agreed that a conference call to further discuss the matter was not necessary.

The next item relates to a case filed by the **Sergeants Association** seeking to have the Fund turn over to them, as part of a judgment they received against former Sergeant **Pallohusky** the monies he is receiving from his police officer widow's annuity benefit.

The Board filed a response in the court noting that under the Illinois Pension Statute, 5/5-218, pension benefits are exempt from garnishment or attachment. The trial court ruled that the Fund should turn over the money to the Sergeants Association.

The case then progressed to the appellate court. In the past thirty days, the appellate came down with a decision finding that the statute, 5/5-218, is clear, unambiguous and provides for no attachment or garnishment of pension credits. The trial court decision was reversed and stated that basically the Sergeants Association could not garnish the pension benefits that Mr. Pallohusky was receiving as a result of his police officer wife's death. So the money which has been held since March 2016, if no appeal is filed by the next Board meeting, should be returned or sent over to Mr. Pallohusky.

Mr. Kugler next discussed a matter involving **Francis Zoeller, Jr.**, who was convicted in the federal courts of a felony. The US Justice Department has served the Fund with a garnishment. As part of the order that they intend to present in federal court, the US Department of Justice will seek the Fund to turn over to the US Government some \$17,000 in this former officer's account. He currently has over a \$100,000 in his account at the Fund. The Fund has agreed to comply with that order when issued. The US Government has a statute which allows them to garnish from an officer's contributions or annuity payments. Additionally, the US Department of Justice has sent to the Fund all of the documents with regard to the conviction, the sentencing, the hearing, and it would appear, although subject to a Board decision, that section 5/5-227 of the Illinois Statutes would apply to his felony conviction such that he would not be entitled to a pension benefit but entitled only to a refund of his contributions. As of this date, the member has not presented himself to the Fund requesting a benefit or a refund.

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An issue for consideration is whether the Fund should initiate the pension eligibility matter, and send a notice to Mr. Zoller informing him that the Fund has information indicating that he has been convicted of a felony; he has contributions in this Fund; and the Fund is going to conduct a hearing to determine entitlement to any benefits or a refund of contributions. It is a matter for Board consideration.

The Board then held a brief session on several investment matters. Ms. Tuczak began the discussions with a short overview of the Fund's anticipated cash flow position at October 31, 2017. Ms. Tuczak noted that the Fund continues to utilize the tax revenue receipts from the August collections by the City of Chicago, to fund ongoing benefit payments. Sufficient cash on-hand is anticipated for October benefit payments and most likely November, as well. Liquidation of assets will be necessary to fund December benefit payments, which will be discussed at a later date.

The Fund's Chief Investment Officer, Ms. Aoifinn Devitt, next reviewed with the Board the pending sale of the legacy private equity portfolio. A handout on this matter was distributed to the Board members. Ms. Devitt provided a brief overview of the legacy private equity portfolio and the reasons for consideration of its sale on the secondary market. Ms. Devitt noted that after a request for proposal (RFP), Evercore was selected as the broker for private discovery of the pricing of a possible sale. The portfolio has been bundled as one product and viewed in an electronic due diligence room. All of the Fund's managers consented to the inclusion of their information in this electronic data room. The NAV of the portfolio is approximately \$117 million as of June 30, 2017. Eight genuine bids were received.

Ms. Devitt indicated that the next step would be to enter into a period of exclusivity with the highest bidder, noting that the two highest bidders are currently offering 92.5 and 92.3 percent of the June 30 NAV. This period of exclusivity would allow the potential buyer to complete full due diligence necessary to complete their offer. Ms. Devitt recommended that the Board enter into the exclusivity period, and discussed the reasons for her recommendation to the Board on this portfolio sale.

It was moved by Trustee Brown, seconded by Trustee Caldero that the Board take the Fund's Chief Investment Officer's advice to move with the chosen buyer, number 1, to sell the private equity portfolio.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

Ms. Devitt then provided a brief update on the Fund's investment performance, noting the portfolio's performance was 1.3% for September and approximately 13.4% year-to-date in 2017. The drivers of the strong performance were the equity markets, with the Fund's equity portfolio increasing 2.3% for the month of September.

Ms. Tuczak briefly discussed the Fund's presentation at the Senate Committee Hearings on Pension Investments, held October 16, 2017. Ms. Tuczak noted that the Fund was the first to provide testimony and thus a lengthy question and answer discussion occurred. However, overall the Committee appeared to be content with the Fund's results. One item for potential action by the Board will be discussed at a subsequent meeting.

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Last, Ms. Devitt discussed approval for travel expenses to attend a women's alternative investment summit the first week in November.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve this travel expense submitted by the CIO for the alternative investment summit.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

The President turned the meeting over to the Recording Secretary. Review of the agenda was as follows:

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1 - 6 Incurred Expenses for the Month of October 2017.

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

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

7 - 9 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations and Exempt Rank

It was moved by Trustee Caldero, seconded by Trustee Beyna that the Board approve the Withdrawal of Service Refunds as detailed on page 7.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

It was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve the Refunds of Widow's Annuity Accumulations as detailed on page 8.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

It was moved by Trustee Brown, seconded by Trustee Beyna that the Board approve the Exempt Rank Refund as detailed on page 9.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

10 - 11 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board approve payments to heirs of deceased annuitants as detailed on pages 10 and 11.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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12 - 13 Payment to Heirs of Deceased Annuitants – *Retroactive amounts due under Public Act 099-0905*

It was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board approve retroactive payments to heirs of deceased annuitants as detailed on pages 12 and 13.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

14 - 15 Annuities [Summary pg. 16]

It was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board approve the Annuities as detailed on pages 14 and 15.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

17 Annuities –*Revised*

It was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve the Revised Annuities as detailed on page 17.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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

It was moved by Trustee Hamburger, seconded by Trustee Beyna that the Board approve the Annuities to Widows as detailed on pages 18 and 19, with noted amendment for Mrs. Smitka.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

*It was moved by Trustee Hamburger, seconded by Trustee Brown that the Board terminate the previous widow's annuity being paid to **Joanne Smitka** for \$1,000, and approve this subsequent annuity for \$2,408.90 (page 19) in accordance with the Pension Code.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

21 Annuities to Children

*It was moved by Trustee Hamburger, seconded by Trustee Brown that the Board deny the child's annuity to **Catherine Bruzzini** on page 21.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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*It was moved by Trustee Brown, seconded by Trustee Hauser that the Board defer the child's annuity to **Kenneth J. DeRaimo** on page 21.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Hauser that the Board approve the Annuities to the Children of deceased officer Frank C. Mack as listed on page 21.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

22 Duty and Occupational Disability Benefit Claims

a) **Berka, Brian P.**

Based on the medical reports, it was moved by Trustee Hauser, seconded by Trustee Brown 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: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

b) **Dowd, John D.**

Based on the medical reports, it was moved by Trustee Beyna, seconded by Trustee Brown 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: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

c) **Dybas, Ronald P. ♥**

Based on the medical reports, it was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board defer all benefits pending a full and evidentiary hearing.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

23 - 25 Payment of Death Benefits [Summary pg. 26]

It was moved by Trustee Brown, seconded by Trustee Beyna that the Board approve the Death Benefits as detailed on pages 23 through 25.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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LEAVES

27 REQUEST FOR PENSION CREDIT FOR LEAVE OF ABSENCE MILITARY SERVICE
Documentation verified, it was moved by Trustee Hauser, seconded by Trustee Caldero that the Board approve the request to purchase leave of absence military service as detailed on page 27.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

MISCELLANEOUS

28 GUARDIANSHIP APPOINTMENT

Allen, Marvee

Documentation verified, it was moved by Trustee Brown, seconded by Trustee Hauser that the Board acknowledge the guardianship appointment as detailed on page 28.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

29 REQUEST FOR PENSION CREDIT FOR PRIOR COOK COUNTY
SERVICE UNDER 5-214 (c)

Documentation verified, it was moved by Trustee Hauser, seconded by Trustee Caldero that the Board approve the request to purchase prior Cook County service as detailed on page 29.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

30 REQUEST FOR PENSION CREDIT FOR PRIOR LAW ENFORCEMENT
SERVICE UNDER 5-214.2

It was moved by Trustee Hamburger, seconded by Trustee Beyna that the Board defer the request to purchase prior service as detailed on page 30 to a hearing.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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

Documentation verified, it was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve the request to purchase prior military service as detailed on page 31.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

General Agenda completed.

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

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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HEARINGS

32 REQUEST TO PURCHASE CREDIT FOR PRIOR SERVICE

Gallagher, Michael J.

Sergeant Gallagher appeared with counsel before the Board on his request to purchase pension credit for his prior service. Board counsel reviewed with Sergeant Gallagher the procedures of an administrative hearing, along with his right to have an attorney represent him. Sgt. Gallagher agreed to proceed without legal representation. After hearing testimony from Sergeant Gallagher, reviewing the documents submitted and the provisions of the Illinois Pension Statutes, *it was moved by Trustee Hamburger, seconded by Trustee Brown that the Board deny Sergeant Gallagher's request to purchase pension credit for the prior service testified to and detailed on page 32.*

ROLL CALL

For: Beyna, Brown, Hamburger, Hauser, Wodnicki 5.

Absent: Caldero, Summers 2.

Against: Wright 1.

DISABILITY HEARINGS

DISABILITY STATUS REVIEWS

33 **Lipman, Matthew**

Matthew Lipman appeared, with counsel, before the Board on a status review of his disability. This matter was scheduled for the August 31, 2017, hearing at which time a continuance was requested. Due to lengthy medical procedures, Sgt. Lipman is still completing medical treatment and requested a second continuance.

It was moved by Trustee Hamburger, seconded by Trustee Brown that the Board grant another continuance to Sergeant Lipman to the January 2018 meeting, with the understanding this is a final continuance and this matter will be decided at the January 2018 meeting.

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

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34 **Celio, Vincent R.**

Vincent Celio appeared before the Board, without counsel, on his duty disability status review. Board counsel reviewed with Officer Celio the procedures of an administrative hearing, along with his right to have an attorney represent him and appropriate notice of hearing. Officer Celio agreed to proceed without legal representation and despite adequate notice of hearing. After hearing testimony from Officer Celio, the Board's consulting physician, Dr. Peter Orris, and reviewing the medical reports and documents submitted, *it was moved by Trustee Hamburger, seconded by Trustee Brown that the Board, based on Officer Celio's current medical status, terminate his disability benefits effective November 30, 2017.*

ROLL CALL

For: Beyna, Brown, Caldero, Hamburger, Hauser, Wodnicki, Wright 7.

Absent: Summers 1.

Against: 0.

35 OCCUPATIONAL DISABILITY CLAIM

Storey, Ricardo

Ricardo Storey requested a continuance on his claim for an occupational disease disability benefit.

It was moved by Trustee Brown, seconded by Trustee Beyna that the Board grant a continuance to Officer Storey, with a hearing date to be determined.

ROLL CALL

For: Beyna, Brown, Caldero, Hauser, Wodnicki, Wright 6.

Absent: Summers 1.

Against: Hamburger 1.

President Hauser appointed Recording Secretary Wright to the Audit and Actuarial Committee to replace retired Board member James Maloney. Trustee Wright accepted the appointment.

The Executive Director reported that all of the audit and actuarial reports for 2016 have been issued and are on the Fund's website. At this time, it would be prudent to revisit the RFPs for (1) audit and (2) actuarial services.

The Board reviewed a summary of the RFPs submitted for (1) audit services and (2) actuarial services. The Board had previously received full copies of all the RFPs submitted. After consideration of the RFPs submitted, reputation and experience of the firm respondents, and estimated fees of each firm, the Board then selected two finalists for each the (1) audit RFP and the (2) actuarial RFP. The Board then determined that each finalist would present to the Audit and Actuarial Committee at a meeting on November 9, 2017, at 10:30am. Each finalist would be allowed a thirty minute oral presentation. The Audit and Actuarial Committee would review the finalist presentations and provide a recommendation at the next Board meeting for retention of (1) an audit firm and (2) an actuarial firm.

President Hauser appointed Trustee Thomas Beyna to the Richard J. Jones Annuitants Assistance Fund to replace James Maloney. Trustee Beyna accepted the appointment.

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The Executive Director began discussion on the previously issued RFP for securities litigation firms. In recent years, there have been inquiries from trustees about adding some firms. While these firms work on a contingency fee basis, if they do represent the Fund in a securities litigation matter, they quite often receive more than \$25,000 in fees. Thus it was confirmed that the fairest way to add or subtract firms from the bench of the Fund is through an RFP process. The Fund received twenty-seven responses to the RFP which closed in June. Board counsel reviewed each response and provided a robust summary for the Board. This summary detailed information about each firm, including firm size, location of headquarters, Securities Class Action Service Ranking regarding settlements received over the last year, and classification as a MWDBE and/or percentage of females or minorities. The Executive Director discussed the current firms utilized by the Fund, along with recommendations for action by each firm over the last few years, and success as lead plaintiff appointment by the Fund. After lengthy discussion of the qualifications and other important characteristics of each firm, the Board selected five firms to provide presentations to the Board at the January Board meeting. Each firm would receive approximately 20 minutes for its presentation.

The Executive Director reviewed with the Board the following matters.

- The first item is to welcome Trustee Lieutenant Edward Wodnicki to the Retirement Board. He was sworn in on October 11, 2017, filling the vacancy of retired Board member James Maloney.
- The Executive Director next discussed a matter brought to her by the Fund's legal counsel. Board counsel advised that the Fund should be sending a letter to all annuitants who are either, A) not receiving free insurance from the City of Chicago, or, B) are not part of the group that retired prior to August 23, 1989, (Korshak group) who receive insurance from the City of Chicago. The letter would advise them and remind them of the options for healthcare coverage. And should they elect one of the plans detailed, the Fund would deduct that premium from their pension checks. A draft of the letter was distributed to all Board members for review. The Board had a few edits and agreed to proceed with the mailing of the letter.
- The next item discussed was correspondence from the President of the Fraternal Order of Police. The FOP is requesting, on behalf of AETNA/LABOR FIRST to do a blind mailing to the retirees of this Fund who do not receive insurance in scenarios (A) and (B) detailed in the prior discussion. The Fund would provide the names and addresses to a printer, of which the FOP would not have access to. Representatives from AETNA/LABOR FIRST would provide mailing materials, and pay the cost of printing and mailing the information. At no time would AETNA/LABOR FIRST or the FOP have access to the names or addresses submitted to the printer. Through general agreement, the Board approved this request, completed as discussed.
- The next item was a request from a trustee for the registration fee and travel expenses to attend the IPPFA certified trustee program October 30 through November 2, 2017.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve this expense.

ROLL CALL

For: Beyna, Hamburger, Hauser, Wodnicki, Wright 5.

Absent: Brown, Caldero, Summers 3.

Against: 0.

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- **Patricia Mackey**, a disability recipient to whom the Fund has sent notices of scheduled appointments with the Fund's attending physician, has missed her first appointment. Her mail has come back "Return to Sender" and the Fund does not have any other address on file. Another appointment has been scheduled. If she fails to keep this appointment, there needs to be a mechanism in place to ensure that she is informed of her scheduled annual exam and that she keeps her appointment. The Executive Director suggested that her disability benefits be suspended at the end of November, in the event she has not provided an updated address, so that she can be contacted regarding her appointment with the Board's physician. Once she provides an updated address, her benefits would be re-instated. The Board agreed to this plan.

Board counsel queried the Trustees concerning policy and procedure concerning members with felony conviction cases. Does the Board want to proactively contact the member or wait until the member makes application for benefits? General agreement was to have the member's contributions remain in the Fund and wait until the member contacts the Fund and applies for benefits.

EXECUTIVE DIRECTOR'S REPORT CONCLUDED

All business concluded for this date, October 26, 2017, *it was moved by Trustee Wright, seconded by Trustee Hamburger that this meeting be adjourned.*

ROLL CALL

For: Beyna, Hamburger, Hauser, Wodnicki, Wright 5.

Absent: Brown, Caldero, Summers 3.

Against: 0.