



Personnel and Pensions Committee

Filed: 3/4/2010

09600HB5873ham001

LRB096 19254 AMC 37447 a

1 AMENDMENT TO HOUSE BILL 5873

2 AMENDMENT NO. _____. Amend House Bill 5873 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 3-143 and 4-134 as follows:

6 (40 ILCS 5/3-143) (from Ch. 108 1/2, par. 3-143)

7 Sec. 3-143. Report by pension board.

8 (a) The pension board shall report annually to the city
9 council or board of trustees of the municipality on the
10 condition of the pension fund at the end of its most recently
11 completed fiscal year. The report shall be made prior to the
12 council or board meeting held for the levying of taxes for the
13 year for which the report is made.

14 The pension board shall certify and provide the following
15 information to the city council or board of trustees of the
16 municipality:

1 (1) the total assets of the fund in its custody at the
2 end of the fiscal year and the current market value of
3 those assets;

4 (2) the estimated receipts during the next succeeding
5 fiscal year from deductions from the salaries of police
6 officers, and from all other sources;

7 (3) the estimated amount required during the next
8 succeeding fiscal year to (a) pay all pensions and other
9 obligations provided in this Article, and (b) to meet the
10 annual requirements of the fund as provided in Sections
11 3-125 and 3-127;

12 (4) the total net income received from investment of
13 assets along with the assumed investment return and actual
14 investment return received by the fund during its most
15 recently completed fiscal year compared to the total net
16 income, assumed investment return, and actual investment
17 return received during the preceding fiscal year;

18 (5) the total number of active employees who are
19 financially contributing to the fund;

20 (6) the total amount that was disbursed in benefits
21 during the fiscal year, including the number of and total
22 amount disbursed to (i) annuitants in receipt of a regular
23 retirement pension, (ii) recipients being paid a
24 disability pension, and (iii) survivors and children in
25 receipt of benefits;

26 (7) the funded ratio of the fund;

1 (8) the unfunded liability carried by the fund, along
2 with an actuarial explanation of the unfunded liability;
3 and

4 (9) the investment policy of the pension board under
5 the statutory investment restrictions imposed on the fund.

6 Before the pension board makes its report, the municipality
7 shall have the assets of the fund and their current market
8 value verified by an independent certified public accountant of
9 its choice.

10 (b) The municipality is authorized to publish the report
11 submitted under this Section. This publication may be made,
12 without limitation, by publication in a local newspaper of
13 general circulation in the municipality or by publication on
14 the municipality's Internet website. If the municipality
15 publishes the report, then that publication must include all of
16 the information submitted by the pension board under subsection
17 (a).

18 (c) Upon issuing the report to the municipality, the
19 pension board shall also provide the report to the Department
20 of Insurance. The Department shall compile these reports on an
21 annual basis into a comprehensive report and shall make this
22 report available to the General Assembly and the Governor
23 before January 1, 2011 and before January 1 of each subsequent
24 year.

25 (Source: P.A. 95-950, eff. 8-29-08.)

1 (40 ILCS 5/4-134) (from Ch. 108 1/2, par. 4-134)

2 Sec. 4-134. Report for tax levy.

3 (a) The board shall report to the city council or board of
4 trustees of the municipality on the condition of the pension
5 fund at the end of its most recently completed fiscal year. The
6 report shall be made prior to the council or board meeting held
7 for appropriating and levying taxes for the year for which the
8 report is made.

9 The pension board in the report shall certify and provide
10 the following information to the city council or board of
11 trustees of the municipality:

12 (1) the total assets of the fund and their current
13 market value of those assets;

14 (2) the estimated receipts during the next succeeding
15 fiscal year from deductions from the salaries or wages of
16 firefighters, and from all other sources;

17 (3) the estimated amount necessary during the fiscal
18 year to meet the annual actuarial requirements of the
19 pension fund as provided in Sections 4-118 and 4-120;

20 (4) the total net income received from investment of
21 assets along with the assumed investment return and actual
22 investment return received by the fund during its most
23 recently completed fiscal year compared to the total net
24 income, assumed investment return, and actual investment
25 return received during the preceding fiscal year;

26 (5) the increase in employer pension contributions

1 that results from the implementation of the provisions of
2 this amendatory Act of the 93rd General Assembly;

3 (6) the total number of active employees who are
4 financially contributing to the fund;

5 (7) the total amount that was disbursed in benefits
6 during the fiscal year, including the number of and total
7 amount disbursed to (i) annuitants in receipt of a regular
8 retirement pension, (ii) recipients being paid a
9 disability pension, and (iii) survivors and children in
10 receipt of benefits;

11 (8) the funded ratio of the fund;

12 (9) the unfunded liability carried by the fund, along
13 with an actuarial explanation of the unfunded liability;
14 and

15 (10) the investment policy of the pension board under
16 the statutory investment restrictions imposed on the fund.

17 Before the pension board makes its report, the municipality
18 shall have the assets of the fund and their current market
19 value verified by an independent certified public accountant of
20 its choice.

21 (b) The municipality is authorized to publish the report
22 submitted under this Section. This publication may be made,
23 without limitation, by publication in a local newspaper of
24 general circulation in the municipality or by publication on
25 the municipality's Internet website. If the municipality
26 publishes the report, then that publication must include all of

1 the information submitted by the pension board under subsection
2 (a).

3 (c) Upon issuing the report to the municipality, the
4 pension board shall also provide the report to the Department
5 of Insurance. The Department shall compile these reports on an
6 annual basis into a comprehensive report and shall make this
7 report available to the General Assembly and the Governor
8 before January 1, 2011 and before January 1 of each subsequent
9 year.

10 (Source: P.A. 95-950, eff. 8-29-08.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.".