
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
MONDAY – APRIL 23, 2018

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held April 23, 2018, at 9:30 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, Hamburger, Hauser, Wright 5.

ABSENT: Caldero, Summers, Wodnicki 3.

PRESIDING: President Hauser

President Hauser called the meeting to order.

The first order of business was review and approval of the minutes of the Investment Committee meeting held April 20, 2018.

It was moved by Trustee Hamburger, seconded by Trustee Beyna that the Board approve the minutes of April 20, 2018, as submitted.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

The next order of business was review of the Minutes of the Regular Board meeting held March 22, 2018.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve the minutes of March 22, 2018, as submitted.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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

In the matter of **Enderle**, "The Board finds that Enderle's medical condition is not now disabling as disability is defined in the Act. Payment of Enderle's duty disability benefits will therefore cease on April 30, 2018, and Enderle is directed to return to the CPD for assignment."

It was moved by Trustee Hamburger, seconded by Trustee Brown that the Board approve the order regarding Diana Enderle.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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In the matter of **Nenad Markovich** the Board finds "Pursuant to 40 ILCS 5/5-214 and 40 ILCS 5/5-214.2, and for all the reasons stated herein, Markovich has not established entitlement to the police pension service credit for the period June 8, 1999 through March 20, 2000, at which time he was employed as a police officer for the Town of Cicero. As the statutory provisions of the Act do not grant police pension credit for such service, Markovich's request for police pension credit for all or part of the time period requested is therefore denied."

It was moved by Trustee Beyna, seconded by Trustee Wright that the Board approve the order regarding Nenad Markovich.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

In the matter of **Victor Rodriguez** the Board finds "Pursuant to 40 ILCS 5/5-214, and for all the reasons stated herein, Rodriguez has not established entitlement to police pension service credit for the periods May 16, 1995, through January 31, 1999, and March 22, 1999, through May 9, 1999, at which time he was employed as a Laboratory Technician 3 for the CPD as the statutory provision under the Act does not grant police pension credit service for such services. Rodriguez's request for police pension service credit for all or part of the time period requested is therefore denied."

It was moved by Trustee Brown, seconded by Trustee Hamburger that the Board approve the order regarding Victor Rodriguez.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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

PAGE NO. REFERENCE

1 - 5 Incurred Expenses for the Month of April 2018.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

6 - 8 Refunds of Contributions; Withdrawal of Service, Widow's Annuity
Accumulations, and Exempt Rank.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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PAGE NO. REFERENCE

9 - 11 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve payments to heirs of deceased annuitants as detailed on pages 9 through 11.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

12 Payment to Heirs of Deceased Annuitants – *Retroactive amounts due*

It was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve payments to heirs of deceased annuitants as detailed on page 12.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

13 Refunds of Annual Increase Contributions (*less than 20 years of Service*)

It was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve the refund of annual increase contributions as detailed on page 13.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

14 - 15 Annuities [Summary pg. 16]

It was moved by Trustee Hauser, seconded by Trustee Beyna that the Board approve the Annuities as detailed on pages 14 and 15, and approve the refund of overpayment towards service purchase of \$1,279.87, without interest, to Officer Kimbrough.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

17 Annuities – *Revised*

It was moved by Trustee Hauser, seconded by Trustee Brown that the Board approve the revised Annuity as detailed on page 17.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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PAGE NO. REFERENCE

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

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

21 Annuities to Children

It was moved by Trustee Beyna, seconded by Trustee Brown that the Board approve the Annuity to Children as listed on page 21.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

22 Ordinary Disability Claim

a) **Alejandro, Jesse**

Based on the medical reports, it was moved by Trustee Beyna, seconded by Trustee Hauser that the Board defer all disability benefits to Jesse Alejandro pending a full hearing.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

23 Duty and Occupational Disease Disability Claims

b) **Lacny, Vincent M.**

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, Hamburger, Hauser, Wright 5.

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

c) **Svec, Beth A.**

Based upon the medical reports, it was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board defer all disability benefits to Beth Svec pending a full hearing.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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PAGE NO. REFERENCE

23 Duty and Occupational Disease Disability Claims, Continued
 d) **Zamora, Carlos A.**

Based upon the medical reports, it was moved by Trustee Beyna, 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: Beyna, Brown, Hamburger, Hauser, Wright 5.

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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

It was moved by Trustee Hauser, seconded by Trustee Brown that the Board approve payments of the death benefits as listed on pages 24 through 26.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

LEAVES

28 REQUESTS TO PURCHASE PENSION CREDIT FOR LEAVE OF ABSENCE MILITARY
 SERVICE USERRA 5/5-212

Documentation verified, it was moved by Trustee Brown, seconded by Trustee Hamburger that the Board approve the requests to purchase leave of absence military service as detailed on page 28.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

MISCELLANEOUS

29 GUARDIANSHIP APPOINTMENT

 Damico, Gabriel

Documentation verified, it was moved by Trustee Hauser, seconded by Trustee Beyna that the Board acknowledge the guardianship appointment as detailed on page 29.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

30 REQUESTS TO PURCHASE PENSION CREDIT FOR PRIOR COOK
 COUNTY SERVICE UNDER 5-214

Documentation verified, it was moved by Trustee Hauser, seconded by Trustee Hamburger that the Board approve the requests to purchase prior service as detailed on page 30.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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PAGE NO. REFERENCE
31 REQUESTS TO PURCHASE PENSION CREDIT FOR PRIOR MILITARY
 SERVICE UNDER 5-214.3

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

ROLL CALL

For: Beyna, Brown, Hamburger, Hauser, Wright 5.
Absent: Caldero, Summers, Wodnicki 3.
Against: 0.

HEARINGS

32 REQUEST TO PURCHASE PENSION CREDIT FOR PRIOR SERVICE
 Gomez, Juanita V.

Officer Juanita Gomez failed to appear before the Board on her application to purchase pension credit for prior service.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board defer the application to purchase pension credit for prior service.

ROLL CALL

For: Beyna, Brown, Hamburger, Hauser, Wright 5.
Absent: Caldero, Summers, Wodnicki 3.
Against: 0.

DISABILITY HEARINGS

33 DUTY DISABILITY STATUS REVIEW
 Warner, Brian C.

Attorney for Officer Warner appeared before the Board and requested a continuance.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board grant the request for a continuance to Officer Brian Warner to the June 28, 2018, Board meeting.

ROLL CALL

For: Beyna, Brown, Hamburger, Hauser, Wright 5.
Absent: Caldero, Summers, Wodnicki 3.
Against: 0.

34 OCCUPATIONAL DISEASE DISABILITY CLAIM
 Dybas, Ronald P. ♥

Attorney for Officer Dybas appeared before the Board requesting a third continuance in order to obtain medical reports.

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

ROLL CALL

For: Beyna, Brown, Hamburger, Hauser, Wright 5.
Absent: Caldero, Summers, Wodnicki 3.
Against: 0.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

It was moved by Trustee Wright, seconded by Trustee Beyna that the Board grant the third request for a continuance to Officer Ronald Dybas to the June 28, 2018, Board meeting, with this continuance as a Final continuance.

ROLL CALL

For: Beyna, Brown, Hauser, Wright 4.

Absent: Caldero, Summers, Wodnicki 3.

Against: Hamburger 1.

35 DUTY DISABILITY CLAIM

Tietz, Robert C.

Sergeant Tietz, and his attorney, appeared before the Board on his claim for a duty disability benefit. The Board requested to continue this matter to review the medical records and obtain additional documentation.

Mr. Lance Weiss and Ms. Kristen Brundirks of the Fund's actuarial firm, Gabriel, Roeder, Smith & Company (GRS) appeared before the Board to review the results of the impact statements prepared for House Bill 4659 and Senate Bill 2525. The impact study reports were previously provided to the Trustees and served as the basis of the discussion.

Senate Bill 2525 provides that once a retired member attains age seventy-five, the 3.0 percent Cost of Living Adjustment (COLA) is compounded. It does not change the benefit for anyone born after January 1, 1966, or for members in Tier 2. Mr. Weiss noted that the projected increase in statutory contributions required for this legislation for the period of 2021 through 2056 would be approximately \$1.4 billion.

House Bill 4659 provides that the birth year restriction of January 1, 1966, for a 3.0 percent COLA increase be removed for Tier 1 members. Mr. Weiss noted that the projected increase in statutory contributions required for this legislation for the period of 2021 through 2056 would be approximately \$2.5 billion.

Further discussion on the impact study results was held, with various questions from the Trustees to the GRS representatives.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

- Dr. Orris addressed the status and annual exam of disability recipients Lisa Gawlicki, Andre Howard, and Jacqueline Spaargaren.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve Functional Capacity Evaluations on these members.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

The Executive Director reviewed with the Board the following matters.

- This year's Police Recognition Ceremony is May 11, 2018. The Fund's custom to purchase a table of ten for this event. Ms. Tuczak indicated that the Fund's Trustees are welcome to attend the event. In addition, Ms. Tuczak requested that invitations be extended to retired Board members James Maloney and Mike Lappe. The Board agreed with the request.
- Ms. Tuczak reminded the Trustees that a Disability Committee meeting is scheduled for April 24, 2018, at 10:30 a.m. Materials for the meeting were distributed.
- Ms. Tuczak indicated that a Trustee has requested to attend the IPPFA 2018 Illinois Conference.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve any trustee who wishes to attend this year's conference.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

- Ms. Tuczak revisited the options for retirees to authorize deductions from their pensions for healthcare coverage provided by Aetna; Blue Cross/Blue Shield; and United American Insurance, as previously discussed and approved by the Board. The Fund will accept requests of retirees that have alternative providers. A form has been prepared that requests information for staff to begin the deduction on behalf of the member. This form will be sent to approximately forty members that have requested deductions from an alternative provider. Upon receipt of an appropriately completed and signed form, staff will begin the authorized deductions.

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- The last item concerns the Audit and Actuarial results for 2017, which should be ready to present to the Board members at the June meeting. A possibility, which is consistent with recent years, is to have the results presented by Mitchell & Titus and GRS to the Audit and Actuarial Committee in a separate meeting. After discussion, it was agreed that the Audit and Actuarial Committee would meet on June 18, 2018, at 11:00 a.m. to review the results.
- President Hauser requested approval to attend the NCPERS conference May 12, through 16, 2018.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve any trustee to attend this year's NCPERS Conference.

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

- Ms. Tuczak indicated that the Fraternal Order of Police (FOP) has requested copies of the impact statements prepared and discussed by GRS earlier in the meeting. Ms. Tuczak indicated that she would be sending copies to the FOP, pending any concerns of the Board. The Board indicated their agreement with distribution of the studies to the FOP.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

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

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.

All business concluded for this date, April 23, 2018, *it was moved by Trustee Brown, seconded by Trustee Hamburger that this meeting be adjourned.*

ROLL CALL

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

Absent: Caldero, Summers, Wodnicki 3.

Against: 0.