CRYSTAL LAKE FIREFIGHTERS' PENSION BOARD

ADMINISTRATIVE RULES AND REGULATIONS

Adopted: October 15, 2020

Nothing in these Administrative Rules and Regulations creates any contractual right, either express or implied.

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BOARD OF TRUSTEES OF THE CRYSTAL LAKE FIREFIGHTERS' PENSION FUND

ADMINISTRATIVE RULES

PART 1 - GENERAL PROVISIONS

§101 Authority

Implementing Article 1 and Article 4 of the Illinois Pension Code, 40 ILCS, §5/1-101, *et seq.*, and §5/4-101 *et seq*. The promulgation of these Rules is authorized under §5/4-126 of the Illinois Pension Code. ***Nothing in these Administrative Rules and Regulations creates any contractual right, either express or implied.*** Cross Reference: §5/4-101; §5/4-126.

§102 Purpose

The purpose of these Rules is to establish uniform procedures for the implementation of Article 1 and Article 4 of the Illinois Pension Code by the Crystal Lake Firefighters' Pension Board. The Rules are also promulgated for the benefit of and to provide guidance to pension fund Members, Participants, and Beneficiaries, and are available for inspection at the office of the Pension Board.

§103 Definitions

As used in these Rules, the terms set forth below shall have the following definitions and meanings, except when the context of the Rule specifies and requires a different meaning:

a) "Pension Board" shall mean the Board of Trustees of the Crystal Lake Firefighters' Pension Fund as established under §5/4-121 of the Pension Code.

b) "Pension Code" means the provisions of Illinois law contained in Article 1, Article 4, and Article 22 of Chapter 40, Illinois Compiled Statutes, as currently enacted, or hereinafter amended.

c) "Pension Fund" shall mean the Pension Fund established pursuant to Article 4 of the Pension Code for the benefit of Firefighters employed by the Crystal Lake Fire Department and their Beneficiaries.

d) "Municipality" shall mean the City of Crystal Lake, Illinois.

e) "Participant" shall mean any employee or former employee of the Crystal Lake Fire Department and a member of the Pension Fund who is or may be eligible to receive a benefit under Article 4 of the Pension Code.

f) "Beneficiary" shall mean any retired member of the Pension Fund or any person designated by a Participant and receiving a benefit under Article 4 of the Pension Code.

g) "Fire Department" shall mean the Crystal Lake Fire Department.

h) "Firefighter(s)" shall mean:

1) In municipalities which have adopted Division 1 of Article 10 of the Illinois Municipal Code, any person employed in the municipality's fire service as a firefighter, fire engineer,

marine engineer, fire pilot, bomb technician or scuba diver; and in any of these positions where such person's duties also include those of a firefighter as classified by the Civil Service Commission of that city, and whose duty is to participate in the work of controlling and extinguishing fires at the location of any such fires.

2) In municipalities which are subject to Division 2.1 of Article 10 of the Illinois Municipal Code, any person employed by a city in its fire service as a firefighter, fire engineer, marine engineer, fire pilot, bomb technician, or scuba diver; and, in any of these positions whose duties also include those of a firefighter and are certified in the same manner as a firefighter in that city
3) In municipalities which are subject to neither Division 1 nor Division 2.1 of Article 10 of the Illinois Municipal Code, any person who would have been included as a firefighter under sub-paragraph (a) or (b) above except that he served as a de facto and not as a de jure firefighter.
4) The term "Firefighter" does not include any person who fails to make pension contributions required under §5/4-118.1 of the Pension Code.
5) The term "Firefighter" does not include persons who voluntarily quit or are terminated from the Crystal Lake Fire Department, except to the extent that their rights to pension benefits have vested under the law.

Cross-references: §5/4-101; §5/4-102; §5/4-103; §5/4-106; §5/4-121.

PART 2 - ADMINISTRATION

§201 Board Creation

The Pension Board is created pursuant to §5/4-121 of the Illinois Pension Code. Cross Reference: §5/4-12.

§202 Composition

The Crystal Lake Firefighters' Pension Board shall be composed of five (5) members. The Pension Board shall be known as the "Board of Trustees of the Crystal Lake Firefighters' Pension Fund." Two (2) members of the Pension Board shall be elected by and from the active Firefighters in the Fire Department. Two (2) members of the Pension Board shall be appointed by the Mayor of the City of Crystal Lake. The fifth (5th) member of the Pension Board shall be elected by and from the retired and disabled Firefighters. Should a retired or disabled Firefighter be unwilling or unable to serve, the active membership may elect an active Participant to fill the position until a Beneficiary is able and willing to serve, then an additional active Firefighter shall be elected in lieu of the retired or disabled Firefighter. The term "retired or disabled Firefighter" includes deferred pensioners but excludes surviving spouses and other non-Firefighter beneficiaries. Cross-reference: §5/4-121.

§203 Terms of Office

Each elected Trustee of the Pension Board shall serve a three (3) year term of office as follows:

a) The three elected members shall be elected on the third Monday in April, by the Australian ballot system in accordance with Illinois statute.

b) The term of office for elected members shall being to run the second Tuesday of the month of May following the election. An active-member Trustee who retires or separates from service during their term is permitted to complete his/her term. Cross-reference: §5/4-121.

§204 Death, Resignation, or Inability to Perform

a) Upon the death, resignation, or the inability to perform of any elected Pension Board Trustee, his or her successor shall be elected for the unexpired term at a special election. A special election shall follow the same procedure as used in the regular election.

b) Upon the death, resignation, or the inability to perform of any appointed Pension Board Trustee, the Pension Board shall notify the appointing authority and request a successor be appointed to fill the unexpired term of the Trustee who is no longer able to perform his or her duties.

Cross Reference: §5/4-121

§205 Removal of Trustee

Any Pension Board Trustee who does not timely complete the training required is not eligible to serve on the Board of Trustees. In the event of a Pension Board Trustee's failure to complete the required training, a successor shall be appointed or elected, as applicable, for the unexpired term. A successor who is elected under such circumstances must be elected at a special election called by the Board and conducted in the same manner as a regular election. A Trustee may also be removed by operation of law or order of court. Cross Reference: §1-109.3.

§206 Compensation

Trustees shall not receive or have any right to receive any salary from the Pension Fund for services performed as Pension Trustees.

Cross Reference: §5/4-121

§207 Meetings

a) The Pension Board shall hold at least four (4) quarterly meetings each calendar year. The Pension Board will schedule the meetings for the following year, at its fourth quarterly meeting.

b) The Pension Board may agree to hold additional meetings as necessary for the prudent and efficient administration of the affairs and activities of the Pension Fund.

c) All meetings shall be held in accordance with the Open Meetings Act, 5 ILCS 120/1 *et seq*.

Cross Reference: §5/4-128

§208 Emergency/Special Meetings

a) The President of the Pension Board may call emergency meetings with at least forty-eight (48) hours' notice.

b) In the event of a *bona fide* emergency, upon reasonable notice to all of the Pension Board's Trustees, an emergency meeting may be held with less than forty-eight (48) hours' notice.

c) For purposes of this Part, a "*bona fide* emergency" shall mean an unforeseen combination of circumstances, or the resulting state, which calls for immediate action.

d) Any Pension Board Trustee may request an emergency or special meeting by serving written notice upon all other Trustees within a reasonable time, prior to the date of the emergency meeting.

Cross Reference: §5/4-128; 5 ILCS §120-2.02

§209 Notice of Meetings

Notice of all meetings shall be posted in accordance with the Open Meetings Act. Cross Reference: 5 ILCS §120/2.02.

§210 Open Meetings

a) All Pension Board meetings are open to the public, except for those matters lawfully conducted in executive or closed session.

b) Any person shall be permitted to address the Pension Board during the public comments portion of the meeting, not to exceed three (3) minutes per person.

§211 Executive Sessions

a) By majority vote, the Pension Board may close any meeting and adjourn in executive session in the following circumstances:

1. Discussion of the sale or purchase of securities, investments, or investment contracts;
2. Discussions concerning the appointment, employment, or the termination of a Pension Board employee;
3. Discussions concerning litigation, when an action against, affecting or on behalf of the Pension Board has been filed and is pending, or when the Board finds that action is probable, imminent, or threatened;

4. Deliberations of the Pension Board after an administrative hearing on disability and retirement pension applications, provided that the Pension Board publishes a written decision setting forth its determinative reasoning;
5. Discussion of whether audio/video and/or minutes of meetings lawfully closed under the Open Meetings Act should remain confidential under Section 2.06(d) of the Open Meetings Act; or
6. Any other lawful purpose allowed under Illinois law.

b) No final action will be taken by the Pension Board in executive session. An audio or video verbatim recording of any executive session will be made and retained for at least eighteen (18) months after completion of the meeting recorded. The verbatim recording may be destroyed only after (1) the Pension Board approves destruction of a particular recording, and (2) the Pension Board approves minutes of the closed meeting that meet the requirements for regular meeting minutes.

c) The Pension Board shall periodically, but no less than semi-annually, meet to review minutes of all closed meetings. At such meetings a determination shall be made and reported in an open session that (1) the need for confidentiality still exists as to all or part of those minutes or (2) that the minutes or portions thereof no longer require confidential treatment and are available for public inspection.

d) Minutes of meetings closed to the public shall be available only after the Pension Board determines that it is no longer necessary to protect the public interest or the privacy of an individual by keeping them confidential, except that duly elected officials or appointed officials of the Pension Board shall be provided access to minutes of meetings closed to the public. Access to minutes shall be granted in the Pension Board's main office or official storage location, in the presence of a records secretary, an administrative official of the Pension Board, or any elected or appointed official of the Pension Board. No minutes of meetings closed to the public shall be removed from the Pension Board's main office or official storage location, except by vote of the Pension Board or by court order. Nothing in this subsection is intended to limit the Public Access Counselor's access to those records necessary to address a request for administrative review under Section 7.5 of the Open Meeting Act.

Cross Reference: 5 ILCS §120/2-2.06.

§212 Order of Business

a) All meetings of the Pension Board shall be conducted under a properly posted agenda.

b) Agenda items may include, but are not limited to, the following items:
1. Call to Order
2. Roll Call
3. Approval of Minutes
4. Public Comments (to be limited to three (3) minutes)
5. Treasurer's Report
6. Investment Manager/Consultant Report/Sale or Purchase of assets
7. Accountant's Report

8. Payment of bills/expenses
9. Attorney's Report
10. Communications
11. Approval of Disbursements
12. Applications for Membership/Benefits/Refund
13. Old Business
14. New Business
15. Executive/Closed Session (cite specific exception)
16. Adjournment

c) A full description of all business to be acted upon at the meeting shall be included on the agenda. The description should reasonably apprise the public of any potential Pension Board action.

§213 Quorum

a) A quorum of the Pension Board shall consist of at least three (3) Trustees who are physically present for the meeting. The approval of any and all Pension Board business shall require the affirmative vote of at least three (3) Trustees at any given meeting.

b) In the event that a Trustee cannot physically attend, the Pension Board may allow the Trustee to attend by audio/video conference, provided that all persons in attendance are able to hear/see the absent Trustee. However, the Trustee must give notice they wish to attend by audio/video conference to the Pension Board Recording Secretary or Clerk prior to the meeting. Remote attendance must be approved by roll call vote and the absence must be due to:
   1. Personal illness or disability;
   2. Employment purposes or the business of the public body
   3. Family or other emergency.

Cross Reference: 5 ILCS §120/1.02, 120/7.

§214 Roll Call Votes

A roll call vote will be taken if the Pension Board is acting upon any of the following items:

a) Expenditure of funds;
b) Selection or retention of vendors or other service providers;
c) Decisions regarding the award/denial of benefits;
d) Investment decisions;
e) Any final administrative decision; and
f) Any other item where any Trustee believes a roll call vote is appropriate.

PART 3 - PENSION BOARD OFFICERS AND EMPLOYEES

§301 Officers

The officers of the Pension Board shall be the President and Secretary. Cross Reference: §5/4-121

§302 Contractors/Vendors

a) The Pension Board may, in its discretion, retain independent contractors/vendors to carry out certain duties and functions of the Pension Board. The duties of any such independent contractors/vendors and their compensation will be established in writing and reflected in the minutes of the Pension Board meeting approving the relationship. All independent contractors/vendors will be retained on an at-will basis.

b) No person receiving a pension benefit shall be eligible for employment by the Pension Board.

Cross Reference: §5/4-122, §5/4-123, §5/4-127

§303 Duties of the President

The President shall preside over all functions and duties of the Pension Board, unless such functions or duties are specifically delegated to other Trustees, employees, or agents of the Pension Board. The President shall preside over all meetings of the Pension Board and execute all orders, certificates, and other documents necessary to carry out the affairs and activities of the Pension Board.

Cross Reference: §5/4-121

§304 Duties of the Secretary

The Secretary shall perform the following duties and functions: (1) be the custodian of all Pension Board records, minutes of the meetings, and documentation; (2) record and transcribe the minutes of all regular, special, and emergency meetings of the Pension Board; (3) execute any and all documents on behalf of the Pension Board; (4) certify the authenticity of all resolutions or documents of the Pension Board; and (5) perform all other duties necessary to the administration of the Pension Board. The Pension Board may retain an independent contractor/vendor to perform some or all of these duties. Cross Reference: §5/4-121

§305 Duties of The Treasurer

a) The Treasurer of the Municipality shall be the Treasurer of the Pension Board and shall perform the following duties and functions; (1) act as custodian of the Fund's assets and shall secure and safely keep the Fund's assets, subject to the control and direction of

the Pension Board; (2) keep all books and accounts concerning the Fund in such a manner as may be prescribed by the Pension Board.

b) The municipal Treasurer is an Ex-Officio member of the Pension Board. Cross-reference: §5/4-124: §5/4-130; Ch. 127-1/2 §26.

PART 4 - RECORDKEEPING AND REPORTING REQUIREMENTS

§401 Minutes of Meetings

The Pension Board shall keep and maintain minutes of all public meetings and separate minutes of matters heard in executive session. Minutes and audio/video recordings of all executive session meetings will be reviewed by the Pension Board on a semi-annual basis to determine if the matters contained in those minutes can now be disclosed to the public.

a) Minutes of all Pension Board meetings shall be kept in accordance with the recordkeeping provisions set forth in Part 4 of these Rules and the Open Meetings Act. Minutes shall be approved within 30 days of the meeting or at the second subsequent regular meeting, whichever is later.

b) Minutes shall include, but not limited to the following matters:

1. The date, time, and place of the meeting.
2. The members of the Pension Board recorded as either present or absent and whether the members were physically present or present by means of video or audio conference.
3. A summary of discussion on all matters proposed, deliberated, or decided, and a record of any votes taken.
4. Complete documentation of pensions granted (e.g. type, retirement/disability/survivorship, date, creditable service, rank, salary attached to rank, percentage applied, and monthly retirement/disability benefit);
5. Discussion and approval of recommended annual tax levy requirement as required by §5/4-134;
6. Approval of new Participants and date of entry into Pension Fund, date of separation from Pension Fund for terminated Participants, including the amount of any refund;
7. Approval and certification of amounts of annual increases to pensions;
8. Annual election of Pension Board Officers;
9. Terms of appointed or elected Trustees;
10. Reference to adoption of final administrative decisions published by the Pension Board.

Cross Reference: §5/4-129; 5 ILCS §120/2.06

§402 Correspondence File

a) The Pension Board shall maintain a general correspondence file with copies of all correspondence sent to or received by the Pension Board.

b) The Pension Board shall maintain a separate file for all attorney/client privileged communication between the Pension Board and its attorney.

§403 Contracts File

Contracts with independent contractors/vendors, legal counsel, investment managers/consultants, third-party custodians, and other persons retained by the Pension Board shall be maintained in file(s).

§404 Investment File

The Pension Board shall maintain an investment file containing all documentation and correspondence relating to investment activity.
Cross Reference: §5/4-128

§405 Litigation Files

a) The Pension Board shall maintain a separate file as to all litigation matters, whether imminent, threatened, probable, or pending. If the litigation involves the denial of a retirement pension or a disability pension, the litigation file may be maintained as a part of the applicant's personnel file.

b) All matters contained in the litigation file shall be considered confidential and not disclosable to the public except as required by law.

§406 Annual Report by the Pension Board

The Pension Board shall report annually to the Municipality on the condition of the Pension Fund at the end of its most recently completed fiscal year. The report shall be made prior to the municipal meeting held for the levying of taxes for the year for which the report is made. The Pension Board shall certify and provide all information to the Municipality as required by §5/4134 of the Illinois Pension Code.
Cross-reference: §5/4-134.

§407 Duty of the Municipality to Furnish Information

a) Upon the demand of the Pension Board, any official of the Municipality shall furnish a statement to the Pension Board relating to the Municipality's method of financing the Pension Fund or the handling of Pension Fund assets. All books and records of that municipal official shall be produced at any time for examination and inspection by the Board.

b) In the event the Treasurer, or any other municipal official refuses to produce such books and records, the Pension Board may exercise its subpoena power pursuant to §5/4-123.1 of the Pension Code in order to require the production of such books, records or testimony. The subpoena may require the treasurer or other municipal official to appear

at the regularly scheduled meeting of the Pension Board, or at any specially scheduled meeting called by the Pension Board. Cross Reference: §5/4-123.1

§408 Salary Information

The Pension Board shall annually request a copy of the Municipality's current appropriation or budget ordinance, any applicable collective bargaining agreements, and any relevant employment contracts.

§409 Recordkeeping as to Pension Fund Participants

a) A file shall be maintained on each active Firefighter who is a Participant and member of the Pension Fund. Each active Participant's file should contain the following documentation:

1) Application for Membership (including Tier status);
2) Copy of Participant's and dependent's birth certificate;
3) Copies of any and all documents related to dependent children/parent's physical or mental disability;
4) Copy of Participant's marriage certificate or certificate of civil union;
5) Copy of documentation evidencing military service;
6) A record of the Participant's contributions and service credits on an annual basis;
7) Yearly creditable service reports received from the Municipality or Fire Department (if any);
8) Copies of any and all documents related to applications for pension benefits;
9) All correspondence from the Participant and a copy of any correspondence to the Participant;
10) Copies of any and all documents related to any purchase or transfer of creditable service; and
11) Copies of any and all documents related to entry of a Qualified Illinois Domestic Relations Order (QILDRO).

b) Each Participant shall be required to complete a Participant Information Form. In the event the Participant or the Municipality fails or refuses to supply any of the documentation set forth above, the file shall contain a memorandum to that effect.

§410 Recordkeeping as to Retirees

A file shall be maintained on all retired members of the Pension Fund. Each retired member's file should contain the following documentation:

a) Application for retirement benefits
b) Documentation as to Benefit Computations shall include:
   1) Date of Birth;
   2) Date of Appointment;

3) Date of Retirement;
4) Creditable Service Records;
5) Applicable Pension Rates;
6) Salary attached to the rank held by the pension applicant, as defined by §5/4-118.1(d) of the Illinois Pension Code, and 4402 of the Illinois Administrative Code;

c) All documents previously maintained by the Pension Board;
d) Annual affidavit of continued eligibility.

Cross Reference: §5/4-109.

§411 Recordkeeping as to Disability Pension Beneficiaries

A file shall be maintained on all disability pension applicants who were granted either a duty, occupational disease, or non-duty disability. Each file should contain the following documentation:

a) Application for the disability pension;
b) Physician's statements and medical reports relating to the disability;
c) Transcript of Proceedings;
d) Decision and Order of the Pension Board;
e) Certificate of Payment;
f) Documentation as to benefit computation;
g) Annual physician's report as to continuing disability;
h) All documents previously maintained pursuant to §407 above;
i) Annual affidavit of continued eligibility.

Cross Reference: §5/4-110, §5/4-110.1, §5/4-111

§412 Recordkeeping as to Surviving Spouses

A file shall be maintained on each Beneficiary who is a surviving spouse of any Participant receiving benefits. Each file should contain the following documentation:

a) Application for surviving spouse benefits;
b) Marriage Certificate;
c) Death Certificate of Spouse;
d) Spouse's Birth Certificate;
e) Documentation relating to benefit computation;
f) All documents previously maintained by the Pension Board; and
g) Annual affidavit of continued eligibility.

Cross Reference: §5/4-114.

§413 Recordkeeping as to Dependents' Benefits

A file shall be maintained on each dependent of a Firefighter receiving benefits. Each file should contain the following documentation:

a) Application for dependent's benefit;

b) Birth Certificate of each dependent;
c) Adoption certificate, if applicable;
d) Details of benefit computation;
e) Any and all documents related to adult-dependent children's physical or mental disability;
f) All documents previously maintained by the Pension Board. Cross Reference: §5/4-115.1

§414 Recordkeeping as to Separated Members

A file shall be maintained on each Participant, and Pension Fund Participant who withdraws from the Pension Fund. Each file should contain the following information:

a) Written application withdrawing from the Pension Fund and requesting a refund of contributions;
b) Service date documentation;
c) Documentation as to how refund was computed;
d) Copy of canceled check or other documentation indicating payment of refund;
e) All documents previously maintained by the Pension Board.

§415 Recordkeeping as to Pension Fund Trustees

The Pension Fund shall maintain a separate file for each Pension Fund Trustee. Each Pension Fund Trustee's file should contain the following documentation:

a) Letters of appointment for appointed Trustees;
b) Proof of election for elected Trustees;
c) Verification of completion of required training; and
d) Annual statement of economic interest.

§416 Subpoenas

The Pension Board has the power to subpoena witnesses or documentation. The Pension Board shall retain a copy of each subpoena that is issued.
Cross Reference: §5/4-123.1

§417 Confidentiality

a) All records of the Pension Board shall be considered confidential and not subject to disclosure to the general public, unless required under applicable law.
b) Any Pension Fund Participant or Beneficiary may review his or her own file upon written request.

§418 **Freedom of Information Act Requests**

a) Any requests for information or to review documentation made pursuant to the Freedom of Information Act shall be handled by the Pension Board's Freedom of Information Act Officer. A copy of the request for information should be immediately sent to the Pension Board's Freedom of Information Act Officer.

b) Copies of all Freedom of Information Act requests and Pension Board's responses shall be retained by the Pension Board.

c) The Pension Board shall appoint a Freedom of Information Act Officer. Cross-Reference: 5 ILCS §140/1 *et seq*.

§419 **Open Meetings Act Training**

All Trustees must undergo mandatory Open Meetings Act training within ninety (90) days of election or appointment as required by P.A. 97-504.
Cross-Reference: 5 ILCS §120/1.05.

§420 **Current Address Requirement**

All Participants and Beneficiaries shall be required to notify the Pension Board of the current street address (not a Post Office Box) of their residence.

§421 **Records Retention**

The Pension Board shall comply with the provisions of the Illinois Local Records Act, 50 ILCS §205/1 *et seq*.

PART 5 - ELECTION OF PENSION BOARD TRUSTEES

§501 **Election of Board Trustees**

Active Participants shall elect two (2) active Firefighters to serve three (3) year terms as Pension Board Trustees. Beneficiaries shall elect one (1) Beneficiary to serve a three (3) year term as a Pension Board Trustee. The election shall be held on the third Monday in April of each election year.
Cross Reference: §5/4-121.

§502 **Term of Office**

The term of office of each elected Pension Board Trustee shall be three (3) years. The term of office of each elected Pension Board Trustee shall begin on the second Tuesday of the Month of May, following the election.

Cross Reference: §5/4-121.

§503 General Election Procedure

a) All elections will be supervised by Trustees who are appointed by the Municipality;
b) All contested elections will be conducted under the Australian ballot system, which means voting by secret ballot;
c) The Pension Board, by a majority vote of the Trustees, will hold elections in a manner that is consistent with the Pension Code. Elections will be conducted by mail, or will be held at a convenient place within the Municipality as determined by a majority vote of the Trustees; and
d) The Pension Trustees may appoint an independent contractor/vendor to conduct Trustee elections in a manner consistent with the Pension Code and these Rules Cross Reference: §5/4-121.

§504 Eligibility to Serve as a Trustee

a) All active Firefighters who are Participants of the Pension Fund are eligible to run for the Pension Board Trustee position representing the active Pension Fund Participants;
b) All disabled or retired Firefighters are eligible to run for the Beneficiary Pension Board Trustee position;
c) All Pension Board Trustees appointed or elected after August 13, 2009 shall be required to successfully complete the mandatory thirty-two (32) hour new Trustee training within eighteen (18) months of their appointment or election; and
d) All Pension Trustees shall be required to complete the annual training as mandated by §5/1-109.3(b)

Cross Reference: §5/4-121; §5/1-109.3; §5/1-113.18.

§505 Nomination and Voting Rights

a) For each nomination and for any election, no person shall be entitled to cast more than one (1) ballot.
b) At any election, each active Participant shall be entitled to nominate two (2) persons for the office of Pension Board Trustee representing the active Participants.
c) At any election, each active Participant shall be entitled to vote for two (2) persons for the office of Pension Board Trustee representing the active Participants.
d) At any election, each Beneficiary of legal voting age shall be entitled to nominate one (1) person for the office of Pension Board Trustee on behalf of the Beneficiaries;
e) At any election, each Beneficiary of legal voting age shall be entitled to vote for one (1) person for the office of Pension Board Trustee on behalf of the Beneficiaries;

f) A Pension Fund Participant or Beneficiary may nominate himself or herself for the office of Pension Board Trustee.

Cross Reference: §5/4-121.

§506 Mailing Lists

The Pension Board shall maintain a mailing list of all active Participants and all Beneficiaries of legal voting age, with current addresses, which will be utilized in the nomination and election of pension board Trustees.

§507 Nomination Procedure

a) The Pension Board shall distribute a Notice of Election and Request for Nominations to each Participant and Beneficiary who is eligible to vote. The notice shall advise each eligible voter of the upcoming election and instruct the process for nominating candidates for election to the Pension Board;
b) The Notice of Election shall specify all nominations must be received or postmarked by the Pension Board by a specified date;
c) Nominations received or postmarked after the specified date are invalid;
d) Active Participants may only nominate an active Participant for each active Participant Trustee position open for the next election;
e) Beneficiaries may only nominate a Beneficiary for the Beneficiary Trustee position for the next election;
f) To be included on the ballot, a nomination must be accepted by the nominee; and
g) All Participants or beneficiaries who are nominated in accordance with this Section, will have his or her name placed on the election ballot.

§508 Elections by Acclamation

Should the number of Nominees equal the number of open Trustee positions, in any given election year, those Nominees are deemed elected by acclamation.

§509 Contested Election

In any election with more than one (1) Nominee for an open Trustee position, the following procedure shall apply:

a) A ballot with the name(s) of Nominee(s) will be delivered to each eligible voter;
b) Ballots will be distributed with sufficient time in advance of the scheduled election which shall be held the third Monday in April of the applicable year;
c) Each ballot shall include directions for submission of the ballot;
d) Election results shall be certified by the Pension Board;
e) The Pension Board shall make all determinations regarding the validity of all ballots;

f) Any and all allegations of election fraud or wrong-doing related to the election process shall be submitted in writing and supported by a sworn statement to the Pension Board;

g) When appropriate to maintain the integrity of the election process, the Pension Board, in its discretion, may order a new election; and

h) The nominee(s) receiving the most votes is/are deemed the winner(s). Cross Reference: §5/4-121.

§510 Tied Elections

a) In the case of a tie with multiple candidates receiving the highest vote total, all other candidates will be eliminated from any the tie-breaking procedure;

In the case of a tie, any number of candidates may withdraw their name from consideration prior to the tie-breaking procedure. If one (1) candidate remains, that candidate will be declared the winner; In case of ties, the Pension Board shall determine by lot which candidate or candidates have been elected and for what term or terms respectively.

§511 Special Elections

a) Upon the death, resignation, removal, or inability to act of any elected Trustee, his or her successor shall be elected for the unexpired term of such Trustee, at a special election called by the Pension Board; and

b) Any specially elected Trustee will follow the nomination and election procedures set forth in these Rules Cross Reference: §5/4-121.

§512 Election Results

The results of all elections for Trustee shall be posted in the same manner that other notices are posted.
Cross-Reference: §5/4-121.

PART 6 – ADMISSION, WITHDRAWAL, AND RETIREMENT PROCEDURES

§601 Eligibility for Admission into the Pension Fund

a) In order for an individual to be admitted into the Pension Fund, he or she need only meet the following requirements:

1. The individual must be appointed to the Fire Department and must be sworn and commissioned to perform the duties of a Firefighter; and
2. Within three (3) months of receiving appointment or reappointment, he or she makes written application to the Pension Board for admission into the Pension Fund.

b) A probationary Firefighter is eligible for membership in the Pension Fund, provided the other requirements of Section 5/4-107 of the Pension Code and Section 601.1(a) set out above are met.

Cross-reference: §5/4-107.

§602 Persons Excluded

The following individuals are ineligible for admission into the Pension Fund:

a) Volunteer or paid on call Firefighters;
b) Part-time Firefighters;
c) Civilian, non-sworn employees of the Fire Department.

§603 Written Application

a) Written application for membership shall be made on a form prescribed by the Pension Board;
b) All sworn Firefighters will be given an application form and advised of the requirement to make written application within three (3) months after his or her first appointment.

§604 Determining When a Firefighter is Appointed, Sworn, and Commissioned

a) A Firefighter, including the Fire Chief, can only be appointed to the Fire Department by the City of Crystal Lake City Manager.
b) It is the duty of the Pension Board to ascertain that all Firefighters seeking admission into the Pension Fund have been properly appointed, sworn, and commissioned.

Cross-references: §5/4-106; §5/4-107; *Peo. ex rel. Gasparas vs. Gualano*, 88 Ill.App.2d 227, 231 N.E.2d 669 . *Young vs. Worth Police Pension Fund*, 57 Ill.App.3d 689, 373 N.E.2d 708 (1978). City Code 89-3.

§605 Refund

a) A Firefighter with less than twenty (20) years of service who (1) resigns or is discharged, or has been involuntarily laid off for other than disciplinary reasons for more than one hundred eighty (180) calendar days and (2) has not received any disability payments, is entitled to a refund of his or her total contributions during such service;
b) Any Firefighter receiving a refund forfeits and relinquishes all accrued rights in the Fund, including creditable service;
c) In the event of reemployment with the Fire Department, the Firefighter shall, prior to commencing service, repay to the Pension Fund, to the extent that the Municipality has not made such contributions on his or her behalf, the amount of any refund which he or she received upon resigning or being discharged. Upon

repayment of this refund, the Firefighter shall receive credit for the previous years of service for which he or she had received the refund;

d) A Firefighter is not permitted to receive a refund or otherwise withdraw from participation in the Pension Fund for reasons or other circumstances as are set forth above.

Cross-reference: §5/4-116

§606 Refund to Survivors

a) The surviving spouse of a Firefighter who dies with less than ten (10) years of creditable service shall be entitled to a refund of the Firefighter's contributions, if the surviving spouse makes a written request for such refund;

b) If a Firefighter dies leaving no eligible survivors, the Pension Board shall refund to the Firefighter's estate the amount of his or her accumulated contributions less the amount of pension payments, if any, made to the Firefighter while living, if the heirs or estate make a written request for such refund;

c) Any refund paid under this Section, shall be paid without interest;

d) Any refund paid under this Section shall bar the surviving spouse, the heirs or the estate of the deceased Firefighter from any further participation in the Pension Fund or the receipt of any future Pension Fund benefits; and

e) Upon receipt of the written refund request from the surviving spouse, heirs or estate, the Pension Board shall issue a refund of the Firefighter's contributions, less any applicable withholding, within thirty (30) days after the Pension Board approves the refund.

Cross-reference: §5/4-109; §5/4-114.

§607 Readmission into the Pension Fund

a) A Firefighter who is separated from fire service and receives a refund of his or her contributions and is subsequently re-appointed to the Fire Department and who applies for re-admission into the Pension Fund, will be entitled to readmission if each of the following conditions are met:

1. A Firefighter, upon readmission into the Pension Fund, may upon written request, have his or her previous creditable service restored provided the Firefighter has repaid the previous refund he or she received as required under the Pension Code.
2. A Firefighter can apply for readmission into the Pension Fund without repayment of the amount refunded. However, the Firefighter shall be treated as an entirely new pension fund Participant and there shall be no reinstatement of his or her previous creditable service.

Cross-references: §5/4-107; §5/4-111; *Fairview Heights Police Pension Board vs Mathias*, 92 Ill.App.3d 559, 416 N.E.2d 52 (1981).

§608 Retirement Procedures

a) A Firefighter who elects to retire from fire service shall be eligible to receive a retirement pension provided that the Firefighter meets the requirements of §5/4-109 of the Pension Code;

b) A Firefighter who elects to retire must make written application to the Pension Board, on a form prescribed by the Pension Board;

c) Upon receipt of an application for retirement benefits, the Pension Board, or its accountants, shall immediately verify the following:

1. The Firefighter's dates of service, including any periods of military service, or leaves of absence, and/or disciplinary suspensions;
2. The Firefighter's date of birth;
3. The monthly salary attached to the Firefighter's rank on the day of retirement; and
4. Any additional pensionable items prescribed by 50 Ill. Adm. Code, Part 4402.20-4402.40.

d) Upon verification of items set forth above, the Pension Board or its accountants shall forward a copy of the Firefighter's retirement calculations and place the matter on the agenda for the next scheduled pension board meeting;

e) In the event the Pension Board determines that there is a dispute as to the amount of "salary" attached to the Firefighter's rank for retirement purposes, the Pension Board, in its discretion may hold an administrative hearing, following the procedures set forth in Part 7 of these Rules and Regulations;

f) The effective date of a retirement pension shall be the date of eligibility for retirement benefits or date of application for retirement benefits, whichever is later;

g) The Pension Board may issue a final written decision and order for retirement applications; and

Cross Reference: 40 ILCS §5/4-109, §5/4-118.1, 50 Ill. Adm. Code, Part 4402.10 *et seq.* *Sedlock v. Board of Trustees of the Police Pension Fund of City of Ottawa*, 367 Ill.App.3d 526 (3d Dist. 2006).

§609 Retirement Decisions and Orders

Should the Pension Board elect to issue a retirement decision and order, said decisions and orders for retirement benefits shall contain the following:

a) Age of Applicant;
b) Date of Appointment;
c) Date of Retirement;
d) Effective date of benefit;
e) Creditable Service (including but not limited to any breaks in service);
f) Determination of applicable salary attached to rank; and
g) Percentage of applicable salary attached to rank based upon creditable service.

PART 7 – HEARINGS

§701 Applicability

These Rules and Regulations are applicable to all hearings held before the Pension Board.

§702 Hearing Procedures

a) When requested by the applicant, an interested party with standing (as determined by the Pension Board), or ordered by the Pension Board, the Pension Board may hold a hearing;
b) The hearing procedures are those procedures set out in this Part; and
c) A request for a hearing must be made in writing.

§703 Intervention

a) An interested party with standing (as determined by the Pension Board), may petition to intervene into a hearing ("Petitioner");
b) The Petitioner bears the burden to prove entitlement to intervene;
c) The decision whether to grant or deny a petition to intervene will be made within the sound discretion of the Pension Board, however, that decision must not be an abuse of discretion.
d) Upon filing of a pension application, a copy of the redacted application will be distributed to the City Manager by paper or electronic means. Attached to this correspondence, the Pension Board may include a notice with a proposed deadline for filing any petitions to intervene. The deadline to file a petition to intervene shall be no later than 30 business days from the date the City Manager receives the notice absent good cause shown. The Pension Board attorney shall provide written and electronic notice to the City Manager.
e) Any other petition to intervene not timely submitted in writing may be denied, absent good cause shown;
f) To the extent practicable, petitions to intervene should contain the following:

1. All factual and legal basis supporting intervention, including any specific interests that a petition has with respect to intervention.
2. What, if any, delays are anticipated should the Petitioner be permitted to intervene;
3. The identity and contact information for all lay and/or expert witnesses known to the Petitioner, having information relevant to the hearing;
4. A summary of all known evidence, including but not limited to testimony of lay and/or expert witnesses expected to be presented at the hearing by the Petitioner; and
5. Proof of service on the Pension Board and all parties to the hearing.

g) Any interested party shall have an opportunity to file a written response to the petition to intervene;

h) Should an interested party file a written response to the petition to intervene, the Pension Board may hold a hearing regarding the petition;

i) Should no interested party object to the petition to intervene, the Pension Board may summarily grant the petition;

j) Any decision regarding a petition to intervene will be an interim, non-final, decision by the Pension Board;

k) For any petition granted, the Pension Board may impose conditions on the Intervenor's participation; and

l) All Petitioners shall be issued a copy of any final written decision and order approved by the Pension Board.

§704 Burden and Quantum of Proof

a) In all benefit claims, the burden of proof is on the applicant to prove his/her entitlement to a benefit, by a preponderance of the evidence; and

b) Any suspension, termination, divestiture, revocation, reduction, or rescission of a benefit must be supported by a preponderance of the evidence.

Cross Reference: §5/4-110; §5/4-111; *Wall v. Schaumburg Police Pension Board*, 178 Ill.App.3d 438 (1989); *English v. Northfield Police Pension Board*, 172 Ill.App.3d 344 (1988).

§705 Filing of Documents

a) All documents, applications, briefs, or motions required or permitted to be filed with the Pension Board under these Rules or the Pension Code, may be either mailed or delivered to the Pension Board and its attorneys.

b) Unless ordered otherwise by the Board, the date of filing shall be the date the document is received by the Board, or the date of mailing, whichever is earlier.

c) When approved by the Pension Board, electronic service may be permitted.

§706 Form of Documents

a) All documents filed pursuant to any hearing under these Rules shall clearly show the Pension Board hearing number (if any) and the caption of the proceedings.

b) All documents shall be signed by the party or his or her attorney.

§707 Computation of Time

a) Computation of any period of time prescribed by this Rule shall begin with the first business day following the day on which the act, event, or development initiating such period of time occurs, and shall run until the end of the last day, or the next following business day if the last day is a Saturday, Sunday, or legal holiday. Where

the period of time is five (5) days or less, Saturdays, Sundays, and legal holidays shall be excluded in the computation of time.

b) Notice requirements shall be construed to mean notice received, but proof notice was dispatched by means reasonably calculated to be received by the prescribed date shall be *prima facie* proof notice was timely received, unless otherwise specified by law.

§708 Appearances

a) Any person entitled to participate in proceedings may appear as follows:
   1) A natural person may appear in his own behalf or by an attorney at law licensed to practice in the State of Illinois, or both.
   2) A business, nonprofit, or government organization may appear by any *bona fide* officer, employee, or representative, or may be represented by an attorney licensed to practice in the State of Illinois, or both.

b) An attorney appearing in a representative capacity before the Pension Board shall file a written notice of appearance. There is no specified appearance form. Any notification in writing in the form of a letter to the Pension Board will serve as an appearance.

§709 Notice of Hearing

a) All administrative hearings conducted by the Pension Board shall be initiated by the Pension Board issuing a written Notice of Hearing, which shall be served upon all parties of record and any attorney who has filed an appearance.

b) The Notice of Hearing shall inform the party of the purpose for the hearing and state the date, time, and place of the hearing.

§710 Service of the Notice of Hearing

a) Service of the Notice of Hearing shall be complete when the Notice is served in person, or when issued electronically, or deposited in the United States Mail, with postage prepaid, by priority mail signature confirmed, addressed to the last known address of the person involved, not less than ten (10) days before the date designated for the Hearing, unless agreed to by the parties.

b) A party waives any claim of faulty or untimely Notice of Hearing by participating in the Hearing.

§711 Rights of the Parties Prior to Hearing

a) Any party has the right to be represented by counsel, at his or her own expense.

b) Any party may inspect and review all non-privileged Pension Board records pertaining to the case and may obtain copies of any such records at his or her own expense.

c) Through service of a subpoena, any party, or the Pension Board, may compel the attendance of any person who may have information relevant (as determined by the Pension Board or hearing officer) to the needs, abilities, or the status of the case.

§712 Subpoenas

a) The Pension Board has the power to subpoena witnesses or documents. The Pension Board shall issue a check with each subpoena for mileage or witness fees as provided by law when the subpoena is issued on the Pension Board's own behalf.

b) At the request of any party to a proceeding before the Pension Board, the Pension Board may execute and issue subpoenas. The party requesting the subpoena shall prepare the subpoena in a form acceptable to the Pension Board. The requesting party is responsible for service of the subpoena. The party requesting the subpoena is solely responsible for the payment of any mileage or witness fees as stated in the Illinois Code of Civil Procedure. The party requesting the subpoena of an expert must pay all expert witness fees in advance of the issuance of the subpoena. Cross Reference: §5/4-123.1

§713 Continuance or Postponement of Hearings

A hearing may be continued for good shown cause as determined by the Pension Board. All parties involved in a hearing shall attempt to avoid undue delay caused by repetitive postponement or continuances, so that the matter may be resolved in an expeditious manner. Repeated requests for continuances are disfavored.

§714 Conduct of the Hearing

a) All hearings shall be open to the public unless otherwise permitted;

b) All hearings shall be conducted in a fair, impartial, and orderly manner;

c) Unless otherwise limited, generally, the Pension Board shall afford a party the opportunity to present evidence, testimony, and arguments relative to the merits of the case, subject to the discretion of the presiding official;

d) The formal rules of evidence need not be followed at a hearing; Although a hearing process is relaxed related to the rules of evidence, rules of fundamental fairness, including hearsay, still apply;

e) The Pension Board's Presiding Official will rule on all evidentiary matters or legal determinations; and

f) The following shall be the order of proceedings on all hearings, subject to modification by the presiding official, for good cause shown:

1. Presentation and disposition of all motions or matters preliminary to the hearing;
2. The party or counsel may make an opening statement;
3. The party may then present any evidence or witnesses to support the claim;

4. The Pension Board or legal counsel may then ask questions or cross examine witnesses;
5. The Pension Board may then introduce any documentation regarding the disability or call any witnesses (unless already admitted by agreement);
6. The party or counsel may then ask questions or make objections;
7. The party or counsel may then make a closing statement, or in the alternative and as deemed appropriate by the Pension Board, submit a post-hearing brief;
8. Evidence may then be closed;
9. The Pension Board may then take motions, deliberate in closed session, take the matter under advisement, or request additional evidence; and
10. After deciding the matter by majority vote in open-session, a written final administrative decision and order will be voted on and approved during a properly noticed public meeting.

Cross Reference: *Sanders v. Springfield Police Pension Board*, 112 Ill.App.3d 1087 (1983); *Howe v. Ret. Bd. of Firemen's Annuity & Ben. Fund of Chicago*, 2013 IL App (1st) 122446; *Baldermann v. Bd. of Trustees of Police Pension Fund of Vill. of Chicago Ridge*, 2015 IL App (1st) 140482.

§715 Evidence Depositions and Testimony of Experts

a) At the discretion of the Pension Board or presiding official, the parties may be permitted to present relevant testimony of experts and other witnesses for in-person testimony, telephonic, electronic, or by evidence deposition.
b) Notice of evidence depositions will be provided in the same manner as hearings.
c) Up to two members of the Pension Board may attend evidence depositions.
d) The party requesting an evidence deposition of a witness shall pay all costs and fees associated with securing that testimony.
e) Should a party object, on the basis of hearsay or foundation, to one of the independent medical examiners selected by the Pension Board, as mandated by §5/4-112, the objecting party shall pay all costs and fees associated with securing that expert witness' live testimony or deposition. Otherwise, the objecting party is deemed to have waived the objection.
f) Unless specifically approved otherwise, the Pension Board will provide the official court reporter for all testimony submitted at the hearing (including depositions).
g) The Pension Board will order the original transcript to be included in the official administrative record.
h) Parties shall pay for their own copies of transcripts created by a certified court reporter.

§716 Record of Proceedings

Unless determined otherwise, the Pension Board shall ensure a verbatim record of the hearing is made by a court reporter. The Board shall also ensure all evidence presented at the

hearing is marked to indicate the party offering the evidence and is made part of the administrative record. Parties may obtain a copy of the verbatim record of the hearing at their own expense.

§717 **Authority of the Presiding Official**

a) The Pension Board President, any Pension Board Trustee, or the Pension Board's attorney, selected by the majority of the Trustees, may be appointed the Presiding Official (commonly referenced as a "Hearing Officer") at the hearing by a majority vote of the Trustees.

b) Absent the Pension Board selecting a Presiding Official, the Pension Board President shall act as the Presiding Official.

c) The Presiding Official will guide the Pension Board and maintain an orderly hearing process in areas such as the following:

1. Regulate the course of hearings, continue hearings, set the time and place for continued hearings, rule on objections, fix time for filing of documents, provide for the taking of testimony by deposition if necessary, and generally conduct the proceeding according to generally recognized administrative law and this Part;
2. Examine witnesses and direct witnesses to testify, limit the number of times any witness may testify, limit repetitious, irrelevant, prejudicial, or cumulative testimony, and set reasonable limits on the amount of time each witness may testify;
3. Rule upon offers of proof and receive relevant evidence, with the advice of counsel;
4. Limit the participation of an Intervenor;
5. Direct parties to appear and confer for the simplification of issues, and to otherwise conduct prehearing conferences;
6. Dispose of procedural requests or similar matters;
7. Set briefing schedules;
8. Grant or deny requests for continuance; and
9. Enter any order that further carries out the purpose of this Part.

d) In the event the Pension Board's attorney is appointed to serve as the Presiding Official, the attorney shall not vote on the matter. However, the attorney may advise the Pension Board, attend deliberations if requested, and prepare a preliminary written decision and order on behalf of the Pension Board. The attorney shall not assume a prosecutorial role and shall not attempt to unduly influence the Pension Board's decision.

e) Any ruling or decision made by the Presiding Official may be overruled by a simple majority vote of the Pension Board.

Cross Reference: *McKee v. Bd. of Trustees of Champaign Police Pension Bd.*, 367 Ill.App.3d 538 (4th Dist. 2006).

§718 **Written Decisions**

a) All final administrative decisions of the Pension Board shall be in writing in the form of a decision and order and served on all parties;

b) No written decision and order is final until placed for service after being approved by at least three affirmative votes at a properly noticed public meeting;

c) All final administrative decisions of the Pension Board shall be accompanied by a Certificate of Service indicating on whom the order was served, the date, and the manner of service;

d) Service may be made by either personal delivery, signature required mail service, or as otherwise agreed to by the parties;

e) Decisions and orders shall be deemed to have been served when a copy of the decision is personally delivered to the party or when the decision and order is deposited in the United States mail in a sealed envelope, with postage prepaid, addressed to the party affected thereby at his/her/its last known address, whichever is earlier.

Cross Reference: 735 ILCS §5/3-101 *et seq.*

§719 **Certificate of Payment**

When benefits are awarded, the Pension Board shall issue a Certificate of Payment signed by the President and Secretary of the Pension Board.

Cross Reference: §5/4-125, §5/4-132

§720 **Disability Pension Applications**

a) The Pension Board only has jurisdiction to consider applications for disability benefits filed by Firefighters when still employed;

b) All applications for a duty disability pension under §5/4-110 of the Pension Code, occupational disease under §5/4-110.1, or for a non-duty disability pension under §5/4-111 of the Pension Code shall be made on an Application for Disability Benefits, which will be supplied by the Pension Board;

c) All applicants must fully complete the entire application approved by the Pension Board. A copy of the application form is available upon request;

d) The application must be signed by the applicant under oath and notarized, or if under a legal disability, the applicant's legal representative may execute the application on the applicant's behalf;

e) An application is deemed filed when the completed and signed application approved by the Pension Board is received by the Pension Board, or its counsel, or the date it is post-marked, whichever is earlier;

f) Applicants shall execute authorization(s) for release of all relevant medical, psychological, psychiatric, and related records from all health care providers providing treatment, diagnoses, or evaluation of the applicant for any condition

related to his/her request for disability benefits; Cross Reference: §5/4-110; §5/4-110.1; §5/4-111.

§721 Medical Examination Procedure in Disability Pension Claims

a) Upon receipt of an application for a disability benefits and copies of all relevant records, the Pension Board shall schedule no less than three medical examinations by physicians selected by the Pension Board or its designee;

b) The Pension Board, in its sole discretion, may select any of the applicant's treating physician(s) provided the prior medical reports and certificates of disability are presented to the Pension Board;

c) The Pension Board will schedule the medical examinations with the appropriate physicians and then notify the disability applicant of the scheduled examination on a Notice of Medical Examination Form;

d) Each physician selected by the Pension Board shall be required to submit a signed detailed medical report indicating whether the applicant is disabled and whether the disability renders necessary his or her suspension from fire service. The physician shall also indicate, in appropriate cases, whether the alleged sickness, accident, or injury was incurred in or resulted from the performance of an act of firefighting duty. The physician shall identify the basis of their opinions. The physician may also provide any other opinions requested by the Pension Board;

e) The Pension Board, in its discretion, may require additional evidence of disability;

f) Unless good cause (e.g. a *bona fide* medical emergency) is shown by the applicant, all fees and costs associated with rescheduling or cancelation of an appointment with the physician(s) selected by the Pension Board will be paid by the applicant;

g) Absent good cause shown, if the applicant does not make payment for the cancellation to the Pension Board within sixty (60) days of the cancelled appointment, the Pension Board may consider the application abandoned or withdrawn by the applicant.

Cross Reference: §5/4112

§722 Loss or Revocation of Pension Rights or Benefits

a) If the Pension Board determines that any Participant or Beneficiary may have his or her pension benefits forfeited, suspended, reduced, rescinded, revoked, or terminated, the Participant or Beneficiary shall be entitled to a hearing before the Pension Board;

b) The hearing procedure to be followed in such cases are those procedures set out in this Part.

Cross Reference: §5/4-112; §5/4-138; *Janata v. Hillside Police Pension Board*, 146 Ill.App.3d 924 (1986); *Moore v. Sanitary Dist. Trustees' Annuity and Benefit Fund,* 157 Ill.App.3d 158 (1987)

PART 8 – ANNUAL EXAMINATION OF DISABLED FIREFIGHTERS

§801 Annual Examination of Disabled Firefighters

a) Firefighters who have yet to reach the age of fifty (50), receiving a disability pension shall be required to submit to an examination by a physician selected by the Pension Board, or its designee, on at least an annual basis, to verify the continuing eligibility for benefits;

b) Unless good cause (e.g. a *bona fide* medical emergency) is shown by the applicant, all fees and costs associated with rescheduling or cancelation of an appointment with one of the physicians selected by the Pension Board will be paid by the applicant. If the applicant does not make timely payment to the Pension Board, the amount owed may be deducted from future monies paid to the applicant by the Pension Board;

c) Examinations will be conducted by a physician whose office is located within the State of Illinois. Under certain circumstances, the Pension Board, in its sole discretion, may have the examination performed by a physician whose office is within fifty (50) miles of the Illinois border;

d) Disabled Firefighters are responsible for their own expenses associated with being examined;

e) In the Pension Board's discretion, or at the disabled Firefighter's request, a hearing may be held to determine the officer's eligibility to continue receiving disability benefits;

f) In the Pension Board's discretion, it may require the disabled Firefighter to provide additional medical or other relevant information relating to the Firefighter's continued disability;

g) If a disabled Firefighter does not comply with any order related to the Pension Board's determination of eligibility to continue receiving disability benefits, that Firefighter's benefits may be suspended until compliant.

Cross Reference: §5/4-112, 5/4-117.

PART 9 – AFFIDAVIT OF CONTINUING ELIGIBILITY

§901 Annual Affidavits of Continuing Eligibility

a) So as to avoid fraud and/or abuse, at least once per year, all Beneficiaries shall be required to complete an affidavit of continuing eligibility on a form provided by the Pension Board;

b) Said form will be signed under oath and notarized;

c) If a Beneficiary does not return a completed, signed, and notarized affidavit, after two notices, that Beneficiary's benefits may not be paid electronically and shall be available for in person pick-up (with a government issued I.D.) at a place to be determined by the Pension Fund until the Beneficiary is compliant.

PART 10 – TRUSTEE REIMBURSEMENT

§1001 Trustee Expenses and Reimbursements

a) The Illinois Pension Code authorizes the Pension Board to pay reasonable and necessary expenses for the administration of the Pension Fund, including travel and Trustee attendance at training seminars;

b) The following expenses incurred by a Trustee in their capacity as a Pension Board Trustee, in Pension Board authorized business, shall be paid and/or reimbursed by the Pension Board:

1. Travel – there shall be a per mile travel expense when Trustees use personal vehicles for Pension Board business which will be computed at the same rate authorized by the US Internal Revenue Service. Travel requiring air travel will only be reimbursed at a coach fare;
2. Meals – Trustees shall be entitled to reimbursement or a reasonable per diem to be set by the Pension Board for the reasonable costs of meals while attending training conferences, seminars or other authorized Pension Board business. No reimbursement shall be made for any purchase or consumption of alcoholic beverages; and
3. Lodging – Trustees shall be entitled to reimbursement for lodging at a standard room rate.

c) Prohibitions

1. Trustees shall not be entitled to reimbursement for any expenses incurred for spouses of Trustees;
2. Trustees shall not be entitled to reimbursement for lost wages;
3. No expenses for "Entertainment" as defined by 50 ILCS 150/25 will be reimbursed. "Entertainment" includes, but is not limited to: shows, amusements, theaters, circuses, sporting events, any other place of public or private entertainment or amusement unless ancillary to the purpose of the program or event;

d) Substantiation of Expense: Trustees shall provide documentation of any expenses incurred for which they are seeking reimbursement, and the documentation must be submitted to the Secretary before the Pension Board votes for payment of reimbursable expenses;

e) With prior approval of a majority of the Pension Board at a Pension Board meeting, the Pension Board may authorize pre-payment of air fare, meals, per diem, and/or lodging expenses.

Cross Reference: §5/1-110(b)(2), 5/4-127

PART 11 – TRUSTEE ETHICS

§1101 Statement of Economic Interest

All Trustees shall be required to file a "Statement of Economic Interest" as required by the Illinois Governmental Ethics Act, on or before May 1st of each year. Cross Reference: 5 ILCS §420/4A-101.

§1102 Conflicts of Interest and Ethics

No Trustee shall engage in any transaction or vote in any matter in which the Trustee shall receive any direct or indirect personal gain. This shall not include, however, employee Trustees voting on benefit increases applicable to all Pension Fund Participants and beneficiaries.

§1103 Disclosure of Conflicts

Prior to voting on any matter in which a fiduciary would reasonably believe a conflict of interest exists, the Trustee shall publicly announce the conflict and refrain from voting. The conflict statement required by law shall be recorded in the minutes of the Board meeting. In determining whether a conflict exists, Trustees shall in all actions endeavor to avoid the appearance of impropriety.

§1104 Prior Communication with Benefit Applicants

Trustees shall not engage in prior communications with any applicant for benefits on any matter that is currently pending a hearing before the Board of Trustees. This shall not preclude Trustees from answering questions of general application to Participants where the information provided involves a restatement of benefits under the Pension Code and does not involve consideration of matters which will be presented in any evidentiary proceeding. All requests for information in conflict with this Rule shall be referred in writing to the Pension Board's attorney for written response.

§1105 Standard of Care

The Pension Board takes action at properly noticed meetings. Nonetheless, Pension Trustees should remain cognizant that statements regarding benefits may be relied upon (reasonably or unreasonably) by Participants and/or beneficiaries. Trustees, in addressing benefit questions by Participants, should clearly indicate they are in no way capable of binding the Fund and that all questions are ultimately settled by the Board. This Rule further makes clear to Participants and/or beneficiaries no Pension Board Trustee can bind the Pension Board without formal approval of the Pension Board.

§1106 Prior Communication with Potential Contractors/Vendors

All contacts by potential contractors/vendors shall be referred to the Board.

§1107 Fraud

Any person, Participants, Pension Trustee, or employee of the Board who knowingly makes any false statement or falsifies or permits to be falsified any record of a fund in any attempt to defraud such fund as a result of such act, or intentionally or knowingly defrauds a fund in any manner, is guilty of a Class A misdemeanor.
Cross Reference: §5/4-138.5

§1108 Municipal Gift Ban Act

All Trustees shall comply with the provisions of the Municipality 's local gift ban ordinance or resolution.
Cross Reference: 40 ILCS §5/1-125.

PART 12 – PURCHASE OF CREDITABLE SERVICE FOR FMLA/SUSPENSION TIME LEAVES OF ABSENCE OR FURLOUGHS

§1200 Receipt of Credible Service

Pursuant to 40 ILCS 5/4-108 of the Illinois Pension Code a firefighter may receive credible service for all unpaid FMLA/disciplinary suspension/and military leaves of absence, leaves of absence or furloughs, provided that required firefighter contributions will be made pursuant to section 5/4-118.1 of the Illinois Pension Code.

§1201 Obtaining Credible Service for Unpaid FMLA Leaves and Leaves of Absence and Furloughs

A firefighter may obtain credible service for unpaid FMLA leave, leaves of absence or furloughs, by paying required firefighter contributions to the pension fund within 90 days of termination of the FMLA leave, leaves of absences or furloughs, without interest. Failure to pay the required amounts shall result in the firefighter not receiving credible service for these unpaid periods.

§1202 Obtaining Credible Service for Unpaid Disciplinary Suspension

A firefighter may obtain credible service for unpaid disciplinary suspension time by paying the required firefighter contributions to the Pension Fund within 90 days from the date of the suspension, the arbitrators award or final court disposition whichever is later. Failure to pay the

required amounts shall result in a firefighter not receiving credible service for these unpaid periods of disciplinary suspension.

PART 13 – PURCHASE OF PRIOR MILITARY SERVICE

§1300 Purchase of Prior Military Service

Pursuant to 40 ILCS 5/4-108, the Pension Board will accept as creditable service for each Firefighter, periods of service by such Firefighter in the military, naval or air forces of the United States entered upon before beginning service as an active Firefighter of the Fire Department.

§1301 Application

A Firefighter shall make written application to the Pension Board to purchase his or her prior military service pursuant to §5/4-108(c) of the Pension Code.

§1302 Qualified Military Service

The prior military service must have been either regular active military service or active reserve or National Guard service. Active reserve or National Guard service shall include service when the Firefighter was actually deployed on training, combat or combat support operations. The service must be documented on an official DD Form 214 (Certificate of Release or Discharge from Active Duty) or other official documentation acceptable by the Board. The total amount of such creditable service shall not exceed two (2) years.

§1303 Necessary Contributions for Military Service

The contribution to the pension fund required to purchase the prior military service shall be equal to the amount required by Illinois State statute and the Rules of the Board. The amount of the contribution shall be determined by a qualified actuary. The contribution required of the Firefighter must be paid to the pension fund before the Firefighter terminates service in the fire department. The required contribution must be paid in a lump sum. To receive credit for the military service, the firefighter must make contributions to the Pension Fund equal to (i) the employee contributions that would have been required had the service been rendered as a member, plus (ii) an amount determined by the Pension Fund to be equal to the employer's normal cost of the benefits accrued for that military service, plus (iii) interest at the actuarially assumed rate provided by the Department of Financial and Professional Regulation, compounded annually from, the first date of membership in the fund to the date of payment on items (i) and (ii).

§1304 Timing of Payment of Contributions

If the contributions have not been paid in full within the required time, the creditable service shall not be granted and all monies previously paid shall be refunded to the firefighter or his surviving spouse or the estate.

PART 14 – QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDERS

The Pension Board is required to accept a Qualified Domestic Relations Order (QILDRO) issued by a court of competent jurisdiction, issued pursuant to the provisions of 40 ILCS §5/1-119 of the Illinois Pension Code.

PART 15 – INVESTMENT POLICIES

§1501 Incorporation of Investment Policy

The Pension Board's Investment Policy is attached hereto as Appendix 1 of these Rules and Regulations.

§1502 Investment Advisers and Investment Services

a) The Board of Trustees of a pension fund may appoint investment advisers as defined in Section 1-101.4. The Board of any pension fund investing in common or preferred stock under Section 1-113.4 shall appoint an investment adviser before making such investments. The investment adviser shall be a fiduciary, as defined in Section 1-101.2, with respect to the pension fund and shall be one of the following: (1) an investment adviser registered under the federal Investment Advisers Act of 1940 and the Illinois Securities Law of 1953; (2) a bank or trust company authorized to conduct a trust business in Illinois; (3) a life insurance company authorized to transact business in Illinois; or (4) an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.

b) Notwithstanding any other provision of law, a person or entity that provides consulting services (referred to as a "consultant" in this Section) to a pension fund with respect to the selection of fiduciaries may not be awarded a contract to provide those consulting services that is more than five (5) years in duration. No contract to provide such consulting services may be renewed or extended. At the end of the term of a contract, however, the contractor is eligible to compete for a new contract. No person shall attempt to avoid or contravene the restrictions of this subsection by any means. All offers from responsive offerors shall be accompanied by disclosure of the names and

addresses of the following: (1) The offeror. (2) Any entity that is a parent of, or owns a controlling interest in, the offeror. (3) Any entity that is a subsidiary of, or in which a controlling interest is owned by, the offeror. Beginning on July 1, 2008, a person, other than a Trustee or an employee of a pension fund or retirement system, may not act as a consultant under this Section unless that person is at least one of the following: (i) registered as an investment adviser under the federal Investment Advisers Act of 1940 (15 U.S.C. 80b-1, *et seq.*); (ii) registered as an investment adviser under the Illinois Securities Law of 1953; (iii) a bank, as defined in the Investment Advisers Act of 1940; or (iv) an insurance company authorized to transact business in this State.

c) All investment advice and services provided by an investment adviser or a consultant appointed under this Section shall be rendered pursuant to a written contract between the investment adviser and the Board, and in accordance with the Board's investment policy. The contract shall include all of the following:

1. Acknowledgement in writing by the investment adviser that he or she is a fiduciary with respect to the pension fund;
2. The Board's investment policy;
3. Full disclosure of direct and indirect fees, commissions, penalties, and any other compensation that may be received by the investment adviser, including reimbursement for expenses; and
4. A requirement that the investment adviser submit periodic written reports, on at least a quarterly basis, for the Board's review at its regularly scheduled meetings. All returns on investment shall be reported as net returns after payment of all fees, commissions, and any other compensation.

d) Each contract described in subsection (b) shall also include:

1. Full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the investment adviser or consultant in connection with the provision of services to the pension fund; and
2. A requirement that the investment adviser or consultant update the disclosure promptly after a modification of those payments or an additional payment. Within thirty (30) days after August 29, 2008, each investment adviser and consultant providing services on the effective date or subject to an existing contract for the provision of services must disclose to the Board of Trustees all direct and indirect fees, commissions, penalties, and other compensation paid by or on behalf of the investment adviser or consultant in connection with the provision of those services and shall update that disclosure promptly after a modification of those payments or an additional payment.

e) A person required to make a disclosure under subsection (d) is also required to disclose direct and indirect fees, commissions, penalties, or other compensation that shall or may be paid by or on behalf of the person in connection with the rendering of those services. The person shall update the disclosure promptly after a modification of those payments or an additional payment.

The disclosures required by this subsection shall be in writing and shall include the date and amount of each payment and the name and address of each recipient of a payment.

f) Within thirty (30) days after appointing an investment adviser or consultant, the Board shall submit a copy of the contract to the Division of Insurance of the Department of Financial and Professional Regulation.

g) Investment services provided by a person other than an investment adviser appointed under this Section, including but not limited to services provided by the kinds of persons listed in items (1) through (4) of subsection (a), shall be rendered only after full written disclosure of direct and indirect fees, commissions, penalties, and any other compensation that shall or may be received by the person rendering those services.

h) The Board of Trustees of each pension fund shall retain records of investment transactions in accordance with the rules of the Department of Financial and Professional Regulation.

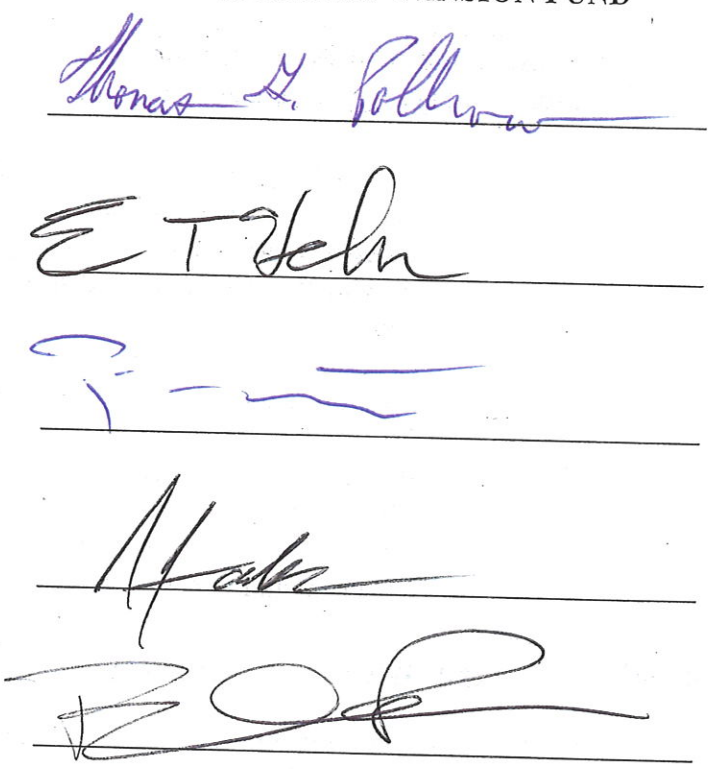
§1503 Presentations by Consultants and Advisors

The Pension Board recognizes the need to learn the progress of its investment portfolio. However, if more than thirty (30) minutes is necessary to make a presentation, said Advisor or Consultant must provide the Board with written notice at least one week in advance of the meeting so as to ensure that adequate meeting time and space has been allocated.

§1504 **Disclosures by Consultants**

Each year, any consultant providing services to the Pension Fund will disclose the information required by 40 ILCS 5/1-113.22 and 40 ILCS 5/1-113.23.

BOARD OF TRUSTEES OF THE CRYSTAL LAKE FIREFIGHTERS' PENSION FUND



DATED: October 15, 2020