

Happy Holidays from everyone at ME&B!

2008 CALENDAR

JANUARY

1ST NEW YEAR'S DAY - OFFICE CLOSED
OPEN ENROLLMENT FOR MEDICARE PART A & B BEGINS
21ST DR. MARTIN LUTHER KING, JR. DAY - OFFICE CLOSED

FEBRUARY

12TH LINCOLN'S BIRTHDAY - OFFICE OPEN
18TH PRESIDENTS' DAY - OFFICE CLOSED

MARCH

3RD PULASKI DAY - OFFICE OPEN
31ST DEADLINE FOR ENROLLMENT IN MEDICARE PART A & B

APRIL

MAY

26TH MEMORIAL DAY - OFFICE CLOSED

JUNE

JULY

4TH INDEPENDENCE DAY - OFFICE CLOSED

AUGUST

SEPTEMBER

1ST LABOR DAY - OFFICE CLOSED

OCTOBER

13TH COLUMBUS DAY - OFFICE CLOSED

NOVEMBER

11TH VETERAN'S DAY - OFFICE CLOSED
27TH THANKSGIVING DAY - OFFICE CLOSED
28TH OFFICE CLOSED

DECEMBER

24TH CHRISTMAS EVE - OFFICE CLOSED
25TH CHRISTMAS DAY - OFFICE CLOSED
31ST NEW YEAR'S EVE - OFFICE CLOSED

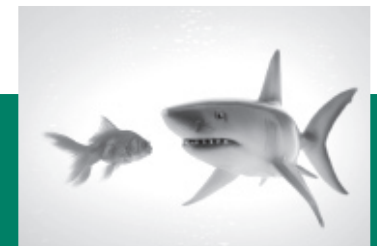
OFFICE HOURS 8AM - 4:30PM MON - FRI

NEW TERM

Joseph M. Malatesta



Mr. Joseph M. Malatesta was recently sworn in for his fourth full-term as Trustee of the Fund. He has served on the Board since July 1998. Currently, Joe is General Manager of Airport Operations in the Department of Aviation at O'Hare International Airport. His career for the City of Chicago began in 1991 at the City Treasurer's Office, as a Fund Manager. Joe received his Bachelor's Degree from the University of Illinois at Chicago and a Masters in Business Administration from Dominican University.



PREDATORY LENDING — Don't Fall Prey

Predatory lending is an unscrupulous practice of a small number of financial institutions that strips away at the equity in a person's home. Predatory lenders typically target homeowners on limited fixed incomes that have built significant equity positions in their homes, but have meager cash reserves. They convince property owners to refinance mortgages with loans that are ultimately higher in cost than their original mortgages. Predatory lenders will also work in tandem with fraudulent home repair contractors, offering a "one-stop shopping" approach that property owners should avoid at all times. The results of predatory lending have a major impact not only on an individual, but also on whole communities. A mortgage foreclosure leads to the loss of a home for the property owner, which in turn leads to an abandoned building and ultimately a decline in property values throughout the entire neighborhood.

The Treasurer's Office of the City of Chicago has developed a public education program to make property owners aware of the devastating effects of predatory lending practices. You may contact them at (312) 744-3365, or visit their website at: www.chicagocitytreasurer.com/programs.html and request a free copy of a booklet entitled "Predatory Lending: Don't Fall Prey", which describes in detail the practice of predatory lending, how to avoid it, and whom to contact if you are already involved in a bad loan.

DISABILITY BENEFITS

Did you know that disability benefits are available to active Fund members who become disabled and are unable to perform their job duties as a result of injury or personal illness?

There are two types of disability benefits paid by the Fund – Duty Disability and Ordinary Disability.

Duty Disability

If you become disabled as a result of an accidental injury incurred on the job, you are entitled to Duty Disability from the Fund equal to 75% of your salary at the time of injury. If you receive Workers' Compensation benefits, any amount you receive from Workers' Compensation will be deducted from your Duty payments. Benefits paid by the Fund begin on the first workday for which the employee fails to receive salary.

Ordinary Disability

If you become disabled from any cause other than injury on the job (personal illness, maternity leave, or a non-duty related accident) and your disablement lasts longer than 30 days, you are entitled to ordinary disability benefits equal to 50% of the salary you were receiving on the date that you last worked. The benefit would begin the later of the 31st day off the job or the day after the last day on the payroll.

Ordinary disability is payable until the disability ceases, but is subject to the following limitations:

- 1) The duration of benefits cannot exceed $\frac{1}{4}$ of the time that you have been a contributing member of the Fund, and
- 2) There is a maximum lifetime limit of 5 years.

Applying for Benefits

Payment of disability benefits is not automatic after you notify your department of your disablement. You must make application with the Fund in order to receive disability benefits from the Fund. Application for disability benefits must be done in a timely manner. Disability benefits cannot be paid for any period of time more than one year prior to the date of application with the Pension Fund.

Employees who become disabled should contact the Fund as soon as possible to inquire about benefits they may be entitled to receive. If you have questions regarding disability benefits, or to request that a disability application be sent to you, please contact our office at 312-236-4700, Ext. 123, 124, or 125.



RETIRED MEMBERS ARE YOU MEDICARE ELIGIBLE?

Once you reach age 65, you may be eligible for Medicare. However, Medicare benefits are not automatic; you must apply for them. It is to your benefit to apply for both Medicare Part A (hospital coverage) and Medicare Part B (major medical). If you are eligible for Medicare, your cost for medical coverage is substantially less.

Even if you don't qualify for Medicare from your work record, you may be eligible through your spouse's work record or a former spouse's work record. Contact

your local Social Security office to determine if you are eligible through your spouse's or former spouse's record.

When you become eligible for Medicare Part A (Hospital Benefits), it is to your advantage to enroll for the optional Medicare Part B (Medical Benefits). The monthly premium for Medicare Part B coverage will be deducted from your monthly Social Security payments. If you are not eligible for a Social Security payment, Social Security will bill you quarterly for your Part B premium. Part B will pay up to 80% of approved physicians' charges and other outpatient medical services after satisfying an annual deductible.

An Annuitant who elects not to enroll and pay for Medicare Part B coverage will face a substantial financial burden. The City and Board of Education Annuitant Plans will pay as though the Annuitant has Part B coverage. We encourage you to sign up for Part B.

Enrollment for Medicare Part B is open 3 months before and after you reach age 65. General enrollment periods are held each year, from January 1 through March 31. Medicare coverage would begin the following July 1.

Medicare imposes a penalty for late enrollment. For more information, call Social Security Administration at 1-800-772-1213.

Annuitant Signature Verification Request Form is coming to your mailbox by late December!

It has been a policy of the Fund to require signature verification of pension benefit recipients relevant for continuing pension benefit payment eligibility. The Fund in the past had sent out signature verification on an annual basis, a practice that had been deferred over ten years ago. By late December, we will be sending out a Signature Verification Request Form that must be completed and returned to the Fund.

RETIRED MEMBERS COVERED UNDER THE CITY OF CHICAGO OR CHICAGO PUBLIC SCHOOLS' ANNUITANT HEALTH INSURANCE PLANS

The City of Chicago and CPS Annuitant Health Insurance Plans provide you with "credible coverage" for your prescription drugs through Caremark.

When you are enrolled in an individual Medicare Part D Plan and also enrolled in a Group Annuitant Plan (City or CPS) – your Annuitant Plan will be secondary to your Medicare D Plan. All of your prescription drug coverage will have to be processed by the Medicare Part D Plan first.

If you believe you are enrolled in a Medicare D plan in error, please contact Medicare at 1-800-633-4227 to determine your Medicare D provider.

Frequently Asked Questions from Retirees:

I want to make a change to my annuity account, when should I notify the Fund?

In order to make the change effective on your next payment, the Fund must receive your change request at least fifteen (15) days before your next payment is due.

When is my pension check mailed?

Annuity checks are mailed 5 business days before the 1st of each month.

When do I get my 1099R tax form?

For 2008, mailing of 1099R tax forms will begin on January 17th.

I have direct deposit, how much will my new annuity benefit be in 2008?

You will receive your annual direct deposit earnings statement by January 1, 2008 that will show your new gross amount, deductions and net amount of deposit.

When is my pension benefit deposited to my bank account?

Direct deposits are made on the 1st business day of each month, which may not always be on the 1st of the month. See the DIRECT DEPOSIT SCHEDULE for benefits due in 2008.

DIRECT DEPOSIT SCHEDULE

JANUARY

JANUARY 2ND, 2008

FEBRUARY

FEBRUARY 1ST, 2008

MARCH

MARCH 3RD, 2008

APRIL

APRIL 1ST, 2008

MAY

MAY 1ST, 2008

JUNE

JUNE 2ND, 2008

JULY

JULY 1ST, 2008

AUGUST

AUGUST 1ST, 2008

SEPTEMBER

SEPTEMBER 2ND, 2008

OCTOBER

OCTOBER 1ST, 2008

NOVEMBER

NOVEMBER 3RD, 2008

DECEMBER

DECEMBER 1ST, 2008



Important Telephone Numbers

Health Insurance Retirees	City of Chicago Retirees	Chicago Public Schools Retirees
Medicare Information www.ssa.gov	800-772-1213	800-772-1213
Questions about healthcare benefits or claims	Benefits 312-747-8660 Hospital / Major Medical 800-772-6895	Benefits 800-331-8032 Hospital / Major Medical 800-331-8032
*Medical benefits advisor	encompassonline.com 800-373-3727	bcbsil.com 800-247-9204
Prescription drugs program administered by Caremark (retail and/or long-term medication)	866-748-0028 caremark.com	866-409-8523 caremark.com

*Pre-certification for hospitalization and second opinions
(Non-Medicare eligible annuitants and dependents)

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO

221 N. LaSalle Street, Room 500
Chicago, Illinois 60601-1294
T: 312-236-4700

RETIREMENT BOARD

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STEVE LUX, Vice President
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Municipal Employees' Annuity and
Benefit Fund of Chicago



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