



Contact Jennifer Maltas,
Deputy Village Manager

FOR IMMEDIATE RELEASE
June 20, 2018

Telephone 847-459-2500

Website www.vbg.org

BUFFALO GROVE APPEALS FIRE PENSION BOARD RULING

A 100-percent line-of-duty death benefit due to colon cancer was awarded to the widow of deceased FF/PM Kevin Hauber; the first award of its kind in the State of Illinois.

Buffalo Grove, Illinois – The Village of Buffalo Grove has appealed the Buffalo Grove Fire Pension Board award of an enhanced 100-percent line-of-duty death pension benefit applied for by the widow of former Firefighter/Paramedic (FF/PM) Kevin Hauber. The enhanced pension award was initially approved by the five-member Board on a 3-2 vote at a hearing on March 23, 2018 and was reaffirmed at a subsequent meeting on May 14, 2018. The application claimed that the colon cancer Kevin Hauber suffered from was caused by his vocation as a firefighter, which is the first award of its kind in the State of Illinois. The Village filed a Complaint for Administrative Review in the Circuit Court of the 19th Judicial Circuit in Lake County today, Wednesday, June 20, 2018.

The decision to appeal this unprecedented claim was made due to the absence of clear evidence or research proving that firefighting has a direct or indirect causal relationship with colon cancer and that the petitioner provided insufficient evidence showing Kevin Hauber was exposed to cancer causing agents while he was a Buffalo Grove firefighter. Village staff and elected officials determined the only appropriate and fiduciary response was to appeal this decision; an estimate of the enhanced pension award would conservatively create an additional liability of \$1.7 million to the Pension Fund, compared to a lesser benefit that Kevin Hauber's widow was qualified to receive – which is 75-percent of Mr. Hauber's final salary.

"This is a sensitive and emotional issue for all of us. Kevin was beloved in Buffalo Grove, and is greatly missed," said Village President Beverly Sussman. "The Village believes Kimberly Hauber and her children are entitled to the surviving spouse benefit equal to 75-percent of Kevin's final salary. As leaders, we must ensure any increased pension liabilities that raise the property tax burden on residents, businesses and property owners are fairly levied; we believe this case does not meet the legal standard to justify a 100 percent line-of-duty death benefit."

This case highlights the larger challenges that municipalities throughout Illinois face with regard to public safety pension funding. Firefighters' pension contributions are fixed as a percentage of salary, therefore, any enhanced pension benefit awarded is paid from taxpayer dollars, and to a smaller extent, from investment returns. The Pension Board, which is made up of two current firefighters, one retired firefighter and two Village-appointed members, voted 3-2 to approve the enhanced pension benefit for Mrs. Hauber (firefighters making up the three affirmative votes). The composition of all fire pension boards is identical to that of the Buffalo Grove Firefighters Pension Board (three current or former firefighter members, and two appointed by the municipality), as required by State law.

Given the myriad of issues municipalities face in funding public safety pension obligations, it is the Village's fiduciary responsibility to ensure that any pension enhancements meet statutory requirements. This case presents issues for citizens across the State, due to the possibility that this ruling could set a precedent for years to come in relation to an already broken pension system.

####