

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by  
5 changing Section 5-168 as follows:

6 (40 ILCS 5/5-168) (from Ch. 108 1/2, par. 5-168)  
7 Sec. 5-168. Financing.

8 (a) Except as expressly provided in this Section, the  
9 city shall levy a tax annually upon all taxable property  
10 therein for the purpose of providing revenue for the fund.

11 The tax shall be at a rate that will produce a sum which,  
12 when added to the amounts deducted from the policemen's  
13 salaries and the amounts deposited in accordance with  
14 subsection (g), is sufficient for the purposes of the fund.

15 For the years 1968 and 1969, the city council shall levy  
16 a tax annually at a rate on the dollar of the assessed  
17 valuation of all taxable property that will produce, when  
18 extended, not to exceed \$9,700,000. Beginning with the year  
19 1970 and each year thereafter the city council shall levy a  
20 tax annually at a rate on the dollar of the assessed  
21 valuation of all taxable property that will produce when  
22 extended an amount not to exceed the total amount of  
23 contributions by the policemen to the Fund made in the  
24 calendar year 2 years before the year for which the  
25 applicable annual tax is levied, multiplied by 1.40 for the  
26 tax levy year 1970; by 1.50 for the year 1971; by 1.65 for  
27 1972; by 1.85 for 1973; by 1.90 for 1974; by 1.97 for 1975  
28 through 1981; by 2.00 for 1982 through 2003; and by 2.26 for  
29 2004 and each year thereafter.

30 (b) The tax shall be levied and collected in like manner  
31 with the general taxes of the city, and is in addition to all

1 other taxes which the city is now or may hereafter be  
2 authorized to levy upon all taxable property therein, and is  
3 exclusive of and in addition to the amount of tax the city is  
4 now or may hereafter be authorized to levy for general  
5 purposes under any law which may limit the amount of tax  
6 which the city may levy for general purposes. The county  
7 clerk of the county in which the city is located, in reducing  
8 tax levies under Section 8-3-1 of the Illinois Municipal  
9 Code, shall not consider the tax herein authorized as a part  
10 of the general tax levy for city purposes, and shall not  
11 include the tax in any limitation of the percent of the  
12 assessed valuation upon which taxes are required to be  
13 extended for the city.

14 (c) On or before January 10 of each year, the board  
15 shall notify the city council of the requirement that the tax  
16 herein authorized be levied by the city council for that  
17 current year. The board shall compute the amounts necessary  
18 for the purposes of this fund to be credited to the reserves  
19 established and maintained within the fund; shall make an  
20 annual determination of the amount of the required city  
21 contributions; and shall certify the results thereof to the  
22 city council.

23 As soon as any revenue derived from the tax is collected  
24 it shall be paid to the city treasurer of the city and shall  
25 be held by him for the benefit of the fund in accordance with  
26 this Article.

27 (d) If the funds available are insufficient during any  
28 year to meet the requirements of this Article, the city may  
29 issue tax anticipation warrants against the tax levy for the  
30 current fiscal year.

31 (e) The various sums, including interest, to be  
32 contributed by the city, shall be taken from the revenue  
33 derived from such tax or otherwise as expressly provided in  
34 this Section. Any moneys of the city derived from any source

1 other than the tax herein authorized shall not be used for  
2 any purpose of the fund nor the cost of administration  
3 thereof, unless applied to make the deposit expressly  
4 authorized in this Section or the additional city  
5 contributions required under subsection (h).

6 (f) If it is not possible or practicable for the city to  
7 make its contributions at the time that salary deductions are  
8 made, the city shall make such contributions as soon as  
9 possible thereafter, with interest thereon to the time it is  
10 made.

11 (g) In lieu of levying all or a portion of the tax  
12 required under this Section in any year, the city may deposit  
13 with the city treasurer no later than March 1 of that year  
14 for the benefit of the fund, to be held in accordance with  
15 this Article, an amount that, together with the taxes levied  
16 under this Section for that year, is not less than the amount  
17 of the city contributions for that year as certified by the  
18 board to the city council. The deposit may be derived from  
19 any source legally available for that purpose, including, but  
20 not limited to, the proceeds of city borrowings. The making  
21 of a deposit shall satisfy fully the requirements of this  
22 Section for that year to the extent of the amounts so  
23 deposited. Amounts deposited under this subsection may be  
24 used by the fund for any of the purposes for which the  
25 proceeds of the tax levied under this Section may be used,  
26 including the payment of any amount that is otherwise  
27 required by this Article to be paid from the proceeds of that  
28 tax.

29 (h) In addition to the contributions required under the  
30 other provisions of this Article, by November 1 of the  
31 following specified years, the city shall deposit with the  
32 city treasurer for the benefit of the fund, to be held and  
33 used in accordance with this Article, the following specified  
34 amounts: \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000

1 in 2001; \$5,040,000 in 2002; \$4,620,000 in 2003; \$4,200,000  
2 in 2004; \$3,780,000 in 2005; \$3,360,000 in 2006; \$2,940,000  
3 in 2007; \$2,520,000 in 2008; \$2,100,000 in 2009; \$1,680,000  
4 in 2010; \$1,260,000 in 2011; \$840,000 in 2012; and \$420,000  
5 in 2013.

6 The additional city contributions required under this  
7 subsection are intended to decrease the unfunded liability of  
8 the fund and shall not decrease the amount of the city  
9 contributions required under the other provisions of this  
10 Article. The additional city contributions made under this  
11 subsection may be used by the fund for any of its lawful  
12 purposes.

13 (Source: P.A. 89-12, eff. 4-20-95; 90-766, eff. 8-14-98.)

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.