

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

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September 15, 2016

TO: All Active/Disabled members of the Firemen's Annuity and Benefit Fund of Chicago who currently have 29 years and 1 day of service and will be at least age 55 prior to December 31, 2017

The Firemen's Annuity and Benefit Fund has developed a schedule of the estimated retirement benefits for active and disabled members that are considering a **November or December 2017** retirement. The attached schedule has the following basic underlying assumptions:

- The schedule assumes that eligible members have service at that specific rank and 25 year salary step for the last 48 consecutive months of their career.
- The member will have achieved 29 years plus at least one additional day of service to achieve the maximum 75% retirement benefit.

The schedule assumes existing members will be eligible for the maximum 75% of final average salary at the November or December 2017 date across each designated rank.

Any member with questions concerning the existence of any potential contractual provision that creates a health care incentive program for qualifying eligible members between the ages of 55 and 60 should contact the Chicago Fire Department or Local 2.

The chart, as prepared, does not apply to members who qualify to have their pension based upon exempt rank salaries or to members whose disability began prior to January 16, 2004. These members are requested to e-mail their retirement questions to the staff members listed.

Many factors impact a member's service credit for pension purposes and may lower their pension benefit to less than the 75% of their final average salary as listed in the table. Any reduction to applicable service credit may reduce the percentage of final average salary (FAS) that a member will receive as a retirement benefit. The following are examples of some, but not all of the items affecting the calculation of applicable service credit:

- service time lost due to suspensions from duty
- leaves of absence with or without pay
- prior terminations from the Chicago Fire Department
- failure to repay the Fund for prior refunds of contributions and applicable interest
- failure to purchase available prior service time in the Chicago Police Department (Article 5 of the Code)

(over)

- failure to purchase available military time
- failure to purchase prior service time in the Municipal fund(Article 8 of the Code)

Existing statutes also provide that eligible members, **born before January 1, 1955** are entitled to receive an automatic annual increase (AAI) of 3% of their original grant of retirement annuity. Additionally, eligible members **must have attained age 55, be retired for one year and one month, and have at least 20 years of creditable service.** Additional 3% raises are added each January 1st thereafter, throughout the member's lifetime.

Currently, members, **born after December 31, 1954**, are entitled to receive an automatic annual increase (AAI) of 1 ½ % of their original grant of retirement annuity. These eligible members **must have attained age 60, be retired for one year and one month, and have at least 20 years of creditable service.** Additional 1 ½ % increases are added each January 1st thereafter. These increases are limited to 30% maximum.

Please keep in mind that the calculation of any member's benefit must adhere to all of the provisions embodied within the governing Statutes (40 ILCS, Act 5, Article 6), which may produce amounts different than those listed in the attached table. This table does not include the effects of any pending or future legislative amendments.

The Fund is aware that many factors impact each member's decision to retire from active service from the Chicago Fire Department. It takes about 4 hours of Fund staff time to calculate and verify an estimate correctly. The Fund asks that a formal request for benefit estimates **NOT** be submitted by any member **UNTIL** the member is fairly certain of his or her retirement date. Further, we are requesting that you help us help you by giving us at least 3-4 months advance time to provide an accurate estimate calculation. When you know your retirement date, an estimate of benefits may be obtained by calling the Fund Office at (312) 726-5823.

The Fund looks forward to assisting you with any questions you might have concerning this very important decision. Please e-mail any specific questions concerning your individual retirement benefit estimate to any or all of the following individuals: info@fabf.org, lizpauss@fabf.org, mmurrin@fabf.org. Please be sure to include your name, current mailing address, date of birth, current phone number, and the last 4 digits of your social security number with any questions you might have.

Sincerely,



Anthony R. Martin
Fund Secretary

Firemen's Annuity And Benefit Fund Of Chicago
Estimated Monthly Retirement Benefits Between November 2, 2017 8am And December 31, 2017 8am
For Those Members Entering Service On November 1, 1988 Or Earlier

<u>Permanent Career</u> <u>Service Rank</u>	<u>If 29 Years & 1 Day Of Service (75%) Is</u> <u>Achieved On Or After The Following Dates:</u>					
	<u>Nov. 2, 2017 8am</u> <u>Thru Nov. 30, 2017 8am</u>			<u>Dec. 2, 2017 8am</u> <u>Thru Dec. 31, 2017 8am</u>		
	<u>Monthly Amount</u>	<u>1.5%</u> <u>AAI*</u>	<u>3.0%</u> <u>AAI*</u>	<u>Monthly Amount</u>	<u>1.5%</u> <u>AAI*</u>	<u>3.0%</u> <u>AAI*</u>
Paramedic	\$6,113.00	\$91.70	\$183.39	\$6,122.00	\$91.83	\$183.66
Firefighter	\$6,113.00	\$91.70	\$183.39	\$6,122.00	\$91.83	\$183.66
Firefighter-EMT	\$6,455.00	\$96.83	\$193.65	\$6,465.00	\$96.98	\$193.95
Paramedic In Charge	\$6,511.00	\$97.67	\$195.33	\$6,520.00	\$97.80	\$195.60
Engineer	\$6,511.00	\$97.67	\$195.33	\$6,520.00	\$97.80	\$195.60
Firefighter Per Arbitration Award	\$6,511.00	\$97.67	\$195.33	\$6,520.00	\$97.80	\$195.60
Firefighter-Paramedic	\$6,605.00	\$99.08	\$198.15	\$6,615.00	\$99.23	\$198.45
Engineer-EMT	\$6,875.00	\$103.13	\$206.25	\$6,886.00	\$103.29	\$206.58
Firefighter Per Arbitration Award-EMT	\$6,875.00	\$103.13	\$206.25	\$6,886.00	\$103.29	\$206.58
Engineer-Paramedic	\$7,035.00	\$105.53	\$211.05	\$7,047.00	\$105.71	\$211.41
Firefighter Per Arbitration Award-Paramedic	\$7,035.00	\$105.53	\$211.05	\$7,047.00	\$105.71	\$211.41
Lieutenant	\$7,174.00	\$107.61	\$215.22	\$7,184.00	\$107.76	\$215.52
Lieutenant-EMT	\$7,578.00	\$113.67	\$227.34	\$7,590.00	\$113.85	\$227.70
Lieutenant-Paramedic	\$7,754.00	\$116.31	\$232.62	\$7,767.00	\$116.51	\$233.01
Paramedic Ambulance Commander	\$8,032.00	\$120.48	\$240.96	\$8,043.00	\$120.65	\$241.29
Captain	\$8,032.00	\$120.48	\$240.96	\$8,043.00	\$120.65	\$241.29
Captain-EMT	\$8,485.00	\$127.28	\$254.55	\$8,499.00	\$127.49	\$254.97
Captain-Paramedic	\$8,682.00	\$130.23	\$260.46	\$8,696.00	\$130.44	\$260.88
Paramedic Field Chief	\$8,760.00	\$131.40	\$262.80	\$8,773.00	\$131.60	\$263.19
Battalion Chief	\$8,760.00	\$131.40	\$262.80	\$8,773.00	\$131.60	\$263.19
Battalion Chief-EMT	\$9,255.00	\$138.83	\$277.65	\$9,270.00	\$139.05	\$278.10
Battalion Chief-Paramedic	\$9,472.00	\$142.08	\$284.16	\$9,487.00	\$142.31	\$284.61

* Statutory Automatic Annual Increase Per ILCS 40, Act 5, Section 6-164.