

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

Suite 1400  
20 S. Clark Street Chicago, IL 60603-1899  
(312) 726-5823 Fax (312) 726-2316  
Marshall Line 9261 <http://www.fabf.org>  
(800) 782-7425

**ELECTED TRUSTEES**

DANIEL A. FORTUNA, President  
ANTHONY R. MARTIN, Secretary  
PETER O'SULLIVAN, Active Trustee  
TIMOTHY MCPHILLIPS, Active Trustee

**EX-OFFICIO TRUSTEES**

First Deputy Fire Commissioner, ANNETTE M. NANCE-HOLT  
City Treasurer, KURT A. SUMMERS JR.  
City Comptroller, ERIN KEANE  
City Clerk, ANNA VALENCIA, Vice-President

May 23, 2019

**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 YOUR RETIREMENT BOARD**

**We're Moving**

The Fund's office will be moving within our building at 20 S Clark from the 14<sup>th</sup> floor to the 3<sup>rd</sup> floor. **Effective June 3<sup>rd</sup>**, our new mailing address will be:

**Firemen's Annuity & Benefit Fund of Chicago**  
**20 South Clark Street, Suite 300**  
**Chicago, IL 60603-1896**

The Fund's phone number will still be **312-726-5823**.

**Member Contributions**

At the April 2019 Retirement Board meeting, a couple of trustees raised an issue regarding concerns they had heard from active members regarding active members' pension contributions being used to pay the annuities of retired members due to the current underfunded status of the FABF and, therefore, the risk that active members' contributions would not be available to refund to the members, if requested. I would like to take this opportunity to address those concerns.

The pension plan that our members participate in is a defined benefit plan. Our defined benefit plan requires members to earn service credits and to contribute a portion of their earnings from employment with the Chicago Fire Department to become eligible for a benefit in retirement. The benefit provided to eligible retired members is a lifetime annuity and a lifetime annuity for eligible spouses, which would be awarded upon the death of the member. Our plan sponsor, the City of Chicago, has the legal requirement to ensure payment of the awarded annuities.

Active members' pension contributions are tracked and reported to the membership on an annual basis. Each individual member's pension contributions are tracked for the purpose of ensuring that such member has made the required contributions to the plan prior to being awarded a lifetime annuity. According the Fund's FY 2017 actuarial valuation report approximately one out of three of active members do not currently have a statutory right to a refund of total

contributions because of the member's age and earned service credit; such members only have a right to an annuity. Additionally, the Fund's FY 2017 actuarial valuation report indicates total member contribution refunds in 2017 of \$3,579,629 as compared to member contributions of \$47,364,276 and employer contributions of \$228,452,611 in the same year. This equates to refunds of contributions in an amount equal to 1.3% of total member and employer contributions paid into the Fund in 2017.

There are two critical points of clarification from a legal perspective that every plan participant needs to understand:

1. The pension benefit that you earn through your employment with the Chicago Fire Department is currently protected by the Illinois Constitution.
2. Under current law, your right to a pension benefit does not include minimum plan funding levels based on individual participant contributions.

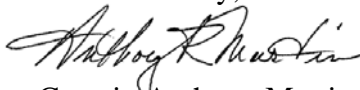
The following court cases reinforce these above points: *People ex rel. Sklodowski v. State* 182 Ill. 2d 220 (1998); *In re Pension Reform Litig.*, 2015 IL 118585; *McNamee v. State of Illinois*, 173 Ill. 2d 433 (1996); *Jones v. Municipal Employees' Annuity & Benefit Fund*, 216 IL 119618; *Board of Trustees of the Riverdale Police Pension Fund v. Village of Riverdale*, 2014 IL App (1<sup>st</sup>) 130416; and, most recently, *Board of Trustees of the City of Harvey Firefighters' Pension Fund v. City of Harvey*, 2017 IL App (1<sup>st</sup>) 153074.

Retired members of the Chicago Fire Department have been receiving their statutorily required annuity payments for over 130 years, including during the Great Depression, Great Recession, and two world wars and I have every reason to believe they will continue to do so in the future.

However, any attempt to revise the State of Illinois Constitution to alter or eliminate the pension guarantees would have to be fought vigorously by active and retired members alike.

If you ever have any questions or concerns regarding this subject, please feel free to contact me directly.

Fund Secretary,



Captain Anthony Martin

**REQUIRED DISCLAIMER**

*The information set forth herein is believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of the Firemen's Annuity & Benefit Fund of Chicago, the Retirement Board (the "Board") or any member of the Board except the Secretary. The information and expressions of opinion contained herein are subject to change without notice. All expressions of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact. Financial information contained in this newsletter is as of a certain date, is unaudited and should not be relied on.*

**Firemen's Annuity & Benefit Fund of Chicago  
Summary of Regular Meeting dated 05/15/2019**

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**\* PLEASE POST \* \* PLEASE POST \* \* PLEASE POST \* \* PLEASE POST \***

To All Members:

Listed below are the names of individuals who have applied for a 75% Duty Disability benefit from the Pension Board. Their applications will be presented before this Board at the 06/19/2019 meeting.

Rank, Name, Assignment:

FF KENNETH W TAYLOR, TRUCK 33

Date of Injury:

05/06/2018

Please contact the Pension Fund's Secretary, in writing, using the attached form, if you have any information could assist the Board in its investigation of whether or not it should grant a 75% disability benefit to any of the above individuals.

The Board can subpoena witnesses (Illinois Revised Statutes, Article 6-189) and compel them to attend and before it upon any matter concerning the Fund. Your cooperation will help maintain the integrity of this Fund.

Anthony Martin  
Secretary

\_\_\_\_\_  
NAME \_\_\_\_\_ ADDRESS \_\_\_\_\_  
PHONE \_\_\_\_\_ COMPANY ASSIGNMENT \_\_\_\_\_  
NAME OF APPLICANT \_\_\_\_\_  
NAME(S) OF WITNESS(ES) \_\_\_\_\_

FORWARD TO: Secretary  
Firemen's Annuity & Benefit Fund  
20 South Clark Street, Suite 1400  
Chicago, IL 60603

***Firemen's Annuity & Benefit Fund of Chicago  
Summary of Regular Meeting dated 05/15/2019***

MINIMUM FORMULA ANNUITIES:

015230 THOMAS J GALVIN, FIRE ENGINEER, LOGISTICS

|          |            |                   |  |
|----------|------------|-------------------|--|
| Ent CFD: | 03/04/1997 | <b>\$4,876.10</b> | beginning 04/06/2019                     |
| Retired: | 04/06/2019 |                   | based on 57.5% of Final Average Salary   |
|          |            | <b>\$146.28</b>   | annuity increment, 3%, begins 05/01/2020 |

013100 WILLIAM G HETLAND, FIRE ENGINEER, ENGINE 89

|          |            |                   |  |
|----------|------------|-------------------|--|
| Ent CFD: | 11/01/1986 | <b>\$6,643.70</b> | beginning 04/06/2019                     |
| Retired: | 04/06/2019 |                   | based on 75% of Final Average Salary     |
|          |            | <b>\$199.31</b>   | annuity increment, 3%, begins 05/01/2020 |

012142 TOMMY E RICHARDSON, EMT CAPTAIN, ENGINE 32

|          |            |                   |  |
|----------|------------|-------------------|--|
| Ent CFD: | 02/01/1982 | <b>\$8,674.13</b> | beginning 04/10/2019                     |
| Retired: | 04/10/2019 |                   | based on 75% of Final Average Salary     |
|          |            | <b>\$260.22</b>   | annuity increment, 3%, begins 05/01/2020 |

- COLLECT \$192.69 FOR 2005 & 2011 EID
- REFUND \$117.10 FOR 2006 & 2007 EID

***Firemen's Annuity & Benefit Fund of Chicago  
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WIDOW'S ANNUITIES:

908520 KELLY LARSEN, widow of EARL J LARSEN, Retired since 08/01/1995.

BY NATALIE A MANCI

Ent CFD: 04/01/1963      **\$3,444.03**      beginning 02/16/2019

Deceased: 02/15/2019

911502 KATHLEEN V PETRAT, widow of HORST K PETRAT, Retired since 12/22/2011.

Ent CFD: 02/18/1980      **\$3,516.05**      beginning 04/13/2019

Deceased: 04/12/2019

***Firemen's Annuity & Benefit Fund of Chicago  
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REFUNDS:

017562 SALVADORE CHEVERSIA, EMT FIREFIGHTER, TRUCK 4

Ent CFD: 03/03/2009     **\$60,185.98** Refund of Contributions  
RESIGNED 04/04/2017

011328 ROBERT LUCHESI, FIREFIGHTER, ENGINE 11, Duty Disability since 03/12/1999.

BY ROBYN LUCHESI

Ent CFD: 02/18/1980     **\$133,954.76** Refund of Unpaid Contributions in Account of Deceased FF  
to ESTATE OF ROBERT PAUL LUCHESI, ROBYN P  
LUCESI, PERSONAL REPRESENTATIVE

Deceased: 02/25/2019

***Firemen's Annuity & Benefit Fund of Chicago  
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DEATH BENEFITS:

- 007019 WILLIAM J DYRA, FIREFIGHTER, TRUCK 53, Retired since 06/10/1989.  
Ent CFD: 09/19/1955 **\$6,000.00** to WILLIAM DYRA JR, SON  
Deceased: 04/04/2019
- 011923 JAMES M GUSWILER, FIREFIGHTER, TOWER LADDER 63, Retired since 03/06/2009.  
Ent CFD: 03/03/1980 **\$6,000.00** \$4,773.21 to CFMACU, CREDITOR  
\$1,226.79 to DAVE KOZIOL, FRIEND  
Deceased: 04/14/2019
- 007255 JAMES J HIGGINS, BATTALION CHIEF, BATTALION 2, Retired since 10/03/1996.  
Ent CFD: 01/16/1956 **\$6,000.00** to, SUCCESSOR TRUSTEE  
Deceased: 07/30/2018
- 008520 EARL J LARSEN, CAPTAIN, AIR & SEA RESCUE, Retired since 08/01/1995.  
Ent CFD: 04/01/1963 **\$6,000.00** \$1,200.00 to JEFFREY P LARSEN, SON  
\$1,200.00 to JOHN L LARSEN, SON  
\$1,200.00 to JENNIFER MITCHELL, DAUGHTER  
\$1,200.00 to PATRICK LARSEN, SON  
\$1,200.00 to JAMES T LARSEN, SON  
Deceased: 02/14/2019
- 006855 SVEN E OAK, FIREFIGHTER, ENGINE 92, Retired since 07/04/1981.  
Ent CFD: 05/02/1955 **\$6,000.00** \$3,000.00 to KRISTIN MCGREGOR, DAUGHTER  
\$3,000.00 to ARNE OAK, SON  
Deceased: 02/17/2019
- 006684 GEORGE J OLMSTED, FIREFIGHTER, HOOK & LADDER 60, Retired since 01/18/1985.  
Ent CFD: 10/18/1954 **\$6,000.00** \$3,000.00 to DEBORAH A HERNANDEZ, DAUGHTER  
\$3,000.00 to GERRY OLMSTED, SON  
Deceased: 04/06/2019
- 011502 HORST K PETRAT, FIRE ENGINEER, MIDWAY, Retired since 12/22/2011.  
Ent CFD: 02/18/1980 **\$6,000.00** to KATHLEEN PETRAT, WIFE  
Deceased: 04/11/2019
- 011774 STEPHEN E WHITMAN, LIEUTENANT, FIRE PREVENTION BUREAU CENTRAL, Retired since 11/03/2008.  
Ent CFD: 02/19/1980 **\$6,000.00** \$2,738.40 to REGINA WHITMAN, QILDRO  
\$1,630.80 to PHYLLIS WHITMAN, DAUGHTER  
\$1,630.80 to STEPHANIE WHITMAN, DAUGHTER  
Deceased: 03/08/2019

***Firemen's Annuity & Benefit Fund of Chicago  
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PERMISSION TO RESIDE OUT OF STATE:

16041 JOSEPH A KELLY, Duty Disability since 05/26/2014.



*Firemen's Annuity & Benefit Fund of Chicago  
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HEARINGS:

**THE FOLLOWING APPLICATION FOR DUTY DISABILITY WAS GRANTED:**

014905 LOUIS M WILKERSON, FIREFIGHTER, DETACHED SERVICES  
Ent CFD: 10/16/1995 **\$6,079.13** beginning 04/28/2019

The vote was:

Yeas: FORTUNA KEANE MARTIN MCPHILLIPS NANCE-HOLT O'SULLIVAN VALENCIA

Nays: (None)

Not Present: SUMMERS JR

**THE FOLLOWING APPLICATION FOR DUTY DISABILITY WAS GRANTED:**

014826 DAVID D COMISKEY, FIREFIGHTER, ENGINE 89  
Ent CFD: 10/16/1995 **\$6,079.13** beginning 05/01/2019

The vote was:

Yeas: FORTUNA KEANE MARTIN MCPHILLIPS NANCE-HOLT O'SULLIVAN VALENCIA

Nays: (None)

Not Present: SUMMERS JR

**THE FOLLOWING APPLICATION FOR DUTY DISABILITY WAS GRANTED:**

012258 KURT E NELSON, EMT BATTALION CHIEF, BATTALION 10  
Ent CFD: 02/01/1983 **\$9,568.88** beginning 04/25/2019

The vote was:

Yeas: FORTUNA KEANE MARTIN MCPHILLIPS NANCE-HOLT O'SULLIVAN VALENCIA

Nays: (None)

Not Present: SUMMERS JR

***Firemen's Annuity & Benefit Fund of Chicago  
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The following annuitants have passed away since the last regular meeting of the Board:

|                       |                      |                 |
|-----------------------|----------------------|-----------------|
| ANITA BURKE           | Widow's Annuity      | Died 04/07/2019 |
| MARGUERITE F BEDNAREK | Widow's Annuity      | Died 04/20/2019 |
| SYLVIA BELL           | Comp Widow's Annuity | Died 11/18/2018 |
| LAURENCE BRUECK JR    | Annuity              | Died 04/23/2019 |
| ROLAND K JAHNKE       | Annuity              | Died 04/28/2019 |
| MARGARET J KING       | Widow's Annuity      | Died 04/21/2019 |
| WILMA I LAVIN         | Widow's Annuity      | Died 05/01/2019 |
| LEE R BAUMAN          | Annuity              | Died 05/07/2019 |
| JOHN P HOFF           | Annuity              | Died 05/07/2019 |
| CAROL R ROCHFORD      | Widow's Annuity      | Died 04/29/2019 |

***Firemen's Annuity & Benefit Fund of Chicago  
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**ANNUITIES GRANTED**

| <u>Resigned From:</u>                          | <u>Month:</u> | <u>Year to Date:</u> |
|--|---------------|----------------------|
| Active Duty                                    | 3             | 33                   |
| Duty Disability                                | 0             | 2                    |
| Occupational Disease Disability                | 0             | 1                    |
| Ordinary Disability                            | 0             | 0                    |
| <b>Total Minimum Formula Annuities Granted</b> | <b>3</b>      | <b>36</b>            |
| <b>Total Earned Annuities Granted</b>          | <b>0</b>      | <b>0</b>             |
| <b>Total Annuities Granted</b>                 | <b>3</b>      | <b>36</b>            |

**DISABILITIES GRANTED**

| <u>Type:</u>                      | <u>Month:</u> | <u>Year to Date:</u> |
|-----------------------------------|---------------|----------------------|
| Duty Disability                   | 3             | 7                    |
| Occupational Disease Disability   | 0             | 4                    |
| Ordinary Disability               | 0             | 0                    |
| <b>Total Disabilities Granted</b> | <b>3</b>      | <b>11</b>            |
| <b>Total Disabilities Denied</b>  | <b>0</b>      | <b>0</b>             |

**WIDOW'S ANNUITIES GRANTED**

| <u>Type:</u>                           | <u>Month:</u> | <u>Year to Date:</u> |
|--|---------------|----------------------|
| Regular Widow's Annuity                | 2             | 23                   |
| Compensation Widow's Annuity           | 0             | 0                    |
| <b>Total Widow's Annuities Granted</b> | <b>2</b>      | <b>23</b>            |

**CHILD'S ANNUITIES GRANTED**

| <u>Type:</u>                            | <u>Month:</u> | <u>Year to Date:</u> |
|---|---------------|----------------------|
| Full Child's Annuity                    | 0             | 0                    |
| Child of Duty Death Annuity             | 0             | 0                    |
| Child of Ordinary Death Annuity         | 0             | 0                    |
| <b>Total Children Annuities Granted</b> | <b>0</b>      | <b>0</b>             |