

235 EAST WILSON AVE.

LOMBARD, IL 60148

TO: Board of Trustees, Village of Lombard
Village President - Bill Mueller
Village Clerk - Brigitte O'Brien

THROUGH: Village Manager - David A. Hulseberg, AICP, ICMA-CM

FROM: Benny Ranallo, Secretary-Lombard Police Pension Fund

DATE: October 26, 2011

SUBJECT: House Bill 5088 (Public Act 95-950) Municipal Compliance Report for the Year Ended May 31, 2011

All police pension funds under Article 3 are required by law to provide to their Village Board of Trustees on an annual basis a report (Municipal Compliance Report) compiling nine pieces of information as described in 40 ILCS 5/3-143.

(Excerpt below)

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

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

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

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

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

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

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

(7) the funded ratio of the fund;
(8) the unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability;
and

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

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

Attached is the Lombard Police Pension Fund's Municipal Compliance Report for the Year Ended May 31, 2011. This report is advisory as it brings many pieces of information together under one document. The Village of Lombard utilizes an actuarial service to assist in determining the police pension tax levy for the year for which the report is made. This material is in support of your November 3rd, 2011 Village Board Agenda item providing for the levy and assessment of taxes for the fiscal year beginning June 1, 2011 and ending May 31, 2012 for the Village of Lombard. The Lombard Police Pension fund respectfully requests a tax levy in the amount of \$2,115,673.

Benny Ranallo

Secretary

LOMBARD POLICE PENSION BOARD

C: Police Pension Board Members