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**Policemen's Annuity
and
Benefit Fund
City of Chicago**



**YOUR
SERVICE
RETIREMENT
BENEFITS**

Effective January 1, 1986

221 NORTH LA SALLE STREET
ROOM 1626
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744-3891, 744-3893

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1986**

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**Policemen's Annuity
and
Benefit Fund
City of Chicago**

221 North LaSalle Street, Room 1626
Chicago, Illinois 60601

STAFF MEMBERS

JAMES B. WATERS, JR. Comptroller
DR. C. LARKIN FLANAGAN Physician
DAVID KUGLER Attorney

D.F. CAMPBELL Consulting Actuary

This booklet has been prepared by the Retirement Board under the direction of the Executive Director and staff members in order to present to the members of the Chicago Police Pension Fund, a summary of benefits to which they are entitled and the detailed requirements which must be met in order to become entitled to those benefits. It also describes the method of financing and operational procedures.

The Trustees of the Retirement Board sincerely hope that this booklet will enable the members to fully understand and appreciate their rights, benefits, and obligations and will familiarize themselves with its contents. If any member has any questions, he or she should contact the Retirement Board.

The Trustees of your Fund wish to express their grateful appreciation to the Mayor of the City of Chicago and to the members of the Legislature of the State of Illinois for their support in providing the benefits we now enjoy.

The Retirement Board of the
Policemen's Annuity and Benefit Fund
of the City of Chicago

Marshall Korshak, President

Administration and Membership

Board of Trustees - Nine members constitute the Board. Four members are appointed by the Mayor of the City of Chicago; three are police officers, elected by the active members of the Police Department; one is a retired police officer, who is elected by the retirees; and the other member is the City Treasurer of the City of Chicago. Their duties include (1) Employing professional and clerical services, (2) Authorizing pension payments and other benefits, and (3) Investing funds.

Executive Director - responsible for the proper performance of the detail work of the Fund.

Attorney for the Fund - advises and interprets all legal matters confronting the trustees.

Financial Consultant - Advises the trustees regarding the performance and activities of the several money managers retained by the fund.

Compulsory - Any person who successfully passes the Career Service Examination for the position of Police Officer with the Chicago Police Department and is then certified by the Department of Personnel to that position becomes a participant of the Fund.

Financing - Contributions Members - City

City Contributions - The city shall levy a tax annually upon all taxable property thereon for the purpose of providing revenue for the Fund. Beginning with the year 1970 and each year thereafter, the city council shall levy a tax annually at a rate on the dollar of the assessed valuation of all taxable property that will produce when extended an amount not to exceed the total amount of contributions by the police officers to the Fund made in the calendar year two years before the year for which the applicable annual tax is levied, multiplied by 2.00 for the tax levy year 1982, and for each year thereafter.

Members (Police Officers) Contributions - 7 percent for Retirement age and service; 1½ percent for Spouse's Annuity; ½ percent for Automatic Increase.

Interest Income on Investments - is received in addition to the income received from City and members' contributions.

Investments

Chapter 108½ of the Illinois Revised Statutes - Section 5-187. To invest money. To invest the monies of the fund in the types of investments, and subject to the restrictions, set forth in Section 22A-112 of this Act.

The limitations on investments prescribed in this Article shall be applicable at the time of purchase, and shall not require liquidation of any investment at any time. The Retirement Board may, however, sell any security held by it at any time it deems desirable.

Common and preferred stocks shall be carried at cost.

Bonds or any security purchased by the Board shall be registered in the name of the Fund, or may, at the discretion of the Board, be registered in the name of a nominee, established for the purpose of registering securities of the Fund by a national bank or trust company authorized to act as trustee in the State of Illinois. Tax anticipation warrants shall be clearly marked to evidence ownership by the Board. The Board may sell any of the securities belonging to the fund and borrow money upon such securities as collateral whenever in its judgment such action is necessary to meet the cash requirements of the Fund.

Annuities

Age and service requirements - If you are at least 50 years of age and have at least 10 years of service, you qualify for an annuity. However, in order to receive full benefits, you must be 50 years of age with 20 years of service.

Estimating your annuity - You can calculate the amount of annuity you will receive by following three basic steps:

1. Apply the formula necessary to determine your percentage.*
2. Average your annual pay grade salary. (Overtime pay should not be included)
3. Multiply your average monthly salary by your total percentage to determine your monthly annuity.

*In computing your annuity, the formula that gives you the greatest percentage (either 50/20 or 55/25) should be used.

1. Formulas

- A. 50/20 formula (Attaining age 50 in service before completing 20 years of service) If you attain age 50 in service before you complete 20 years of service, you get 50% of your average monthly salary on the date you complete 20 years of service. However, for each year or fraction thereof served in excess of 20 years an additional 2% is added. Any lost time must be added to your appointment date in order to arrive at a continuous service date. For example, if you were appointed on May 3, 1955 and lost a total of 15 days, you would complete 20 years of service on May 18, 1975.

Example: Born 8/10/24:

Date Appt'd.:	5/3/55
Anticipated retirement date:	5/16/86
Age at retirement:	61
Retired	1986- 5-16
Appointed	1955- 5- 3
Years of Service	31- 0-13
Serv. Requirement	20- 0- 0
Excess of 21 yrs.	11- 0-13 = 24%
(11x 2 + 2 = 24%)	+ 50%
on 5/16/86	74%

- B. 50/20 formula (Completing 20 years of service before attaining age 50) If you complete 20 years of service before attaining age 50 in service you get 50% of your average monthly salary on the day after you attain age 50 in service. An additional 2% for each year or fraction in excess of 20 years of service is added.

Example: Born 4/26/25:

Date Appt'd.:	8/10/53
Anticipated retirement date:	8/16/86
Age at retirement:	61
Retired	1986- 8-16
Appointed	1953- 8-10
Years of Service	33- 0- 6
Serv. Requirement	20- 0- 0
Excess of 21 yrs.	13- 0- 6 = 28%
(13x 2 + 2 = 28%)	+ 50%
on 8/16/86	75% max

C. 55/25 formula

Upon attainment of age 55, you get 2% for each year of service plus 1/6 of 1% for each complete month of service.

NOTE: This formula may apply to only a small fraction of officers. Most officers will get a greater percentage using the 50/20 formula.

Example: Born 8/10/24
Appt. 5/3/55 Retirement date 5/16/86

AGE	SERVICE
1986-5-16	1986-5-16
1924-8-10	1955-5-3
61-9-6	31-0-13

31 years and 0 mos. at 2% = 62%

However, by using the 50/20 formula you get 74%. (See the first example of the 50/20 formula; attaining age 50 before completing 20 years of service.)

2. **Determine average monthly salary** - Add your total annual pay grade salary (overtime should not be included) during the highest **48 consecutive months** of the last 10 years and divide by 48 to arrive at your average monthly salary.
3. Multiply your average monthly salary by your total percentage and the result will be the amount of your annuity per month.

Automatic annual increase - You will receive an automatic increase in your pension and the effective date of this increase will be determined by one of the following, whichever applies to you.

- A. Your retirement annuity is increased by 1 1/2 % of your **original annuity** on the first day of the month following your 60th birthday if it occurs **after** the first anniversary of your retirement date. It is again increased by 1 1/2 % of the **original annuity** on Jan. 1st of each year thereafter up to a maximum of 20 increases.
- B. Your retirement annuity is increased by 1 1/2 % of your **original annuity** on the first of the month following the first anniversary of your date of retirement if you are 60 years of age or over on the date of your retirement. It is again increased on Jan. 1st of each year thereafter up to a maximum of 20 increases.
- C. Beginning Jan. 1, 1983 increases shall be 3% for policemen **born before Jan. 1, 1930**, and they shall not be subject to the 30% maximum increase.

On the following pages you will find tables showing the annuity to which a police officer will be entitled upon retirement expressed as a percentage (%) of average monthly salary for age of retirement 50 to 63 inclusive and for years of service from 20 to 39 inclusive.

Tables showing the annuity to which a police officer will be entitled upon retirement expressed as a minimum percentage (%) of average salary for age of retirement 50 to 63 inclusive and for years of service from 20 to 39

inclusive. The tables do not take into consideration additional percentages for working the day after the anniversary date.

AGE AT RETIREMENT	YEARS OF SERVICE										AGE AT RETIREMENT
	20	21	22	23	24	25	26	27	28	29	
50	50%	52	54	56	58	60	62	64	66	68	50
51	50	52	54	56	58	60	62	64	66	68	51
52	50	52	54	56	58	60	62	64	66	68	52
53	50	52	54	56	58	60	62	64	66	68	53
54	50	52	54	56	58	60	62	64	66	68	54
55	50	52	54	56	58	60	62	64	66	68	55
56	50	52	54	56	58	60	62	64	66	68	56
57	50	52	54	56	58	60	62	64	66	68	57
58	50	52	54	56	58	60	62	64	66	68	58
59	50	52	54	56	58	60	62	64	66	68	59
60	50	52	54	56	58	60	62	64	66	68	60
61	50	52	54	56	58	60	62	64	66	68	61
62	50	52	54	56	58	60	62	64	66	68	62
63	50	52	54	56	58	60	62	64	66	68	63

YEARS OF SERVICE (Continued)

AGE AT RETIREMENT	YEARS OF SERVICE (Continued)										AGE AT RETIREMENT
	30	31	32	33	34	35	36	37	38	39	
50	70										50
51	70	72									51
52	70	72	74								52
53	70	72	74	75							53
54	70	72	74	75	75						54
55	70	72	74	75	75	75					55
56	70	72	74	75	75	75	75				56
57	70	72	74	75	75	75	75	75			57
58	70	72	74	75	75	75	75	75	75		58
59	70	72	74	75	75	75	75	75	75	75	59
60	70	72	74	75	75	75	75	75	75	75	60
61	70	72	74	75	75	75	75	75	75	75	61
62	70	72	74	75	75	75	75	75	75	75	62
63	70	72	74	75	75	75	75	75	75	75	63

An example of how this table is used to determine the amount of annuity per month is as follows:

Assume a police officer retires at age 57 with 32 years of service. The above table shows that he is entitled to an annuity equal to 74% of his average salary. (Average salary

is defined to be average for 4 consecutive years of highest salaries within the last 10 years of service before retirement.) If such average salary is \$30,987.75 a year and \$2,582.31 a month, the monthly annuity in this example would be 74% of \$2,582.31 or \$1,910.91 a month.

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PREPARING FOR RETIREMENT

You must have all optional service paid for before retirement. Several months before you retire you should be certain that you have established credit for all possible service.

Have you made payment to the Fund for the following optional creditable service?

1. Temporary Service
2. Qualified leaves of absence
3. Refund repayable accounts
4. Fire Department Service
5. Miscellaneous other service approved by the Retirement Board

Payment for Park Consolidation Account is **mandatory** and **must** be paid **before** retirement. If you should die before paying for this prior Park service your spouse must pay for it in full before he or she is entitled to any survivor's benefits.

If you have questions about possible creditable service, please inquire well in advance of your retirement. It is too late to get credit for such services **after** you retire.

For more details refer to pages 48 and 49 of the **Illinois Revised Statutes Chapter 108½ Pensions**, Article 5-214 Credit for other service.

Applying For Retirement

Your first step is to officially terminate your service with the Chicago Police Department. To do this, you must sign a PAR (Personnel Action Request) form. All officers that are working out of a unit should sign the PAR form at their unit. Officers that are on a leave of absence must sign the PAR form at the Department of Personnel, 1121 S. State Street. Your PAR form should be signed approximately two weeks prior to your effective retirement date.

Immediately after submitting your PAR form you must go to the pension office (221 N. LaSalle, Room 1626) where you will apply for retirement. You will be asked to sign the following papers:

1. Application for retirement
2. Application for hospitalization
3. Yellow signature card
4. New death benefit directive (if you wish to change the beneficiaries). If you are not sure whom you have named, ask the person taking care of you and he or

she will look it up.

5. Affidavit waiving annuity, if you continue working beyond age 63.
6. Reversionary designation.

If you would like a calculation of your annuity, you must request it at the time you are applying for retirement. No computation is done automatically. If you wish to wait, the calculation can be done then or it can be sent to you before you receive your first annuity check.

When your papers have been completed, you will be told the monthly meeting at which your application will be processed and the approximate date you can expect your first check.

NOTE: Your application for annuity must be filed with the pension office no later than the 15th of any given month **and** your date of retirement cannot be **beyond** the 15th of any given month in order for your application to be approved at the following month's Board Meeting. Your application for annuity cannot be approved by the Retirement Board in the same month in which you apply.

EXAMPLE 1: If a police officer retires effective September 14, 1986, and applies for annuity September 14, 1986, the annuity will be awarded at the October 1986 Board meeting and a check issued November 1, 1986, retroactive to September 14, 1986.

EXAMPLE 2: If a police officer retires September 16, 1986, and applies for annuity September 16, 1986, the annuity will be awarded at the November 1986 Board Meeting and a check issued December 1, 1986, retroactive to September 16, 1986.

Your annuity check is mailed on the last working day of each month. By request, you may have your check deposited directly to either a savings or checking account at your bank.

Age 63 — Still Working

Those officers who continue to work beyond attainment of age 63, no longer make contributions to the Fund. Their annuities and the prospective annuities of their spouses are fixed as of the officer's 63rd birthday.

The reversionary election, cancellation or change in the amount of the reversionary option **cannot be made after the officer has retired.**

Upon resignation, call the pension office to process your application for continued hospitalization coverage and to inform the Fund of your last day of employment.

IMPORTANT NOTE: You will also receive an income tax letter; be sure to put the letter away for safekeeping. You will not become taxable on your annuity until you recover the total amount of contributions. This letter will contain: (1) the amount of your contributions from your date of appointment through Dec. 31, 1981 inclusive (tax deferment effective date 1/1/82, (2) the year in which you become taxable, and (3) the amount which you must report to the IRS for that year. In conjunction with this letter, at the end of January each annuitant will receive a form W-2P for the previous year indicating gross annuity received and taxable amount to be reported. In the year during which you become taxable, you may have an amount directed by you withheld from your check each month for Federal Income Tax purposes. This amount also will be shown on the form W-2P. (For details see next section - Deductions.)

Your annuity checks and all letters of correspondence to you from the pension office will contain an AP (Annuity Payment) number. It is important that you remember this number; it is your identification number with the pension office once you retire. If you have to contact the pension office for any reason, always supply them with your AP number.

Deductions

As a general rule, the City Plan, the hospitalization you had as an active member of the Police Department, may be continued **only** at the time you apply for annuity. (1) The hospitalization premium for the retired employee is paid by the Retirement Board. The premium for any eligible dependent would be automatically be deducted from your annuity checks, beginning with your first check. (2) Children may be covered until age 19 provided they are unmarried and until the age 22 if attending an accredited college on a **full-time basis**. The coverage is the same as that of the active employees with the exception of the elimination of the \$1,000.00 accidental death benefit. Because you may be in one of several situations, it is advised that you discuss with the pension office the coverage best suited for you. (3) The pension office only withholds and forwards your monthly benefit premium to the City of Chicago Benefits Division. Any questions about claims or coverage should be directed to the **BENEFITS MANAGEMENT OFFICE of the City of Chicago, 794-5100**. When you reach age 65 and **qualify** for Medicare, your premium may be lowered. To make this adjustment in your premium, you must send a copy of your

Medicare card to the pension office. When your spouse reaches age 65 and also **qualifies** for Medicare, a copy of the Medicare card should be sent to the pension office and again your premium may be reduced.

After your annuity becomes taxable, you may authorize the Fund to withhold Federal Income Tax from your check. An IRS form W-4P can be submitted or in lieu of, send your name, AP number, and the amount to be withheld to the pension office on a sheet of paper with your signature. **You must determine** the monthly deduction you want withheld. Your income tax preparer can perhaps assist you in determining this amount. The amount, however, must be in even dollars, e.g. \$10.00, \$25.00, \$100.00, and the minimum that can be withheld is \$10.00. You can increase or decrease this amount at any time by submitting the change **in writing** to the pension office.

Your annuity is not taxable by the State of Illinois and therefore the pension office has no authority to withhold any State Tax.

If there are questions or doubts in your mind about your income tax liability in relation to your annuity, consult **your own tax advisor** or the District Director of your local income tax office.

Death Benefits

Effective January 1, 1962, upon your death, an ordinary death benefit is paid to the beneficiary or beneficiaries named by you and acknowledged with your signature on the most recent death benefit directive filed by you with the pension office, provided the death occurs:

1. in active service while you are in receipt of salary
2. while on an authorized and approved leave of absence, without salary, **and** within 60 days from the date you were in receipt of salary; or otherwise in the service and not separated by resignation or discharge beginning January 1, 1962, if your death occurs before your resignation or discharge from service.
3. while you are receiving duty disability or ordinary disability benefit
4. within 60 days from the date of termination of duty disability or ordinary disability benefit if re-entry into service had not occurred
5. while on retirement and, in receipt of an annuity provided:
 - (a) you retired on or after January 1, 1962 and

- (b) your separation from service was effective on or after your attainment of age 50 and
- (c) your application for annuity was made within 60 days after your separation from service.

This benefit is in addition to all other benefits provided. The amount of the ordinary death benefit is determined by your age at **death** (if death occurs while you are in active service and in receipt of salary or disability benefits) or your age at **retirement** (if death occurs after retirement). See the following table for amounts.

Computation of Ordinary Death Benefit

Effective 1/1/86

Death while in active service and in receipt of salary or disability benefits: Death after retirement:

Age at death	Amount	Age at retirement	Amount
49 (or younger)	\$12,000.00	50 (or older)	\$6,000.00
50	11,600.00		
51	11,200.00		
52	10,800.00		
53	10,400.00		
54	10,000.00		
55	9,600.00		
56	9,200.00		
57	8,800.00		
58	8,400.00		
59	8,000.00		
60	7,600.00		
61	7,200.00		
62	6,800.00		
63	6,400.00		

Be sure that you have a death benefit directive on file with the pension office and that you update it as changes occur in your family. If you wish to change the beneficiaries on your directive, you must do so in person at the pension office. Under no circumstances will these directives be mailed out.

Surviving Spouse's Annuities

Your surviving spouse is entitled to an annuity upon your death if you were in the active service or on retirement. The amount of the spouse's annuity for a policeman who retires on or after January 1, 1986; and subsequently dies while receiving a retirement annuity shall be equal

to 40% of the policeman's annuity at the time of the policeman's death.

If the deceased policeman was an active policeman at the time of his death, after December 31, 1985, and had at least 1 1/2 years of creditable service, the widow's annuity shall be 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his death. **This annuity is fixed at the time of the policeman's death and does not increase.**

In other instances a short period of service may provide a small annuity. There are so many factors that enter into the determination of the amount of a spouse's annuity that inquiries can be answered only if based on SPECIFIC cases. The spouse's annuity is payable until death or remarriage. The following are exceptions concerning remarriage:

If a spouse remarries **before** reaching age 60, annuity payment shall be suspended, but the spouse's annuity shall be resumed, if within one year after such payments were suspended, the subsequent marriage ends either by divorce, annulment or by the death of the spouse. However, if the subsequent marriage lasts for a period of one year, the spouse's annuity shall be terminated. If a spouse remarries **after** attaining age 60, the spouse's annuity shall continue without interruption.

An option is now available, if chosen by the police officer **prior to retirement** to reduce the officer's own annuity and thereby provide a **reversionary annuity** to begin upon the officer's death, for the officer's spouse. **A reversionary annuity is in addition to the regular spouse's annuity.** Various conditions must be met:

1. The election must be made by filing a written designation with the Pension Board **prior to retirement.**
2. The election must have been in effect for 730 days prior to the police officer's death to enable the spouse to receive the annuity.
3. The police officer must have retired. Death before retirement voids the election.
4. The death of the spouse prior to the police officer's retirement voids the option. If the reversionary annuitant dies after the police officer's retirement, but before the police officer, the reduced annuity being paid to the officer shall be increased to the amount of annuity before reduction for the reversionary annuity and no reversionary annuity shall be payable.
5. Officers resigning **prior to age 63** cannot change or alter the reversionary annuity after the effective date of resignation.

POLICEMAN'S

SPOUSE'S AGE	50-52	53-55
30 or more years younger	2.92	2.48
25-29 years younger	3.06	2.60
20-24 years younger	3.25	2.76
15-19 years younger	3.50	2.99
10-14 years younger	3.86	3.31
5-9 years younger	4.36	3.77
0-4 years younger	5.06	4.40
1-5 years older	6.04	5.30
6-10 years older	7.40	6.56
11-15 years older	9.31	8.33
16-20 years older	11.95	10.78
21-25 years older	15.54	14.07
26-30 years older	20.37	18.55
31 or more years older	27.03	24.90

Officers retiring at the age of 63 who wish to cancel or change the reversionary annuity must do so before the retirement date.

- The police officer may not reduce his own monthly annuity by more than \$200 nor elect to provide a reversionary annuity less than \$50 a month.

The reversionary annuity must be in even amounts in increments as provided by the schedule approved by the Pension Board.

The amount of the monthly reversionary annuity is determined by multiplying the elected reduction by the applicable factor in the above table based on the age of the policeman and the difference in the age of the policeman and the age of the policeman's spouse at the starting date of his annuity.

Compensation Annuity

If a police officer dies as a result of AN INJURY RECEIVED IN THE PERFORMANCE OF A SPECIFIC ACT OF DUTY, his or her spouse is entitled to receive an annuity of 75 percent of the salary attached to the posi-

AGE

56-58	59-61	62-64	65 & over
2.10	1.77	1.48	1.24
2.20	1.86	1.57	1.32
2.35	2.00	1.69	1.42
2.56	2.19	1.86	1.57
2.85	2.45	2.10	1.79
3.26	2.83	2.44	2.10
3.85	3.36	2.93	2.55
4.68	4.13	3.63	3.19
5.86	5.23	4.63	4.09
7.51	6.75	6.01	5.31
9.78	8.84	7.90	7.02
12.86	11.73	10.60	9.56
17.15	15.94	14.73	13.62
23.51	22.52	21.60	20.90

tion held by certification and appointment as a result of career service examination or classification. If he or she has children, the total amount of the spouse's annuity and children's benefits shall not exceed the salary attached to his or her career service position at the time of death. If a spouse remarries, the conditions previously described above would prevail.

Ordinary Death In the case of a family of a police officer (spouse and children) who dies on or after September 20, 1969, as the result of any cause other than the performance of an act of duty, the amounts of benefits paid cannot exceed 60 percent of the salary of the police officer at the time of his or her death.

Child's Annuity

Each of your natural or legally adopted children under 18 years of age is entitled to an annuity of 10 percent of the salary of a first class police officer annually, while unmarried and during any period while the spouse receives an annuity. If there is no spouse each child receives 15 percent of the salary of a first class police officer annually.

Child's benefit terminates at age 18 unless the child has a mental or physical impairment, an inability to engage in substantial gainful employment in which case child's benefit is for life or as long as such condition exists.

Any children of a police officer who resigns or is discharged from the Department before accumulating 10 years of service, or before reaching the age of 50, are not entitled to any benefits, but the minor children of a police officer who dies in the service irrespective of his length of service are entitled to benefits.

Adoption In the case of an adopted child you shall be married and living with your spouse at the time of the adoption, and the proceedings for adoption must have been initiated at least 6 months prior to death. The requirements that the proceedings for adoption be initiated at least 6 months prior to death does not apply if death occurs as a result of an ACT OF DUTY.

Only one annuity shall be granted and paid for the benefit of any child if both parents have been police officers.

DISABILITY BENEFITS

Ordinary and Duty Disability Benefits

You probably often wonder what would happen to you and your family if one day you find that through illness or injury, you no longer can perform your duties. To eliminate these fears, the following have been provided by city ordinances and the disability provisions set forth by state statutes which govern the Police Pension Board.

Medical Roll - Non-Duty Related Injury or Illness For many medical reasons, you may not be able to perform your duties and subsequently are placed on the medical rolls by the Chief Surgeon of the Chicago Police Department according to the City Ordinance which covers medical benefits; you may receive your full salary if you are unable to perform your duties, for a period not to exceed one year. If it is the medical judgment of the Chief Surgeon that your condition is such that it would prevent you from returning to your duties, disability benefits are then recommended.

Ordinary Disability According to the Statutes that govern the Police Pension Fund, you are entitled to ordinary disability benefits if you become disabled from causes not connected with the performance of an act of police duty. The length of time during which you can receive this disability benefit depends upon the length of your

service. To determine the length of ordinary disability benefits, you would divide your net active service by four; however, in no event could you receive more than five years of ordinary disability benefits, and not beyond age 63.

Example: If you have 16 years of net active service:
 $16 \div 4 = 4$ years of ordinary disability

The time during which you received ordinary disability benefits is added to your total service for annuity purposes.

Example: 16 years of net active service plus 4 years of disability benefits provides a total of 20 years of service for annuity purposes. The amount of the ordinary disability benefit is 50 percent of the salary you were receiving when placed on the medical rolls. This amount remains the same for the duration of your disability and the city will contribute your annuity deduction on a monthly basis. If your disability ceases at any time before your benefits would expire, you shall return to active duty.

Also, for annuity purposes and the determination of your average monthly salary, if you are retiring from ordinary disability, the salaries used are those that you would have received had you been able to remain working.

Medical Roll - Duty Related When you are unable to perform your duties because of INJURIES RECEIVED IN THE PERFORMANCE OF AN ACT OF POLICE DUTY, the city ordinance provides that your salary shall continue for a period not to exceed one year, or any part of year, while you are on the medical roll. If it is the medical judgment of the Chief Surgeon that your condition is such that would prevent you from returning to your duties at the expiration of one year, disability benefits are then recommended.

Duty Disability According to the Statutes that govern the Police Pension Fund, IF YOU ARE DISABLED AS A RESULT OF AN INJURY RECEIVED IN THE PERFORMANCE OF AN ACT OF POLICE DUTY, you are entitled to disability benefits during any period of such disability for which you do not have a right to receive salary, equal to 75 percent of your salary at the time the disability is allowed. (Effective date 7/1/82). If you were on duty disability and return to active employment at any time for a period of at least two years and are again disabled from the same cause or causes, you are entitled to 75 percent of your salary at the time the disability is allowed. If your disability resulted from any physical defect or mental disorder or any disease which existed at the time

your injury was sustained, or if your disability is less than 50 percent of total disability for any service of a remunerative character, your duty disability benefit shall be 50 percent of your salary.

If you should suffer a heart attack and as the **natural and proximate result of an injury occurring at some definite time and place while in the performance and discharge of your duties** as a police officer, you will be eligible for any and all benefits provided for police officers injured in the performance of an act of duty.

The time during which you received duty disability benefits is added to your total service for annuity purposes.

Duty Disability - Child Benefit You shall have a right to child's benefit of \$30.00 per month for each unmarried child of your own issue, under the age of 18, but the total amount of child's benefit shall not exceed 25 percent of your salary.

You shall continue to receive your benefits while your disability persists, but not beyond age 63. Child's benefit shall be paid during your period of disability until the child attains age 18.

NOTE: While in receipt of ordinary or duty disability benefits, you are permitted by the State Statutes that govern the Police Pension Fund, to augment your disability benefits by outside employment. However, the total amount received both in disability benefits and outside employment cannot exceed the rate of salary which you would be paid if you were working in your regular Career Service position. If the amount received exceeds that rate of salary, your disability benefit is reduced proportionately. While in receipt of disability benefits, you will be required, each month, to sign an affidavit for this purpose. It must be properly filled out and filed with the Office of the Policemen's Annuity and Benefit Fund of Chicago, before further disability benefits will be paid to you.

REFUNDS

General Refund If you have become separated from the Department either through the actions of the Department or of your own accord and have not attained the age of 50, you are entitled to receive a refund of your contributions to the Fund upon filing an application for such refund at the pension office. The amount of service you have does **not** have any bearing on whether a refund can

be received. Termination from the Department is the **only** way you can get a refund. **There is no way of borrowing from your contributions.** If you are receiving a refund, the amount received will be your contributions plus 1½%, simple interest per year on each deduction or contribution from the date of each deduction until the date of your resignation. Upon receiving a refund, you surrender and forfeit all rights to any annuity or other benefit from the Fund for yourself and for any other person or persons who might otherwise have benefited through you. If you have received a refund and subsequently get reinstated to the Department, you have the option of repaying that refund in order to restore those rights to you, your spouse and your children, but **only** after having worked for a period of three years from the date of your reinstatement. There is no time limit by which to repay your refund; however, it must be repaid in full before retirement. If you are eligible to repay your refund and would like to know the amount, simply contact the pension office and the information will be mailed to you within a reasonable period of time. You may repay the refund in full or you may set your own pace and make individual payments. All payments must be made by check. Cash will not be accepted. It should be noted that interest will be charged for monies due until date of full repayment.

Exempt Refund Beginning January 1, 1970, if you have served in an exempt rank, e.g. Commander, Detective, Youth Officer, etc., and **return** to the career service rank held prior to your going into the exempt rank, you are entitled to a refund of the difference in contributions.

NOTE: Applications for General Refund and Exempt Refunds must be filed with the pension office no **later** than the 15th of any given month in order to be presented before the following month's Board Meeting. Also, if you are applying for a General Refund, your date of termination cannot be beyond the 15th of any given month if you want your application to be processed for the following month's Board Meeting.

Spouse's Annuity Accumulations Refund If you are not married on the day you become separated from the Department to go on pension, the accumulations for spouse's annuity will be refunded to you. **You** will sign an application for this refund. **However, if you were ever married, any and all documents terminating any and all marriages must be submitted to the pension office before your refund check will be issued.**

Refund of Remaining Amounts If the amounts deducted from the salary for annuity purposes have not been paid in the form of employee, spouse or children's annuity the difference between such amount and the amounts paid as annuity, without interest on either, shall be paid to a surviving spouse not entitled to annuity. If there is no spouse, then to the children in equal parts unless otherwise directed by the police officer in writing, filed with the Board before his or her death. If there are no children, refund will be paid to the executor of estate — may be applied to burial expenses if there is no executor — remainder paid to heirs.

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