



Summer Brings Change

BOARD TRUSTEE RETIRING

Robert Reusche has retired as Trustee on the Retirement Board effective May 31, 2010. Mr. Reusche was a mayoral appointee to the Board in 1991 and was thereafter elected as President on the Board in 2005. His background and experience as Vice-Chairman of the Board of the Northern Trust Company as well as other Board appointment with the Ohio State University Foundation, Chicago Community Trust and Ravinia brought dignity, trust, and balance to the Board.

We will miss his expertise and insight, but mostly we will miss his sincere honesty and straightforwardness. Join us in thanking Mr. Reusche for his many years of dedication to the City of Chicago, its police officers and their families. We wish him a healthy, long and enjoyable retirement.

NEW TRUSTEE APPOINTMENT

Effective June 1, 2010, the Mayor has appointed Michael Conway to serve as Trustee on the Retirement Board of the Fund. Mr. Conway retired as a CIO for AON and comes to the Board with notable financial background and many years of experience. We look forward to many productive years together.

TRUSTEE UPDATES

At the regular monthly meeting of the Retirement Board held June 24, 2010, the Trustees voted unanimously for Trustee Kenneth A. Hauser to serve as President and James P. Maloney to serve as Vice President. These changes resulted from President Reusche retiring which vacated the position of President.

COMING THIS SUMMER . . . A NEW WEBSITE

The Fund is currently developing a new and improved web page. Our goal is to have a user-friendly page with the ability to quickly obtain the information you are seeking. We appreciate any ideas or suggestions from our membership. You may visit us @ www.chipabf.org

LEGISLATIVE CHANGES

Senate Bill 3022, which is the bill which allows law enforcement officers in Illinois to purchase two years of military service towards their service credit in their respective pension funds. This bill passed out of House and Senate and was forwarded to Governor Quinn, May 27, 2010, where it awaits his signature for enactment.

NO COST HEALTH CARE BENEFITS

The negotiated no premiums for health coverage for officers who retire on or after age fifty-five (55) shall be eligible for premium free health care benefits, provided you fulfill the requirements of the agreement.

If you will be retiring January 1, 2011 through December 31, 2011, you **MUST** sign a PAR form **BEFORE** October 1, 2010 to qualify for the premium free health care benefits at retirement. The medical coverage provisions, restrictions, eligibility and open enrollments remain the same as your active plan, including dental and vision coverage.

RETRO ADJUSTMENTS

As you may know, the Contract between the City and the FOP Lodge 7 has been settled with anticipated salary raises to be reflected July 1st and retro adjustments August 15th. After the raises and retro adjustments are completed, the related data must be submitted to the Pension Fund. Therefore, all adjustments on pensions or disability benefits affected by the agreement will be recalculated with anticipated disbursement to affected members beginning in September. The process to adjust pension and disability payments will require several months of calculation work. Generally, retirees with the earliest retirement dates in 2007 will be the first calculation performed, and calculations will proceed based on retirement dates from earliest to most recent.



RETIREES & WIDOWS

Reminder: The signing and submitting of an annual Signature Verification Affidavit has been waived for 2010.



TRUSTEES' CORNER

PENSION UPDATES

By P.O. Michael Shields

ASSET ALLOCATION UPDATE

Our board is continuing to rebalance its assets and restructure our holdings as a measure to reduce risk and increase performance. Unlike pension funds that are fully funded, we are a pension fund that must take the extra precautions to reduce risk. Well-funded pension plans may embark on investments that have incredible returns. These high returns come with a price tag-risk. This pension fund cannot trade its way out of our low funding ratio. Therefore our pension fund will continue our conservative and moderate risk approach towards investing.

FAREWELL TO OUR BOARD PRESIDENT

I would like to thank Robert R. Ruesche for his eighteen years of volunteered service to this fund. Mr. Ruesche retired May 31, 2010 as the President of the Police-men's Annuity and Benefit Fund of Chicago. Mr. Ruesche applied his experience as the Vice Chairman of The Northern Trust to our pension fund as a civic duty to the City that he loved. His conservative philosophy helped steer our fund away from many risky investments. While trustees on any board will differ in opinion, I must say that President

Ruesche truly listened to and valued the opinions of all trustees on this board. For the past eighteen months that I have been on this board, Mr. Ruesche *always* treated Chicago Police Officers with dignity and respect, and I am proud to have served with him. I firmly believe that Mr. Ruesche's legacy of firmly understanding the needs of the pension fund participants will carry on to the next appointed trustee from the private sector, Michael Conway.



INTEREST STORY

by Sgt. Michael Lazzaro, Trustee

A family tragedy occurs in 1974 and the Death Benefit gets paid 36 years later.



DROWNING ACCIDENT took the lives of Melvin and Carol Wolynia and their daughter, Michelle, 8. Their son, Jeffrey, 5, was injured and hospitalized.

The sister (Christine Reyes) of the late Detective Melvin Wolynia, who died in a tragic accident, contacted the Pension fund in March 2010 requesting the last star number for her brother. The family was going to have a charm made for Detective Wolynia's mother. When searching for Det. Wolynia's star number a pension fund staff member noticed that the Ordinary Death Benefit was never paid out. This death benefit is provided per Pension code section 5-153.

There are various reasons why the death benefit was not paid back in 1974. All the persons listed on the late Det. Wolynia's death benefit were deceased. The surviving minor (Jeffrey) was not legally adopted until March of 1975. Also, if a beneficiary is a minor child, that child cannot be paid the benefit until their 18th birthday. So, in March of 2010, Jeffrey submitted a Small Estate Affidavit and finally received the benefit.

I was able to interview Jeffrey, who was kind enough to share this heart breaking story with me. This terrible tragedy occurred nearly 36 years ago in which Jeffrey lost his entire family in a boating accident.

On June 12, 1974, 30 year old Det. Wolynia, his wife Carol, their 8 year old daughter Michelle and their 5 year old son Jeffrey drove out to Fox Lake where they met Detective Wolynia's friends, Frank Bzdyl, Joan Lipa, and her 6 year old daughter Joell Kumstar. All seven were passengers on Mr. Bzdyl's power boat that afternoon. While traveling at a high rate of speed the boat hit a large wake and all passengers except young Jeffrey were ejected from the boat. Jeffrey managed to grab hold inside the boat and not get thrown. The boat continued at a high speed and headed towards the shore. The boat hit the sea-wall and was destroyed. Jeffrey was thrown from the boat landing on the shore. He had suffered numerous broken bones and other injuries. Jeffrey had to spend more than

six months in a body cast. Detective Wolynia, his wife Carol, their daughter Michelle and 6 year old Joell were thrown from the boat and drowned. Their bodies were not recovered for days. Mr. Bzdyl and Mrs. Lipa were injured but survived the crash.

Jeffrey received a 15% child's annuity from June of 1974 until he turned 18 years old in December 1986. According to the Pension code 5-151 Child's Annuity and 5-152, unmarried children of police officers are entitled to an Annuity benefit until age 18. This benefit is 10% of the salary of a patrolman first class if there is a surviving parent or 15% of said salary if there are no surviving parents.

After Jeffrey's parents passed away he was adopted by an aunt and was raised in Champaign, Illinois. Jeffrey was told he would never be able to walk again after

the accident. As of today Jeffrey has made a complete recovery and is able to walk. He has no visible signs of trauma from the injuries he suffered so many years ago. Since then, Jeffrey has moved on with his life and is the proud father of Kayla, his 12 year old daughter.

"The art of life is to know how to enjoy a little and to endure much."

William Hazlitt



! ATTENTION ANNUITANTS & ACTIVE MEMBERS !

2nd Annual Special Pension Meeting

The 2nd Annual Special Meeting of Pension Fund Trustees and Staff

Scheduled for

Thursday – October 7, 2010 at 10:00 AM

Police Academy

1300 West Jackson

There will be presentations addressing various pension topics affecting active members and annuitants.

Guest Speaker; Arthur H. Tepfer, from Tepfer Consulting Group, Ltd.

Everyone's Favorite; a Question & Answer Session

Increased Rates for Medical Coverage

NEW INSURANCE RATES

If you have a premium deduction withheld from your pension check, you have already received notice from the City's Benefits Management Office that the rates for the Blue Cross/Blue Shield PPO Plan are changing effective July 1, 2010.

Please review the chart to determine your new rate, which shall be deducted from your **June 2010 annuity payment**. If you do not find your status or status combination on the chart, you may view the complete rate chart on our website at www.chipabf.org

Retiree	Spouse	Child(ren)	Retired before 8/23/89	Retired after 8/23/89	Retired after 7/1/05 w/20 yrs service	Retired after 7/1/05 less than 20 yrs
Med			79.00	79.00	95.00	Visit
Non			79.00	273.00	314.00	Website
Med	Med		217.00	217.00	248.00	For
Med	Non		217.00	441.00	497.00	Rates
Non	Med		217.00	411.00	467.00	
Non	Non		217.00	626.00	706.00	
Med	Med	Child(ren)	319.00	319.00	362.00	
Med	Non	Child(ren)	319.00	534.00	600.00	
Non	Med	Child(ren)	319.00	504.00	570.00	
Non	Non	Child(ren)	319.00	719.00	809.00	



Pension Advisor is a publication of the Policemen's Annuity and Benefit Fund. You will be receiving a copy to update you on the matters that affect your pension and the concerns of active police officers, retirees and widows that make up our membership. If you have a question about your pension or the Fund, or, if there is a particular issue you would like to see addressed, please feel free to send a note to:

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Executive Director
Regina Tuczak
Comptroller

OFFICE HOURS:
8:30 A.M. – 4:30 P.M.
MONDAY – FRIDAY

Sonny Panaligan
Assistant Comptroller
Samuel Kunz
Chief Investment Officer

Visit our website
at: chipabf.org

RETIREMENT BOARD

Michael A. Conway, Trustee
(Appointed Member)

Kenneth Hauser, President
(Elected Member)

Michael Lazzaro, Recording
Secretary (Elected Member)

Stephanie D. Neely, Trustee
City Treasurer,
(Appointed Member)

Gene Saffold, Trustee
City Chief Financial Officer
(Appointed Member)

Steven J. Lux, Trustee,
City Comptroller
(Appointed Member)

James P. Maloney, Vice-President
(Elected Member)

Michael K. Shields, Trustee
(Elected Member)



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