

THE RETIREMENT BOARD
of the
FIREMEN'S ANNUITY AND BENEFIT FUND
OF CHICAGO

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ELECTED TRUSTEES

ANTHONY R. MARTIN, Secretary
DAN P. FABRIZIO
MICHAEL J. SHANAHAN, Vice President
WALTER M. CARLSON, Annuitant Member

EX-OFFICIO TRUSTEES

Deputy Fire Commissioner, DERRICK JACKSON, President
City Treasurer, STEPHANIE NEELY
City Comptroller, STEVE LUX
City Clerk, MIGUEL del VALLE

November 2, 2009

In addition to the benefits granted to members and spouses each month, the Secretary will also be presenting, for informational purposes only, items of interest that may affect our members.

Questions regarding any member's specific situation should be addressed directly to the Fund Office.

MONTHLY NEWS AND INFORMATION FROM THE FUND SECRETARY

ELECTION RESULTS

In the election for the 3 year term of Active Firefighter Member of the Firemen's Annuity and Benefit Fund of Chicago, the following votes were cast:

| | |
|--------------------------------|---------------------|
| <u>Michael J. Shanahan</u> | <u>1,804</u> |
| <u>Arnell Pugh</u> | <u>189</u> |
| <u>Total Votes Cast</u> | <u>1,993</u> |

In the election for the 2 year term of Annuitant Member of the Firemen's Annuity and Benefit Fund of Chicago, the following votes were cast:

| | |
|--------------------------------|---------------------|
| <u>Albert L. Braggs</u> | <u>140</u> |
| <u>Walter M. Carlson</u> | <u>1,227</u> |
| <u>John A. Griffin II</u> | <u>58</u> |
| <u>Harry G. Hughes Jr.</u> | <u>164</u> |
| <u>Dennis R. Rokita</u> | <u>135</u> |
| <u>Donald W. Walsh</u> | <u>362</u> |
| <u>Total Votes Cast</u> | <u>2,086</u> |

LEGISLATIVE CHANGES IMPACTING THE FUND

The Fund previously issued the following information regarding new legislation that has impact upon the Firemen's Annuity and Benefit Fund:

I am pleased to report that two pieces of legislation impacting the Fund and our members have recently been enacted into Illinois law. The Retirement Board and Fund staff have spent considerable time examining these amendments to determine the steps necessary to properly implement these changes.

BE ADVISED: That because of the statutory time limitations outlined in each section, members should contact the Fund immediately if they believe they are eligible under the new language of these provisions. The following is provided as a brief summary of the provisions which can be found in their entirety at www.fabf.org.

HB 1291 – Public Act 96-0260

Section 6-210.4. Purchase of up to 2 years of eligible service credit for pre-employment military service. Active members that served in the Armed Forces of the United States prior to employment with the Chicago Fire Department may purchase up to 2 years of service credit. The purchase amount includes employee contributions, the employer's normal cost, plus interest at the actuarially assumed rate on both pieces. Members should provide their requests for purchase of these service credits in writing and to include copies of supporting discharge documentation (DD 214 form) with their request.

SB 1705 – Public Act 96-0727

Section 6-159. Refund – Re-entry into service. Active members who have previously withdrawn and taken a refund of contributions and subsequently re-entered service had 2 years from date of re-entry to repay the refund or forfeit their eligibility for any benefits from the Fund.

The legislative amendment allows active members to repay an outstanding refund within 2 years of re-entry or January 1, 2011, whichever is later. Members that fail to repay in that timeframe will use the re-entry date as start date for all benefit issues. The entirety of an outstanding refund must be repaid with interest at the actuarially assumed interest rate.

Section 6-210.1(a). Contributions for service credit for paramedic service paid into the Municipal Fund. The amendment to this section provides another opportunity for active members, who had previously worked as paramedics and accumulated service in the Municipal Fund between June 1977 and July 1983, to purchase those credits in the Firemen's Annuity and Benefit Fund.

Active members may purchase all or a portion of these credits by paying the employee's contributions and any additional normal cost above the employer contributions that will be paid from the Municipal Fund, including interest at the actuarially assumed rate. Active members are requested to contact the Fund in writing to determine purchase amounts. The actual purchase of these service credits must be completed by January 1, 2010.

Section 6-210.1(b). Credit for former employment with the Chicago Fire Department. This amendment also provides another opportunity for a member with previous "non-pensioned" service with the Chicago Fire Department to purchase all or a portion of these credits based upon

the “actuarial normal cost” associated with the incremental service for this service by January 1, 2010. Normal cost includes the employee contributions, employer contributions and interest at the actuarially assumed rate. Members are requested to contact the Fund in writing and to include any available documentation supporting the former “non-pensioned” employment. The actual purchase of these service credits must be completed before January 1, 2010.

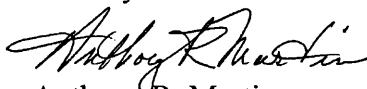
Section 6-227. Transfer of creditable service from Article 4. This new section allows active Firemen’s Annuity and Benefit Fund of Chicago members to purchase up to 10 years of service credit for former employment with eligible downstate fire departments pensioned under Article 4 of the Pension Code. Active members are required to pay the amount in excess of the employee and employer contributions transferred from the eligible Article 4 Downstate Fire Pension Fund, that results in no significant increase in unfunded actuarial liability to the Firemen’s Annuity and Benefit Fund

Written requests to purchase these service credits must be made by January 1, 2010, with payment to be made to the Fund within 5 years of that date. Please include specifics about the time period to be purchased and include documentation that indicates your former employment and participation in a Pension Fund governed under 40 ILCS, Act 5, Article 4 (Downstate Fire)

Any member with questions concerning eligibility for or purchase requirements associated with these provisions should contact the Pension Fund Office at (312) 726-5823.

****** Nothing contained in this letter is meant to convey legal advice or to indicate how the Retirement Board of Trustees would rule on a particular matter under a particular set of facts.******

Thank you.


Anthony R. Martin
Fund Secretary