



## 102ND GENERAL ASSEMBLY

### State of Illinois

### 2021 and 2022

### SB3909

Introduced 1/21/2022, by Sen. Robert F. Martwick

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/10-107

from Ch. 108 1/2, par. 10-107

30 ILCS 805/8.46 new

Amends the Cook County Forest Preserve Article of the Illinois Pension Code. Provides that beginning in levy year 2023, and in each year thereafter, the Forest Preserve District shall levy a tax annually at a rate on the dollar of the value of all taxable property within the county that will produce, when extended, an amount equal to no less than the amount of the Forest Preserve District's total required contribution to the Fund for the next payment year. Specifies the annual contribution for payment years 2023 through 2025. Provides that the retirement board shall retain an actuary who is a member in good standing of the American Academy of Actuaries to produce an annual actuarial report of the Fund, which shall include specified information. Provides that the minimum required employer contribution for a specified year as set forth in the annual actuarial report shall be the amount determined by the Fund's actuary to be equal to the sum of: (i) the projected normal cost for pensions for that fiscal year, plus (ii) a projected unfunded actuarial accrued liability amortization payment for pensions for the fiscal year, plus (iii) projected expenses for that fiscal year, plus (iv) interest to adjust for payment pattern during the fiscal year, minus (v) projected employee contributions for that fiscal year. Contains provisions concerning additional contributions; methods of calculating the required contribution; contributions for payment years after 2063; and property taxes. Amends the State Mandates Act to require implementation without reimbursement by the State. Effective immediately.

LRB102 25831 RPS 35175 b

1 AN ACT concerning 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 10-107 as follows:

6 (40 ILCS 5/10-107) (from Ch. 108 1/2, par. 10-107)  
7 Sec. 10-107. Financing - Tax levy.

8 (a) The forest preserve district may levy an annual tax on  
9 the value, as equalized or assessed by the Department of  
10 Revenue, of all taxable property in the district for the  
11 purpose of providing revenue for the fund. The rate of such tax  
12 in any year may not exceed the rate herein specified for that  
13 year or the rate which will produce, when extended, the sum  
14 herein stated for that year, whichever is higher: for any year  
15 prior to 1970, .00103% or \$195,000; for the year 1970, .00111%  
16 or \$210,000; for the year 1971, .00116% or \$220,000. For the  
17 year 1972 and each year thereafter, the Forest Preserve  
18 District shall levy a tax annually at a rate on the dollar of  
19 the value, as equalized or assessed by the Department of  
20 Revenue upon all taxable property in the county, when  
21 extended, not to exceed an amount equal to the total amount of  
22 contributions by the employees to the fund made in the  
23 calendar year 2 years prior to the year for which the annual

1 applicable tax is levied, multiplied by 1.25 for the year  
2 1972; and by 1.30 for the year 1973 and for each year  
3 thereafter through levy year 2022. Beginning in levy year  
4 2023, and in each year thereafter, the Forest Preserve  
5 District shall levy a tax annually at a rate on the dollar of  
6 the value, as equalized or assessed by the Department of  
7 Revenue, of all taxable property within the county that will  
8 produce, when extended, an amount equal to no less than the  
9 amount of the Forest Preserve District's total required  
10 contribution to the Fund for the next payment year, as  
11 determined under subsection (b). For the purposes of this  
12 Section, the payment year is the year immediately following  
13 the levy year.

14 The tax shall be levied and collected in like manner with  
15 the general taxes of the district and shall be in addition to  
16 the maximum of all other tax rates which the district may levy  
17 upon the aggregate valuation of all taxable property and shall  
18 be exclusive of and in addition to the maximum amount and rate  
19 of taxes the district may levy for general purposes or under  
20 and by virtue of any laws which limit the amount of tax which  
21 the district may levy for general purposes. The county clerk  
22 of the county in which the forest preserve district is located  
23 in reducing tax levies under the provisions of "An Act  
24 concerning the levy and extension of taxes", approved May 9,  
25 1901, as amended, shall not consider any such tax as a part of  
26 the general tax levy for forest preserve purposes, and shall

1 not include the same in the limitation of 1% of the assessed  
2 valuation upon which taxes are required to be extended, and  
3 shall not reduce the same under the provisions of that Act. The  
4 proceeds of the tax herein authorized shall be kept as a  
5 separate fund.

6 The forest preserve district may use other lawfully  
7 available funds in lieu of all or part of the levy.

8 The Board may establish a manpower program reserve, or a  
9 special forest preserve district contribution rate, with  
10 respect to employees whose wages are funded as program  
11 participants under the Comprehensive Employment and Training  
12 Act of 1973 in the manner provided in subsection (d) or (e),  
13 respectively, of Section 9-169.

14 (b) (1) Beginning in payment year 2023, the Forest Preserve  
15 District shall contribute to the Fund: \$6,100,000 in payment  
16 year 2023; \$8,100,000 in payment year 2024; and \$10,200,000 in  
17 payment year 2025. The Forest Preserve District may contribute  
18 an additional amount to the Fund in each payment year 2023,  
19 2024, or 2025, which shall not exceed a contribution of  
20 \$13,000,000 to the Fund in payment year 2023, 2024, or 2025.

21 (2) The retirement board shall retain an actuary who is a  
22 member in good standing of the American Academy of Actuaries  
23 to produce an annual actuarial report of the Fund. The annual  
24 actuarial report shall include, but not be limited to: (i) a  
25 statement of the actuarial value of the Fund's assets as  
26 projected over 30 years' time and the actuarial value of the

1 Fund's liabilities as projected over the same period of time;  
2 and (ii) the minimum required employer contribution for the  
3 second year immediately following the year ending on the  
4 valuation date upon which the annual actuarial report is  
5 based. The annual actuarial report shall be reviewed and  
6 formally adopted by the retirement board and may be included  
7 in other annual reports.

8 (3) The minimum required employer contribution for a  
9 specified year as set forth in the annual actuarial report  
10 required under paragraph (2) shall be the amount determined by  
11 the Fund's actuary to be equal to the sum of: (i) the projected  
12 normal cost for pensions for that fiscal year, plus (ii) a  
13 projected unfunded actuarial accrued liability amortization  
14 payment for pensions for the fiscal year, plus (iii) projected  
15 expenses for that fiscal year, plus (iv) interest to adjust  
16 for payment pattern during the fiscal year, minus (v)  
17 projected employee contributions for that fiscal year. The  
18 Forest Preserve District's required annual contribution to the  
19 Fund shall not be less than the sum of: (i) the projected  
20 normal cost for pensions for that fiscal year, plus (ii) a  
21 projected unfunded actuarial accrued liability amortization  
22 payment for pensions for the fiscal year, plus (iii) projected  
23 expenses for that fiscal year, plus (iv) interest to adjust  
24 for payment pattern during the fiscal year, minus (v)  
25 projected employee contributions for that fiscal year. The  
26 minimum required employer contribution shall be based on the

1 entry age normal cost method, a 5-year smoothed actuarial  
2 value of assets, and a 30-year layered amortization of  
3 unfunded actuarial accrued liability with payments increasing  
4 at 2% per year. The unfunded actuarial accrued liability  
5 payment schedule shall be based on the schedule initially  
6 established in 2016 and ending in 2046.

7 The minimum required employer contribution shall be  
8 submitted annually by the Forest Preserve District on or  
9 before July 31 unless another time frame is agreed upon by the  
10 Forest Preserve District and the Fund. The methods provided in  
11 this Section may be amended as recommended by an independent  
12 actuary engaged by the Fund and in compliance with actuarial  
13 standards of practice and as adopted by an affirmative vote of  
14 a majority of the retirement board and the Forest Preserve  
15 District Board of Commissioners.

16 (4) For payment years 2026 through 2063, the Forest  
17 Preserve District's required annual contribution to the Fund  
18 shall be the minimum required employer contribution set forth  
19 in paragraph(3) of this subsection (b).

20 (5) For payment years after 2063, the Forest Preserve  
21 District's required annual contribution to the Fund shall be  
22 equal to the amount, if any, needed to bring the total  
23 actuarial assets of the Fund up to 100% of the total actuarial  
24 liabilities of the Fund by the end of the year.

25 (6) To the extent that the Forest Preserve District's  
26 contribution for any of the payment years referenced in this

1 subsection (b) is made with property taxes, those property  
2 taxes shall be levied, collected, and paid to the Fund in a  
3 like manner with the general taxes of the Forest Preserve  
4 District.

5 (Source: P.A. 102-210, eff. 1-1-22.)

6 Section 90. The State Mandates Act is amended by adding  
7 Section 8.46 as follows:

8 (30 ILCS 805/8.46 new)

9 Sec. 8.46. Exempt mandate. Notwithstanding Sections 6 and  
10 8 of this Act, no reimbursement by the State is required for  
11 the implementation of any mandate created by this amendatory  
12 Act of the 102nd General Assembly.

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