



## 98TH GENERAL ASSEMBLY

### State of Illinois

### 2013 and 2014

### HB1372

Introduced 2/6/2013, by Rep. David Harris

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-125	from Ch. 108 1/2, par. 3-125
40 ILCS 5/4-118	from Ch. 108 1/2, par. 4-118
40 ILCS 5/5-168	from Ch. 108 1/2, par. 5-168
40 ILCS 5/6-165	from Ch. 108 1/2, par. 6-165

Amends the Downstate and Chicago Police and Firefighter Articles of the Illinois Pension Code. Delays by one year a procedure under which the Comptroller is required to divert certain State payments from the intended recipient to a pension fund when the intended recipient is more than 90 days overdue in making a required contribution to the pension fund. Effective immediately.

LRB098 09351 EFG 39492 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

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 changing  
5 Sections 3-125, 4-118, 5-168, and 6-165 as follows:

6 (40 ILCS 5/3-125) (from Ch. 108 1/2, par. 3-125)  
7 Sec. 3-125. Financing.

8 (a) The city council or the board of trustees of the  
9 municipality shall annually levy a tax upon all the taxable  
10 property of the municipality at the rate on the dollar which  
11 will produce an amount which, when added to the deductions from  
12 the salaries or wages of police officers, and revenues  
13 available from other sources, will equal a sum sufficient to  
14 meet the annual requirements of the police pension fund. The  
15 annual requirements to be provided by such tax levy are equal  
16 to (1) the normal cost of the pension fund for the year  
17 involved, plus (2) an amount sufficient to bring the total  
18 assets of the pension fund up to 90% of the total actuarial  
19 liabilities of the pension fund by the end of municipal fiscal  
20 year 2040, as annually updated and determined by an enrolled  
21 actuary employed by the Illinois Department of Insurance or by  
22 an enrolled actuary retained by the pension fund or the  
23 municipality. In making these determinations, the required

1 minimum employer contribution shall be calculated each year as  
2 a level percentage of payroll over the years remaining up to  
3 and including fiscal year 2040 and shall be determined under  
4 the projected unit credit actuarial cost method. The tax shall  
5 be levied and collected in the same manner as the general taxes  
6 of the municipality, and in addition to all other taxes now or  
7 hereafter authorized to be levied upon all property within the  
8 municipality, and shall be in addition to the amount authorized  
9 to be levied for general purposes as provided by Section 8-3-1  
10 of the Illinois Municipal Code, approved May 29, 1961, as  
11 amended. The tax shall be forwarded directly to the treasurer  
12 of the board within 30 business days after receipt by the  
13 county.

14 (b) For purposes of determining the required employer  
15 contribution to a pension fund, the value of the pension fund's  
16 assets shall be equal to the actuarial value of the pension  
17 fund's assets, which shall be calculated as follows:

18 (1) On March 30, 2011, the actuarial value of a pension  
19 fund's assets shall be equal to the market value of the  
20 assets as of that date.

21 (2) In determining the actuarial value of the System's  
22 assets for fiscal years after March 30, 2011, any actuarial  
23 gains or losses from investment return incurred in a fiscal  
24 year shall be recognized in equal annual amounts over the  
25 5-year period following that fiscal year.

26 (c) If a participating municipality fails to transmit to

1 the fund contributions required of it under this Article for  
2 more than 90 days after the payment of those contributions is  
3 due, the fund may, after giving notice to the municipality,  
4 certify to the State Comptroller the amounts of the delinquent  
5 payments, and the Comptroller must, beginning in fiscal year  
6 2017 ~~2016~~, deduct and deposit into the fund the certified  
7 amounts or a portion of those amounts from the following  
8 proportions of grants of State funds to the municipality:

9 (1) in fiscal year 2017 ~~2016~~, one-third of the total  
10 amount of any grants of State funds to the municipality;

11 (2) in fiscal year 2018 ~~2017~~, two-thirds of the total  
12 amount of any grants of State funds to the municipality;  
13 and

14 (3) in fiscal year 2019 ~~2018~~ and each fiscal year  
15 thereafter, the total amount of any grants of State funds  
16 to the municipality.

17 The State Comptroller may not deduct from any grants of  
18 State funds to the municipality more than the amount of  
19 delinquent payments certified to the State Comptroller by the  
20 fund.

21 (d) The police pension fund shall consist of the following  
22 moneys which shall be set apart by the treasurer of the  
23 municipality:

24 (1) All moneys derived from the taxes levied hereunder;

25 (2) Contributions by police officers under Section  
26 3-125.1;

1           (3) All moneys accumulated by the municipality under  
2           any previous legislation establishing a fund for the  
3           benefit of disabled or retired police officers;

4           (4) Donations, gifts or other transfers authorized by  
5           this Article.

6           (e) The Commission on Government Forecasting and  
7           Accountability shall conduct a study of all funds established  
8           under this Article and shall report its findings to the General  
9           Assembly on or before January 1, 2013. To the fullest extent  
10          possible, the study shall include, but not be limited to, the  
11          following:

12           (1) fund balances;

13           (2) historical employer contribution rates for each  
14          fund;

15           (3) the actuarial formulas used as a basis for employer  
16          contributions, including the actual assumed rate of return  
17          for each year, for each fund;

18           (4) available contribution funding sources;

19           (5) the impact of any revenue limitations caused by  
20          PTELL and employer home rule or non-home rule status; and

21           (6) existing statutory funding compliance procedures  
22          and funding enforcement mechanisms for all municipal  
23          pension funds.

24          (Source: P.A. 95-530, eff. 8-28-07; 96-1495, eff. 1-1-11.)

25          (40 ILCS 5/4-118) (from Ch. 108 1/2, par. 4-118)

1           Sec. 4-118. Financing.

2           (a) The city council or the board of trustees of the  
3 municipality shall annually levy a tax upon all the taxable  
4 property of the municipality at the rate on the dollar which  
5 will produce an amount which, when added to the deductions from  
6 the salaries or wages of firefighters and revenues available  
7 from other sources, will equal a sum sufficient to meet the  
8 annual actuarial requirements of the pension fund, as  
9 determined by an enrolled actuary employed by the Illinois  
10 Department of Insurance or by an enrolled actuary retained by  
11 the pension fund or municipality. For the purposes of this  
12 Section, the annual actuarial requirements of the pension fund  
13 are equal to (1) the normal cost of the pension fund, or 17.5%  
14 of the salaries and wages to be paid to firefighters for the  
15 year involved, whichever is greater, plus (2) an annual amount  
16 sufficient to bring the total assets of the pension fund up to  
17 90% of the total actuarial liabilities of the pension fund by  
18 the end of municipal fiscal year 2040, as annually updated and  
19 determined by an enrolled actuary employed by the Illinois  
20 Department of Insurance or by an enrolled actuary retained by  
21 the pension fund or the municipality. In making these  
22 determinations, the required minimum employer contribution  
23 shall be calculated each year as a level percentage of payroll  
24 over the years remaining up to and including fiscal year 2040  
25 and shall be determined under the projected unit credit  
26 actuarial cost method. The amount to be applied towards the

1 amortization of the unfunded accrued liability in any year  
2 shall not be less than the annual amount required to amortize  
3 the unfunded accrued liability, including interest, as a level  
4 percentage of payroll over the number of years remaining in the  
5 40 year amortization period.

6 (a-5) For purposes of determining the required employer  
7 contribution to a pension fund, the value of the pension fund's  
8 assets shall be equal to the actuarial value of the pension  
9 fund's assets, which shall be calculated as follows:

10 (1) On March 30, 2011, the actuarial value of a pension  
11 fund's assets shall be equal to the market value of the  
12 assets as of that date.

13 (2) In determining the actuarial value of the pension  
14 fund's assets for fiscal years after March 30, 2011, any  
15 actuarial gains or losses from investment return incurred  
16 in a fiscal year shall be recognized in equal annual  
17 amounts over the 5-year period following that fiscal year.

18 (b) The tax shall be levied and collected in the same  
19 manner as the general taxes of the municipality, and shall be  
20 in addition to all other taxes now or hereafter authorized to  
21 be levied upon all property within the municipality, and in  
22 addition to the amount authorized to be levied for general  
23 purposes, under Section 8-3-1 of the Illinois Municipal Code or  
24 under Section 14 of the Fire Protection District Act. The tax  
25 shall be forwarded directly to the treasurer of the board  
26 within 30 business days of receipt by the county (or, in the

1 case of amounts added to the tax levy under subsection (f),  
2 used by the municipality to pay the employer contributions  
3 required under subsection (b-1) of Section 15-155 of this  
4 Code).

5 (b-5) If a participating municipality fails to transmit to  
6 the fund contributions required of it under this Article for  
7 more than 90 days after the payment of those contributions is  
8 due, the fund may, after giving notice to the municipality,  
9 certify to the State Comptroller the amounts of the delinquent  
10 payments, and the Comptroller must, beginning in fiscal year  
11 2017 ~~2016~~, deduct and deposit into the fund the certified  
12 amounts or a portion of those amounts from the following  
13 proportions of grants of State funds to the municipality:

14 (1) in fiscal year 2017 ~~2016~~, one-third of the total  
15 amount of any grants of State funds to the municipality;

16 (2) in fiscal year 2018 ~~2017~~, two-thirds of the total  
17 amount of any grants of State funds to the municipality;  
18 and

19 (3) in fiscal year 2019 ~~2018~~ and each fiscal year  
20 thereafter, the total amount of any grants of State funds  
21 to the municipality.

22 The State Comptroller may not deduct from any grants of  
23 State funds to the municipality more than the amount of  
24 delinquent payments certified to the State Comptroller by the  
25 fund.

26 (c) The board shall make available to the membership and



1 the general public for inspection and copying at reasonable  
2 times the most recent Actuarial Valuation Balance Sheet and Tax  
3 Levy Requirement issued to the fund by the Department of  
4 Insurance.

5 (d) The firefighters' pension fund shall consist of the  
6 following moneys which shall be set apart by the treasurer of  
7 the municipality: (1) all moneys derived from the taxes levied  
8 hereunder; (2) contributions by firefighters as provided under  
9 Section 4-118.1; (3) all rewards in money, fees, gifts, and  
10 emoluments that may be paid or given for or on account of  
11 extraordinary service by the fire department or any member  
12 thereof, except when allowed to be retained by competitive  
13 awards; and (4) any money, real estate or personal property  
14 received by the board.

15 (e) For the purposes of this Section, "enrolled actuary"  
16 means an actuary: (1) who is a member of the Society of  
17 Actuaries or the American Academy of Actuaries; and (2) who is  
18 enrolled under Subtitle C of Title III of the Employee  
19 Retirement Income Security Act of 1974, or who has been engaged  
20 in providing actuarial services to one or more public  
21 retirement systems for a period of at least 3 years as of July  
22 1, 1983.

23 (f) The corporate authorities of a municipality that  
24 employs a person who is described in subdivision (d) of Section  
25 4-106 may add to the tax levy otherwise provided for in this  
26 Section an amount equal to the projected cost of the employer

1 contributions required to be paid by the municipality to the  
2 State Universities Retirement System under subsection (b-1) of  
3 Section 15-155 of this Code.

4 (g) The Commission on Government Forecasting and  
5 Accountability shall conduct a study of all funds established  
6 under this Article and shall report its findings to the General  
7 Assembly on or before January 1, 2013. To the fullest extent  
8 possible, the study shall include, but not be limited to, the  
9 following:

10 (1) fund balances;

11 (2) historical employer contribution rates for each  
12 fund;

13 (3) the actuarial formulas used as a basis for employer  
14 contributions, including the actual assumed rate of return  
15 for each year, for each fund;

16 (4) available contribution funding sources;

17 (5) the impact of any revenue limitations caused by  
18 PTELL and employer home rule or non-home rule status; and

19 (6) existing statutory funding compliance procedures  
20 and funding enforcement mechanisms for all municipal  
21 pension funds.

22 (Source: P.A. 96-1495, eff. 1-1-11.)

23 (40 ILCS 5/5-168) (from Ch. 108 1/2, par. 5-168)

24 Sec. 5-168. Financing.

25 (a) Except as expressly provided in this Section, the city

1 shall levy a tax annually upon all taxable property therein for  
2 the purpose of providing revenue for the fund.

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

7 For the years 1968 and 1969, the city council shall levy a  
8 tax annually at a rate on the dollar of the assessed valuation  
9 of all taxable property that will produce, when extended, not  
10 to exceed \$9,700,000. Beginning with the year 1970 and through  
11 2014, the city council shall levy a tax annually at a rate on  
12 the dollar of the assessed valuation of all taxable property  
13 that will produce when extended an amount not to exceed the  
14 total amount of contributions by the policemen to the Fund made  
15 in the calendar year 2 years before the year for which the  
16 applicable annual tax is levied, multiplied by 1.40 for the tax  
17 levy year 1970; by 1.50 for the year 1971; by 1.65 for 1972; by  
18 1.85 for 1973; by 1.90 for 1974; by 1.97 for 1975 through 1981;  
19 by 2.00 for 1982 and for each year through 2014. Beginning in  
20 2015, the city council shall levy a tax annually at a rate on  
21 the dollar of the assessed valuation of all taxable property  
22 that will produce when extended an annual amount that is equal  
23 to (1) the normal cost to the Fund, plus (2) an annual amount  
24 sufficient to bring the total assets of the Fund up to 90% of  
25 the total actuarial liabilities of the Fund by the end of  
26 fiscal year 2040, as annually updated and determined by an

1 enrolled actuary employed by the Illinois Department of  
2 Insurance or by an enrolled actuary retained by the Fund or the  
3 city. In making these determinations, the required minimum  
4 employer contribution shall be calculated each year as a level  
5 percentage of payroll over the years remaining up to and  
6 including fiscal year 2040 and shall be determined under the  
7 projected unit credit actuarial cost method. For the purposes  
8 of this subsection (a), contributions by the policeman to the  
9 Fund shall not include payments made by a policeman to  
10 establish credit under Section 5-214.2 of this Code.

11 (a-5) For purposes of determining the required employer  
12 contribution to the Fund, the value of the Fund's assets shall  
13 be equal to the actuarial value of the Fund's assets, which  
14 shall be calculated as follows:

15 (1) On March 30, 2011, the actuarial value of the  
16 Fund's assets shall be equal to the market value of the  
17 assets as of that date.

18 (2) In determining the actuarial value of the Fund's  
19 assets for fiscal years after March 30, 2011, any actuarial  
20 gains or losses from investment return incurred in a fiscal  
21 year shall be recognized in equal annual amounts over the  
22 5-year period following that fiscal year.

23 (a-7) If the city fails to transmit to the Fund  
24 contributions required of it under this Article for more than  
25 90 days after the payment of those contributions is due, the  
26 Fund may, after giving notice to the city, certify to the State

1 Comptroller the amounts of the delinquent payments, and the  
2 Comptroller must, beginning in fiscal year 2017 ~~2016~~, deduct  
3 and deposit into the Fund the certified amounts or a portion of  
4 those amounts from the following proportions of grants of State  
5 funds to the city:

6 (1) in fiscal year 2017 ~~2016~~, one-third of the total  
7 amount of any grants of State funds to the city;

8 (2) in fiscal year 2018 ~~2017~~, two-thirds of the total  
9 amount of any grants of State funds to the city; and

10 (3) in fiscal year 2019 ~~2018~~ and each fiscal year  
11 thereafter, the total amount of any grants of State funds  
12 to the city.

13 The State Comptroller may not deduct from any grants of  
14 State funds to the city more than the amount of delinquent  
15 payments certified to the State Comptroller by the Fund.

16 (b) The tax shall be levied and collected in like manner  
17 with the general taxes of the city, and is in addition to all  
18 other taxes which the city is now or may hereafter be  
19 authorized to levy upon all taxable property therein, and is  
20 exclusive of and in addition to the amount of tax the city is  
21 now or may hereafter be authorized to levy for general purposes  
22 under any law which may limit the amount of tax which the city  
23 may levy for general purposes. The county clerk of the county  
24 in which the city is located, in reducing tax levies under  
25 Section 8-3-1 of the Illinois Municipal Code, shall not  
26 consider the tax herein authorized as a part of the general tax

1 levy for city purposes, and shall not include the tax in any  
2 limitation of the percent of the assessed valuation upon which  
3 taxes are required to be extended for the city.

4 (c) On or before January 10 of each year, the board shall  
5 notify the city council of the requirement that the tax herein  
6 authorized be levied by the city council for that current year.  
7 The board shall compute the amounts necessary for the purposes  
8 of this fund to be credited to the reserves established and  
9 maintained within the fund; shall make an annual determination  
10 of the amount of the required city contributions; and shall  
11 certify the results thereof to the city council.

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

16 (d) If the funds available are insufficient during any year  
17 to meet the requirements of this Article, the city may issue  
18 tax anticipation warrants against the tax levy for the current  
19 fiscal year.

20 (e) The various sums, including interest, to be contributed  
21 by the city, shall be taken from the revenue derived from such  
22 tax or otherwise as expressly provided in this Section. Any  
23 moneys of the city derived from any source other than the tax  
24 herein authorized shall not be used for any purpose of the fund  
25 nor the cost of administration thereof, unless applied to make  
26 the deposit expressly authorized in this Section or the

1 additional city contributions required under subsection (h).

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

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

24 (h) In addition to the contributions required under the  
25 other provisions of this Article, by November 1 of the  
26 following specified years, the city shall deposit with the city

1 treasurer for the benefit of the fund, to be held and used in  
2 accordance with this Article, the following specified amounts:  
3 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;  
4 \$5,040,000 in 2002; and \$4,620,000 in 2003.

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

12 (Source: P.A. 95-1036, eff. 2-17-09; 96-1495, eff. 1-1-11.)

13 (40 ILCS 5/6-165) (from Ch. 108 1/2, par. 6-165)

14 Sec. 6-165. Financing; tax.

15 (a) Except as expressly provided in this Section, each city  
16 shall levy a tax annually upon all taxable property therein for  
17 the purpose of providing revenue for the fund. For the years  
18 prior to the year 1960, the tax rate shall be as provided for  
19 in the "Firemen's Annuity and Benefit Fund of the Illinois  
20 Municipal Code". The tax, from and after January 1, 1968 to and  
21 including the year 1971, shall not exceed .0863% of the value,  
22 as equalized or assessed by the Department of Revenue, of all  
23 taxable property in the city. Beginning with the year 1972 and  
24 through 2014, the city shall levy a tax annually at a rate on  
25 the dollar of the value, as equalized or assessed by the



1 Department of Revenue of all taxable property within such city  
2 that will produce, when extended, not to exceed an amount equal  
3 to the total amount of contributions by the employees to the  
4 fund made in the calendar year 2 years prior to the year for  
5 which the annual applicable tax is levied, multiplied by 2.23  
6 through the calendar year 1981, and by 2.26 for the year 1982  
7 and for each year through 2014. Beginning in 2015, the city  
8 council shall levy a tax annually at a rate on the dollar of  
9 the assessed valuation of all taxable property that will  
10 produce when extended an annual amount that is equal to (1) the  
11 normal cost to the Fund, plus (2) an annual amount sufficient  
12 to bring the total assets of the Fund up to 90% of the total  
13 actuarial liabilities of the Fund by the end of fiscal year  
14 2040, as annually updated and determined by an enrolled actuary  
15 employed by the Illinois Department of Insurance or by an  
16 enrolled actuary retained by the Fund or the city. In making  
17 these determinations, the required minimum employer  
18 contribution shall be calculated each year as a level  
19 percentage of payroll over the years remaining up to and  
20 including fiscal year 2040 and shall be determined under the  
21 projected unit credit actuarial cost method.

22 To provide revenue for the ordinary death benefit  
23 established by Section 6-150 of this Article, in addition to  
24 the contributions by the firemen for this purpose, the city  
25 council shall for the year 1962 and each year thereafter  
26 annually levy a tax, which shall be in addition to and

1 exclusive of the taxes authorized to be levied under the  
2 foregoing provisions of this Section, upon all taxable property  
3 in the city, as equalized or assessed by the Department of  
4 Revenue, at such rate per cent of the value of such property as  
5 shall be sufficient to produce for each year the sum of  
6 \$142,000.

7 The amounts produced by the taxes levied annually, together  
8 with the deposit expressly authorized in this Section, shall be  
9 sufficient, when added to the amounts deducted from the  
10 salaries of firemen and applied to the fund, to provide for the  
11 purposes of the fund.

12 (a-5) For purposes of determining the required employer  
13 contribution to the Fund, the value of the Fund's assets shall  
14 be equal to the actuarial value of the Fund's assets, which  
15 shall be calculated as follows:

16 (1) On March 30, 2011, the actuarial value of the  
17 Fund's assets shall be equal to the market value of the  
18 assets as of that date.

19 (2) In determining the actuarial value of the Fund's  
20 assets for fiscal years after March 30, 2011, any actuarial  
21 gains or losses from investment return incurred in a fiscal  
22 year shall be recognized in equal annual amounts over the  
23 5-year period following that fiscal year.

24 (a-7) If the city fails to transmit to the Fund  
25 contributions required of it under this Article for more than  
26 90 days after the payment of those contributions is due, the

1 Fund may, after giving notice to the city, certify to the State  
2 Comptroller the amounts of the delinquent payments, and the  
3 Comptroller must, beginning in fiscal year 2017 ~~2016~~, deduct  
4 and deposit into the Fund the certified amounts or a portion of  
5 those amounts from the following proportions of grants of State  
6 funds to the city:

7 (1) in fiscal year 2017 ~~2016~~, one-third of the total  
8 amount of any grants of State funds to the city;

9 (2) in fiscal year 2018 ~~2017~~, two-thirds of the total  
10 amount of any grants of State funds to the city; and

11 (3) in fiscal year 2019 ~~2018~~ and each fiscal year  
12 thereafter, the total amount of any grants of State funds  
13 to the city.

14 The State Comptroller may not deduct from any grants of  
15 State funds to the city more than the amount of delinquent  
16 payments certified to the State Comptroller by the Fund.

17 (b) The taxes shall be levied and collected in like manner  
18 with the general taxes of the city, and shall be in addition to  
19 all other taxes which the city may levy upon all taxable  
20 property therein and shall be exclusive of and in addition to  
21 the amount of tax the city may levy for general purposes under  
22 Section 8-3-1 of the Illinois Municipal Code, approved May 29,  
23 1961, as amended, or under any other law or laws which may  
24 limit the amount of tax which the city may levy for general  
25 purposes.

26 (c) The amounts of the taxes to be levied in each year

1 shall be certified to the city council by the board.

2 (d) As soon as any revenue derived from such taxes is  
3 collected, it shall be paid to the city treasurer and held for  
4 the benefit of the fund, and all such revenue shall be paid  
5 into the fund in accordance with the provisions of this  
6 Article.

7 (e) If the funds available are insufficient during any year  
8 to meet the requirements of this Article, the city may issue  
9 tax anticipation warrants, against the tax levies herein  
10 authorized for the current fiscal year.

11 (f) The various sums, hereinafter stated, including  
12 interest, to be contributed by the city, shall be taken from  
13 the revenue derived from the taxes or otherwise as expressly  
14 provided in this Section. Except for defraying the cost of  
15 administration of the fund during the calendar year in which a  
16 city first attains a population of 500,000 and comes under the  
17 provisions of this Article and the first calendar year  
18 thereafter, any money of the city derived from any source other  
19 than these taxes or the sale of tax anticipation warrants shall  
20 not be used to provide revenue for the fund, nor to pay any  
21 part of the cost of administration thereof, unless applied to  
22 make the deposit expressly authorized in this Section or the  
23 additional city contributions required under subsection (h).

24 (g) In lieu of levying all or a portion of the tax required  
25 under this Section in any year, the city may deposit with the  
26 city treasurer no later than March 1 of that year for the

1 benefit of the fund, to be held in accordance with this  
2 Article, an amount that, together with the taxes levied under  
3 this Section for that year, is not less than the amount of the  
4 city contributions for that year as certified by the board to  
5 the city council. The deposit may be derived from any source  
6 legally available for that purpose, including, but not limited  
7 to, the proceeds of city borrowings. The making of a deposit  
8 shall satisfy fully the requirements of this Section for that  
9 year to the extent of the amounts so deposited. Amounts  
10 deposited under this subsection may be used by the fund for any  
11 of the purposes for which the proceeds of the taxes levied  
12 under this Section may be used, including the payment of any  
13 amount that is otherwise required by this Article to be paid  
14 from the proceeds of those taxes.

15 (h) In addition to the contributions required under the  
16 other provisions of this Article, by November 1 of the  
17 following specified years, the city shall deposit with the city  
18 treasurer for the benefit of the fund, to be held and used in  
19 accordance with this Article, the following specified amounts:  
20 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;  
21 \$5,040,000 in 2002; and \$4,620,000 in 2003.

22 The additional city contributions required under this  
23 subsection are intended to decrease the unfunded liability of  
24 the fund and shall not decrease the amount of the city  
25 contributions required under the other provisions of this  
26 Article. The additional city contributions made under this

1 subsection may be used by the fund for any of its lawful  
2 purposes.

3 (Source: P.A. 96-1495, eff. 1-1-11.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.