

**VILLAGE OF LOMBARD**  
**REQUEST FOR BOARD OF TRUSTEES ACTION**  
**For Inclusion on Board Agenda**

  X   Resolution or Ordinance (Blue)   X   *Waiver of First Requested*  
       Recommendations of Boards, Commissions & Committees (Green)  
       Other Business (Pink)

TO: President and Village Board of Trustees

FROM: William T. Lichter, Village Manager

DATE: November 22, 2004 (COW)(B of T): December 2, 2004

TITLE: Ordinances Providing for the Levy and Assessment of Taxes for the Fiscal Year beginning June 1, 2004 and ending May 31, 2005 for the Village of Lombard and the Helen M. Plum Memorial Library.

SUBMITTED BY: Timothy Sexton, Assistant Director of Finance

**BACKGROUND/POLICY IMPLICATIONS:**

The Finance Committee has recommended approval of the Village's 2004 Property Tax Levy. In addition, the Committee forwarded for approval without comment the 2004 Property Tax Levy for the Helen M. Plum Memorial Library. The staff report prepared for the Committee is attached.

Waiver of first reading is required in order to file the 2004 tax levy ordinances with the DuPage County Clerk by the last Tuesday in December as required by law.

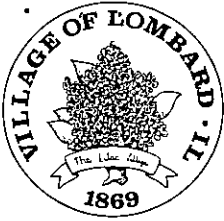
**FISCAL IMPACT:**

N/A


**REVIEW** (as needed):

Village Attorney XX		Date	
Finance Director XX	<i>Leonard J. Flood</i>	Date	11/22/04
Village Manager XX	<i>William T. Lichter</i>	Date	11/23/04

**NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 Noon, Wednesday, prior to the Board Agenda distribution.**



To: Village President & Board of Trustees

From: Timothy Sexton, Assistant Director of Finance 

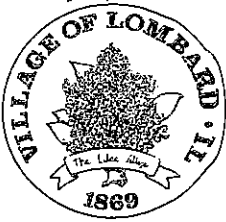
Date: November 22, 2004

Subject: Finance Committee Recommendation on the 2004 Property Tax Levy for the Village of Lombard and the Helen M. Plum Memorial Library

The Finance Committee at a special meeting held on November 22, 2004, voted unanimously to recommend approval of the 2004 property tax levy for the Village of Lombard in an amount of \$6,651,520. Included in this levy is a corporate levy of \$1,171,710 and special levies totaling \$5,479,810 (including \$25,600 that is exempt from the property tax cap for the Firefighters' Pension Fund levy). In addition, the committee forwarded to the Village Board for approval without comment the 2004 property tax levy for the Helen M. Plum Memorial Library in an amount of \$2,366,816. By state statute, the Village Board of Trustees must approve the library's tax levy.

The staff report on the proposed 2004 Tax Levy is attached. The attached ordinances have been prepared for review and approval by the Village Board at the December 2<sup>nd</sup> meeting. A waiver of first reading is required in order to file the tax levy ordinance by the last Tuesday in December.

c. William T. Lichter, Village Manager  
All Department Heads



To: Leonard J. Flood, Director of Finance

From: Timothy Sexton, Assistant Director of Finance *TS*

Date: November 17, 2004

Subject: Proposed 2004 Property Tax Levy

### INTRODUCTION

The 2004 Proposed Property Tax Levy for the Village of Lombard is presented for your review and recommendation to the Village Board. The recommendation is summarized on **Attachment A** and is explained in detail in this report. The tax levy has been prepared in accordance with the requirements of the Property Tax Extension Limitation Act (Tax Cap) and the Truth in Taxation Act.

### EAV ASSUMPTIONS

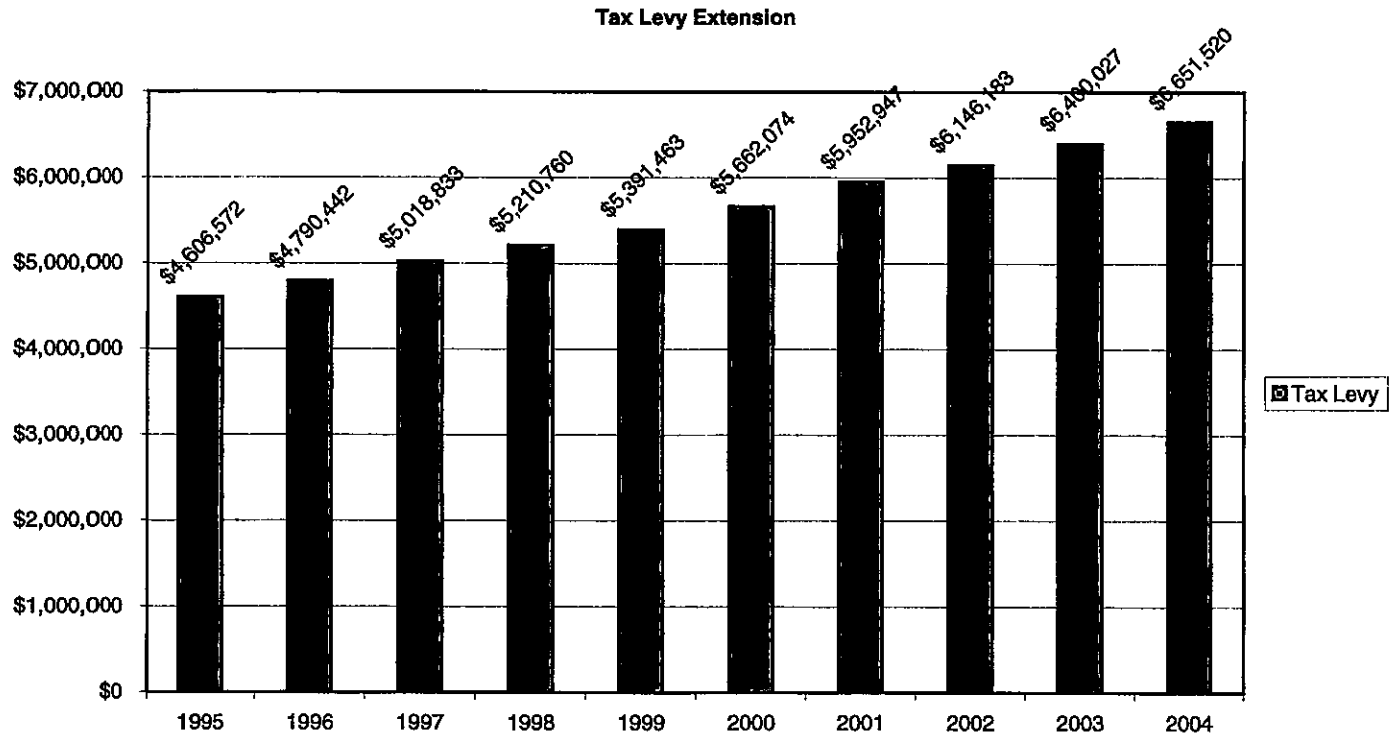
The following is a comparison of the projected 2004 estimated Equalized Assessed Valuation (EAV), including increases in both the base EAV as well as increases due to new construction/annexations for the Village of Lombard, as compared to the 2003 actual EAV.

	2004 Est.	2003 Actual	Incr. Over PY	Percent
Base EAV	\$1,292,696,818	\$1,210,390,279	\$82,306,539	6.80%
New Construction/ Annexations	\$20,683,149	\$20,384,200	\$298,949	1.47%
Total	<u>\$1,313,379,967</u>	<u>\$1,230,774,479</u>	<u>\$82,605,488</u>	<u>6.71%</u>

**Attachment B** shows a history of EAV growth in the Village over the last ten years.

### **2004 PROPOSED PROPERTY TAX LEVY**

The Village's tax levy is made up of two component areas: the Corporate Levy and Special Levies. The Village has not had a bonded debt tax levy since 1994. For 2004, the total proposed tax levy for the Village of Lombard is \$6,651,520, an increase of \$238,300 or 3.72% over the prior year's extended levy. **Attachment C** compares the 2003 extended levy to the 2004 proposed levy in detail. Below is a ten-year comparison of property tax extensions.



\*2004 is the proposed levy amount prior to extension

#### **I SPECIAL LEVIES:**

##### **POLICE AND FIREFIGHTERS' PENSION FUNDS:**

Since 1992, the Village has used an independent actuary to determine the annual tax levy requirements for both the Police and Firefighters' Pension Funds. The Village's actuary, Mr. Timothy Sharpe, has completed the annual actuarial analysis for the Police and Firefighters' Pension Funds. Copies of the actuarial reports for June 1, 2004 are included with this report.

The actuarial analysis indicates that the tax levy requirement for the Police Pension Fund for 2004 is \$1,401,030, an increase of \$89,416 or 6.82% over the prior year's extended levy. The tax levy requirement for the Firefighters' Pension Fund for 2004 is \$1,201,390, an increase of \$44,893 or 3.88% over the prior year's extended levy. In July 2004, the Illinois legislature passed a new firefighters' pension bill to expand pension benefits for firefighters. Included in this legislation was a provision that

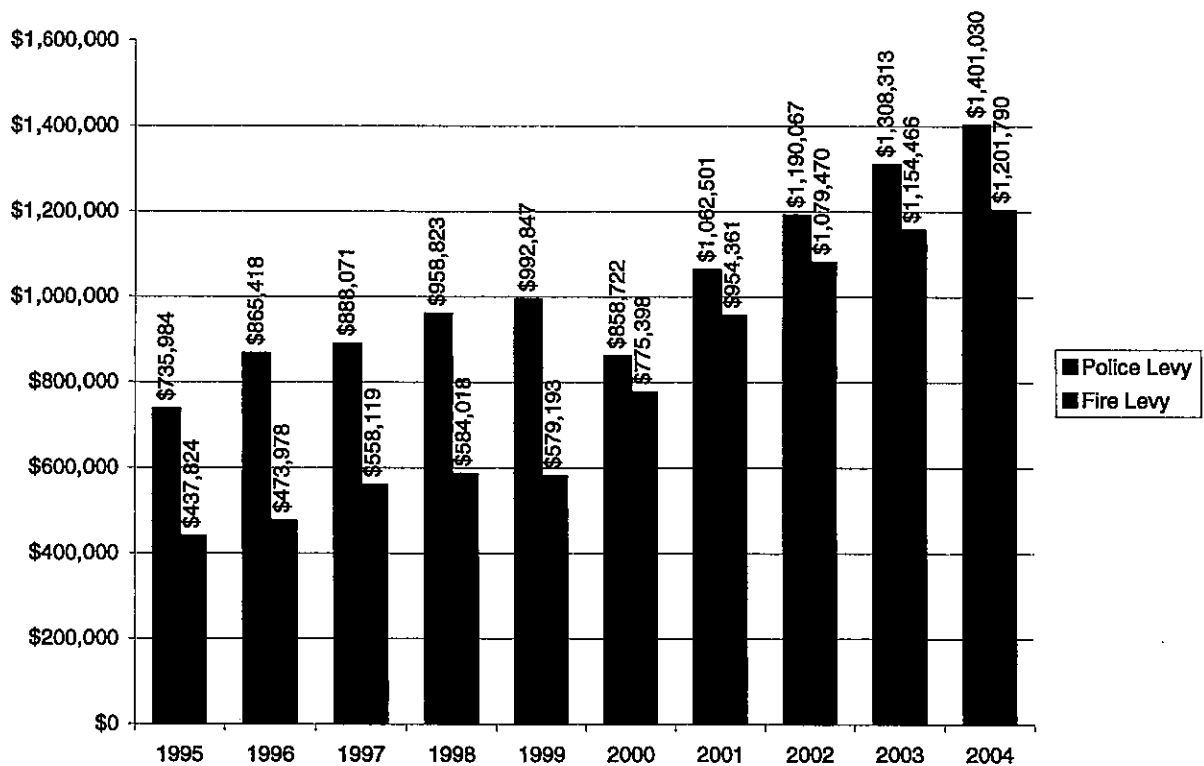
exempted from the tax cap any increases in the tax levy due to the new benefits of this legislation. Therefore, of the \$1,201,790 tax levy for the Firefighters' Pension Fund, \$1,176,190 is included in the calculation for the tax cap, and \$25,600 is exempt from the tax cap.

The Police and Firefighters' Pension Funds will see a net combined increase of \$134,309 or 5.44 % over last year's extended levy. A comparison of the annual requirements for this year and last year is shown on **ATTACHMENT D**.

The annual actuarially determined tax levy requirement for the Police Pension Fund, expressed as a percentage of payroll, increased from 28.68% for 2003 to 29.31% for 2004. The Firefighters' Pension Fund tax levy requirement, expressed as a percentage of payroll, decreased from 27.21% for 2003 to 26.69% for 2004.

The chart below displays a history of the Police and Firefighters' Pension Fund tax levies over the past ten years. The Village's overall tax levy has increased since 1995 by \$2,044,948 in actual dollars or 44.39% in ten years. As depicted in the chart below, the combined levies for the Police and Firefighters' Pension Funds alone have increased by \$1,429,012 or 121.7% in the same period. The net effect is that 70% of new tax levy dollars over and above the 1995 levels are going to fund the increases in the Police and Firefighters' Pension Fund levies.

Historical Comparison of Police and Firefighters' Pension Fund Tax Levies



**LIABILITY INSURANCE:**

The 2004 Proposed Tax Levy for Liability Insurance is \$1,402,678. An actuarial study was conducted again this year in order to determine the Village's reserve requirements for Liability Insurance. The amount proposed includes the actuarially determined levy requirement of \$1,318,057 and \$84,621 for the account balance reserve required in the Village's financial policy.

**IMRF/SOCIAL SECURITY:**

**ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF):** The Village's contribution rate, expressed as a percentage of payroll, increased from 6.55% in 2003 to 8.71% in 2004. The Village has received information from IMRF that indicates that the Village's rate for 2005 will increase from 8.71% to 9.61%. In addition, IMRF has estimated the Village's 2006 rate to be 10.53%. The increases for 2005 and 2006 are directly attributable to lower interest earnings on IMRF investments. There have been no major changes to IMRF benefit levels in many years. The IMRF costs for next year are estimated at \$659,420, an increase of \$68,800 over the amount proposed last year. The IMRF/Social Security account created a reserve specifically to mitigate the fiscal impact to the Village of a period of rising rates. Therefore, it is recommended that the proposed 2004 levy be set at \$559,420. The additional \$100,000 will come from the IMRF/Social Security account balance.

**SOCIAL SECURITY/MEDICARE:** The 2004 proposed levy for Social Security/Medicare is \$586,550. This is a \$1,270, or .22%, decrease below the amount proposed last year.

The contribution rate for the Village expressed as a percentage of payroll is 6.20% for Social Security and 1.45% for Medicare, for a total of 7.65%. This amount, combined with the 9.61% of payroll for IMRF, means that the total pension cost for non-sworn Village personnel, expressed as a percentage of payroll, is 17.26% as compared to 29.31% for sworn Police and 26.69% for sworn Fire personnel. For sworn Police and Fire personnel hired after 1986, the Village also contributes 1.45% for Medicare in addition to the pension costs above.

**Attachment E** shows the historical comparison of IMRF, Social Security and Medicare rates and wage bases since the 1995 tax levy year. Over the last ten years, combined levies for these three levies have increased by \$253,059 or 28.34% as compared to the increases in the combined Police and Firefighters' Pension Fund levies of \$1,429,013 or 121.7% over the same period.

**PUBLIC BENEFIT:**

State statute provides that the Village can levy to the maximum rate of \$.05/\$100 of EAV for the Public Benefit Fund to pay for a portion of the Village's share of special assessment projects. For the last two years, due to the uncertain economic conditions and the need for revenue to stabilize the General Fund, the Village Board approved a staff recommendation to levy \$.025/\$100 in Public Benefit and the rest in the General

Corporate Levy for the 2002 and 2003 tax levies. This staff recommendation will again be made to the Village Board for the 2004 tax levy. This gives the Village the greatest flexibility in dealing with the FYE 2006 Budget. If it is determined at a later time that the corporate fund has sufficient revenues to fund operations without this additional amount, the Village has the flexibility to transfer the funds from the General Fund to cover Public Benefit costs. The amount of this year's Public Benefit levy is \$328,340.

## **II CORPORATE LEVY:**

**Capital Improvements:** The Village received the final distribution of \$865,962 in January 2004 from the Intergovernmental Risk Management Agency (IRMA), which represents 30% of the funds that were held by IRMA in the Village's Members Reserve account. This was the fourth and final annual installment payment the Village will receive. This distribution is in accordance with the provisions of the IRMA bylaws covering the distribution of surplus funds to former members.

The funds received from IRMA must be redeposited into the Liability Insurance account and cannot be used for another purpose. Therefore, the Liability Insurance levy has been decreased in prior years to reflect this refund. The Village Board has previously directed that this portion of the levy be allocated to fund construction of the new Fleet Maintenance Facility. The total refunds received are as follows:

January 2001	\$231,266
January 2002	\$549,843
January 2003	\$824,675
January 2004	\$865,962

These funds are accounted for in the Village's Ten Year Capital Improvements Program. Since the Village has received the final payment from IRMA, the amount levied for capital improvements is no longer part of the Corporate Levy.

**General Corporate Levy:** The 2004 proposed General Corporate Levy totals \$1,171,710, a decrease of \$1,213,400 or 51.00% below last year's extended levy.

The two major factors resulting in this decrease in the Corporate Levy are due to no longer levying for the IRMA reimbursement, and the increase in most of the special levies, including police and fire pensions, IMRF, and liability insurance. Although the Corporate Levy decreased, an increase in health insurance costs is expected again in FYE 2006. In the current fiscal year, rates rose over 14% from the previous fiscal year. We are anticipating an increase of 15% in the coming year based on our experience and medical trends.

**HELEN M. PLUM MEMORIAL LIBRARY:**

The library is required to have its levy adopted by the Village of Lombard Board of Trustees. The library has provided the Village with its proposed tax levy request as follows:

Corporate	\$2,357,205
Audit	1,356
Liability Insurance	8,255
<b>TOTAL</b>	<b><u>\$2,366,816</u></b>

**TAX RATES:**

The tax cap limits our base tax levy increase over the prior year's extended levy to 5% or the national CPI as reported for December prior to adoption of the levy. For tax year 2004 the December 2003 national CPI was 1.9%. In addition to this amount, we levy for new construction and annexations that are expected to add an additional 1.6% in 2004, bringing our total increase allowed under the tax cap to 3.5%. This addition for new growth benefits the Village only for the first year it goes on the tax rolls. Next year this amount is rolled into our prior year's extension, which is capped by the CPI increase.

Based on this proposed levy, tax rates for the Village next year are expected to decrease from .5200/\$100 of EAV to .5045/\$100 of EAV. As mentioned earlier, the Firefighters' Pension Fund is now allowed to levy for the additional costs associated with the July 2004 fire pension legislation, with these costs being exempt from the tax caps. So in addition to the tax cap levy of .5045/\$100 of EAV, the Firefighters Pension Fund will also levy .0019/\$100 of EAV, making the total Village levy .5064/\$100 of EAV.

For the typical homeowner with a \$250,000 house, the Village's share of the tax bill on that property is expected to drop by approximately \$10 from \$407 to \$397.

A ten-year comparison of tax rates can be found in **Attachment F**. As this comparison indicates, the projected 2004 property tax rate for the Village of Lombard of .5064/\$100 of EAV is .0807/\$100 of EAV or 13.75% lower than it was ten years ago.

**IMPACT OF THE PROPERTY TAX EXTENSION LIMITATION ACT:**

The proposed 2004 Property Tax Levy for the Village of Lombard has been developed in order to comply with the provisions of the Property Tax Extension Limitation Act. An increase due to new growth of 1.6% has been provided for in the calculations. However, if this new growth estimate or the increase in the current tax base EAV is not realized, it may be necessary to reduce our levy at a later date. Toward the end of March 2005, the DuPage County Clerk will notify us if we are required to reduce our tax levy further as a result of our final extended 2004 tax levy. At that time we will be given the opportunity to decide if we want proportional reductions in all levies or if the reduction (if any) should come from one or more levies as selected by the Village Board. This decision, if necessary, would be made next spring by the Village Board.

**TRUTH IN TAXATION CALCULATION:**

For purposes of complying with the statutory requirements of the Truth in Taxation Act, we must compare our 2003 Aggregate Extended Levy to our 2004 Proposed Levy. If the amount of the increase in the levy is 5% or greater, a public hearing must be held by the Village Board. The 2003 Aggregate Extended Levy for the Village and Library combined was \$8,686,806. The 2004 proposed levy for the Village and the Library combined is \$9,018,336, an increase of \$331,530 or 3.82%. Therefore, a public hearing is not required.

The Finance Committee's recommendation on the 2004 Property Tax Levy will be on the agenda for Village Board consideration and approval with waiver of first reading at their December 2, 2004 meeting.

# ATTACHMENT A

## PROPOSED PROPERTY TAX LEVY TAX YEAR 2004 (VILLAGE & LIBRARY COMBINED)

### 1.6% NEW GROWTH ESTIMATE

ASSUMPTIONS		
AGGREGATE EXTENSION FOR 2003 TAX YEAR	VILLAGE	\$6,400,027
	LIBRARY	\$2,286,779
	<b>TOTAL</b>	<b>\$8,686,806</b>
2004 PROJECTED BASE EAV		\$1,292,696,818
2004 PROJECTED "NEW GROWTH"		\$20,683,149
2004 TOTAL PROJECTED EAV		<b>\$1,313,379,967</b>

2004 PROPOSED LEVIES	AMOUNT	RATE
CORPORATE	1,171,710	0.0892
POLICE PENSION	1,401,030	0.1067
PUBLIC BENEFIT	328,340	0.0250
FIREFIGHTERS' PENSION-SUBJECT TO TAX CAP	1,176,190	0.0896
IMRF	559,420	0.0426
LIABILITY INSURANCE	1,402,680	0.1068
SOCIAL SECURITY	586,550	0.0447
<b>TOTAL (VILLAGE ONLY)</b>	<b>6,625,920</b>	<b>0.5045</b>
FIREFIGHTERS' PENSION-EXEMPT FROM TAX CAP	25,600	0.0019
<b>TOTAL (VILLAGE ONLY)-INCL ADD'L FIRE LEVY</b>	<b>6,651,520</b>	<b>0.5064</b>
LIBRARY CORPORATE	2,357,205	0.1795
AUDIT	1,356	0.0001
LIABILITY INSURANCE	8,255	0.0006
<b>TOTAL (LIBRARY ONLY)</b>	<b>2,366,816</b>	<b>0.1802</b>
<b>GRAND TOTAL (VILLAGE &amp; LIBRARY)</b>	<b>9,018,336</b>	<b>0.6867</b>

# ATTACHMENT A

## COMPARISON OF PROPOSED TAX RATES TO LIMITING RATE PROJECTIONS

<b>STEP 1: PROJECTED TAX RATE</b>				
VILLAGE	0.5045			
LIBRARY	0.1802			
<b>TOTAL</b>	<b>0.6847</b>			
<b>STEP 2: NUMERATOR OF LIMITING RATE:</b>				
VILLAGE	\$6,400,027	x	101.9% =	\$6,521,628
LIBRARY	\$2,286,779	x	101.9% =	\$2,330,228
<b>TOTAL</b>	<b>\$8,686,806</b>	<b>x</b>	<b>101.9% =</b>	<b>\$8,851,855</b>
<b>STEP 3: DENOMINATOR OF LIMITING RATE:</b>				
VILLAGE	\$1,313,379,967	-	\$20,683,149 =	\$1,292,696,818
LIBRARY	\$1,313,379,967	-	\$20,683,149 =	\$1,292,696,818
<b>STEP 4: LIMITING RATE</b>				
VILLAGE	\$6,521,628	/	\$1,292,696,818 =	0.5045
LIBRARY	\$2,330,228	/	\$1,292,696,818 =	0.1802
<b>TOTAL</b>	<b>\$8,851,855</b>	<b>/</b>	<b>\$1,292,696,818 =</b>	<b>0.6846</b>
<b>STEP 5: FACTOR TO REDUCE RATES:</b>				
VILLAGE	0.5045 / 0.5045		=	1.0000
LIBRARY	0.1802 / 0.1802		=	1.0000

<b>STEP 6: APPLY FACTOR TO REDUCE RATES:</b>				
<b>NEW RATES ARE:</b>				
CORPORATE	0.0892	x 1.0000	=	0.0892
POLICE PENSION	0.1067	x 1.0000	=	0.1067
PUBLIC BENEFIT	0.0250	x 1.0000	=	0.0250
FIREMEN'S PENSION	0.0896	x 1.0000	=	0.0896
IMRF	0.0426	x 1.0000	=	0.0426
LIABILITY INSURANCE	0.1068	x 1.0000	=	0.1068
SOCIAL SECURITY	0.0447	x 1.0000	=	0.0447
<b>TOTAL VILLAGE ONLY</b>	<b>0.5045</b>			<b>0.5045</b>
LIBRARY CORPORATE	0.1795	x 1.0000	=	0.1795
AUDIT	0.0001	x 1.0000	=	0.0001
LIABILITY INSURANCE	0.0006	x 1.0000	=	0.0006
<b>TOTAL LIBRARY ONLY</b>	<b>0.1802</b>			<b>0.1802</b>
<b>GRAND TOTAL (VILLAGE &amp; LIBRARY)</b>	<b>0.6847</b>			<b>0.6847</b>

<b>STEP 7: EXTEND TAXES</b>				
VILLAGE	0.5045	x	\$1,313,379,967 =	6,625,922
LIBRARY	0.1802	x	\$1,313,379,967 =	2,366,816
<b>TOTAL</b>	<b>0.6847</b>			<b>8,992,738</b>

## ATTACHMENT B

### Historical Comparison of EAV Growth 1995-2004

	Base EAV	Inc. over PY	New Construction	% of Base	Annexations	% of Base	Total % of Base	Total EAV	Inc. over PY
Actual 1995	776,287,348	5.3%	7,747,807	1.0%	596,380	0.1%	1.1%	784,631,535	4.4%
Actual 1996	805,568,355	3.8%	11,428,980	1.4%	205,310	0.0%	1.4%	817,202,645	4.2%
Actual 1997	836,786,792	3.9%	10,572,480	1.3%	846,400	0.1%	1.4%	848,205,672	3.8%
Actual 1998	872,161,787	4.2%	11,504,040	0.3%	6,605,830	0.8%	2.1%	890,271,657	5.0%
Actual 1999	912,051,407	4.6%	15,462,265	1.7%	1,248,290	0.1%	1.8%	928,761,962	4.3%
Actual 2000	959,725,030	5.2%	19,464,418	2.0%	1,086,440	0.1%	2.1%	980,275,888	5.5%
Actual 2001	1,032,615,161	7.6%	16,802,620	1.6%	484,760	0.0%	1.7%	1,049,902,541	7.1%
Actual 2002	1,133,736,219	9.8%	15,814,040	1.4%	2,498,990	0.2%	1.6%	1,152,049,249	9.7%
Actual 2003	1,210,390,279	6.8%	14,797,760	1.2%	5,586,440	0.5%	1.7%	1,230,774,479	6.8%
Estimate 2004	1,292,696,818	6.8%	18,097,755	1.4%	2,585,394	0.2%	1.6%	1,313,379,967	6.7%
Average Inc. Last 5 years (1)		6.8%		1.6%		0.2%	1.8%		6.7%

Note (1) Average includes Actual Years 1999-2003.

# ATTACHMENT C

## COMPARISON OF 2003 PROPERTY TAX LEVY AS EXTENDED

vs.

## 2004 PROPERTY TAX LEVY AS PROPOSED

VILLAGE	2003 EXTENDED LEVY		2004 PROPOSED LEVY		INCREASE/DECREASE	
	RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
CORPORATE	0.1933	2,379,087	0.0894	1,171,710	-53.75%	-1,207,377
POLICE PENSION	0.1063	1,308,313	0.1067	1,401,030	0.38%	92,717
PUBLIC BENEFIT	0.0247	304,001	0.0250	328,340	1.21%	24,339
FIREFIGHTERS' PENSION-SUBJECT TO TAX CAP	0.0938	1,154,466	0.0895	1,176,190	-4.58%	21,724
IMRF	0.0398	489,848	0.0426	559,420	7.04%	69,572
LIABILITY INSURANCE	0.0144	177,232	0.1066	1,402,680	640.28%	1,225,448
SOCIAL SECURITY	0.0477	587,079	0.0447	586,550	-6.29%	-529
<b>TOTAL VILLAGE SUBJECT TO TAX CAP</b>	<b>0.5200</b>	<b>6,400,027</b>	<b>0.5045</b>	<b>6,625,920</b>	<b>-2.98%</b>	<b>225,893</b>
FIREFIGHTERS' PENSION-NOT SUBJECT TO TAX CAP						
			0.0019	25,600		25,600
<b>TOTAL VILLAGE LEVY</b>	<b>0.5200</b>	<b>6,400,027</b>	<b>0.5064</b>	<b>6,651,520</b>	<b>-2.62%</b>	<b>251,493</b>

ATTACHMENT D

**COMPARISON OF ANNUAL TAX LEVY REQUIREMENTS  
FOR POLICE AND FIREFIGHTERS' PENSION FUNDS  
TAX YEAR 2003 vs. 2004**

	<u>A</u>	<u>B</u>	<u>C</u>	
	<u>2003 Extended TAX LEVY</u>	<u>ACTUARY AS OF 6/1/04</u>	<u>INC./(DEC.) OVER 2003</u>	
			<u>AMOUNT</u>	<u>PERCENT</u>
<b>POLICE PENSION FUND</b>	\$1,311,614	\$1,401,030	\$89,416	6.82%
<b>FIREFIGHTERS' PENSION FUND</b>				
Subject to Tax Cap	\$1,156,897	\$1,176,190	\$19,293	1.67%
Exempt from Tax Cap	N/A	\$25,600	\$25,600	N/A
<b>TOTAL FIREFIGHTERS' PENSION FUND</b>	<u>\$1,156,897</u>	<u>\$1,201,790</u>	<u>\$44,893</u>	<u>3.88%</u>
<b>TOTAL</b>	<u>\$2,468,511</u>	<u>\$2,602,820</u>	<u>\$134,309</u>	<u>5.44%</u>

**NOTES:**

A. Amount levied and extended by the County Clerk for the 2003 Village Tax Levy.

B. Updated Actuarial Valuations based on membership data and asset information as of 5/31/04. The actuarial assumptions and actuarial cost methods used were the same as used last year.

C. Increase in 2004 tax levy request over 2003 extended levy.

	<u>2003</u>		<u>2004</u>	
<u>POLICE PENSION FUND</u>	<u>AS LEVIED</u>	<u>PERCENT OF PAYROLL</u>	<u>AS LEVIED</u>	<u>PERCENT OF PAYROLL</u>
Employer's Share of Normal Cost	\$653,865	14.30%	\$685,238	14.33%
Annual Amount Required to Amortize Unfunded Liability over 40 years Subsequent to 7/1/93 as a Level % of Pay	<u>\$657,749</u>	<u>14.38%</u>	<u>\$715,792</u>	<u>14.97%</u>
<b>Annual Actuarial Requirement as a Percentage of Payroll</b>	<u><b>\$1,311,614</b></u>	<u><b>28.68%</b></u>	<u><b>\$1,401,030</b></u>	<u><b>29.31%</b></u>
 <u>FIREFIGHTERS' PENSION FUND</u>				
Employer's Share of Normal Cost	\$755,514	17.77%	\$789,951	17.54%
Annual Amount Required to Amortize Unfunded Liability over 40 years Subsequent to 7/1/93 as a Level % of Pay	<u>\$401,383</u>	<u>9.44%</u>	<u>\$411,839</u>	<u>9.14%</u>
<b>Annual Actuarial Requirement as a Percentage of Payroll</b>	<u><b>\$1,156,897</b></u>	<u><b>27.21%</b></u>	<u><b>\$1,201,790</b></u>	<u><b>26.69%</b></u>

**ATTACHMENT E**  
**ANALYSIS OF IMRF FUND**  
**IMRF/SOCIAL SECURITY/MEDICARE**  
**RATES, WAGE BASES & TAX LEVIES**  
**CALENDAR YEARS 1996 - 2005**

<b>IMRF</b>				
<b>CALENDAR YEAR</b>	<b>EMPLOYER'S CONTRIBUTION</b>	<b>EMPLOYEE'S CONTRIBUTION</b>	<b>WAGE BASE</b>	
1996	9.55%	4.50%	NONE	
1997	9.66%	4.50%	NONE	
1998	8.72%	4.50%	NONE	
1999	8.89%	4.50%	NONE	
2000	8.07%	4.50%	NONE	
2001	6.90%	4.50%	NONE	
2002	6.14%	4.50%	NONE	
2003	6.55%	4.50%	NONE	
2004	8.71%	4.50%	NONE	
2005	9.61%	4.50%	NONE	

<b>SOCIAL SECURITY/MEDICARE</b>					
<b>CALENDAR YEAR</b>	<b>EMPLOYER'S CONTRIBUTION</b>	<b>EMPLOYEE'S CONTRIBUTION</b>	<b>WAGE BASE</b>		
			<b>SS</b>	<b>MEDICARE</b>	
1996	7.65%	7.65%	\$62,700	Unlimited	
1997	7.65%	7.65%	\$65,400	Unlimited	
1998	7.65%	7.65%	\$68,400	Unlimited	
1999	7.65%	7.65%	\$72,600	Unlimited	
2000	7.65%	7.65%	\$76,200	Unlimited	
2001	7.65%	7.65%	\$80,400	Unlimited	
2002	7.65%	7.65%	\$84,900	Unlimited	
2003	7.65%	7.65%	\$87,000	Unlimited	
2004	7.65%	7.65%	\$87,900	Unlimited	
2005	7.65%	7.65%	Not Avail.	Unlimited	

<b>Property Tax Levies (IMRF, SS &amp; Medicare combined)</b>				
<b>TAX LEVY YEAR</b>	<b>TAX LEVY*</b>	<b>INC./(DEC.) OVER PY</b>		
		<b>AMOUNT</b>	<b>PERCENT</b>	
1995	\$892,911	-\$99,817	-10.05%	
1996	\$914,450	\$21,539	2.41%	
1997	\$944,901	\$30,451	3.33%	
1998	\$945,469	\$568	0.06%	
1999	\$984,488	\$39,019	4.13%	
2000	\$926,360	-\$58,128	-5.90%	
2001	\$975,359	\$48,999	5.29%	
2002	\$978,072	\$2,713	0.28%	
2003	\$1,076,927	\$98,855	10.11%	
2004	\$1,145,970	\$69,043	6.41%	

<b>Total Increase</b>		
<b>1995-2004</b>	<b>\$253,059</b>	<b>28.34%</b>
<b>Avg. Annual Inc.</b>	<b>\$25,306</b>	<b>2.83%</b>

\*1995-2003 as extended; 2004 prior to extension

ATTACHMENT F

**VILLAGE OF LOMBARD  
HISTORICAL TAX RATE INFORMATION  
1995-2004**

<b>LEVY YEAR</b>	<b>TOTAL TAX RATE (1)</b>	<b>VILLAGE ONLY</b>	<b>VILLAGE SHARE OF TOTAL</b>
<b>1995</b>	6.7709	0.5871	8.67%
<b>1996</b>	6.6077	0.5862	8.87%
<b>1997</b>	6.6330	0.5917	8.92%
<b>1998</b>	6.6639	0.5853	8.78%
<b>1999</b>	6.5501	0.5805	8.86%
<b>2000</b>	6.4565	0.5776	8.95%
<b>2001</b>	6.3126	0.5670	8.98%
<b>2002</b>	5.9530	0.5335	8.96%
<b>2003</b>	6.3134	0.5200	8.24%
<b>2004</b>	TBD	0.5064	TBD

NOTE (1) This table is based on tax code 6011. There are 30 tax codes in Lombard each receives a different property tax bill depending on whether the area is included within a given taxing district's boundaries. This tax code was selected as an example only.



Actuary

**VILLAGE OF LOMBARD**  
**LOMBARD FIREFIGHTERS PENSION FUND**

Actuarial Valuation Report

For the Year

Beginning June 1, 2004

And Ending May 31, 2005

---

*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

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## INTRODUCTION

Fire-sworn personnel of the Village of Lombard are covered by the Firefighters Pension Plan that is a defined-benefit, single-employer pension plan. The purpose of this report is to disclose the Tax Levy Requirement, the GASB Statements No. 25 & 27 financial information and related actuarial information for the year beginning June 1, 2004, and ending May 31, 2005.

The valuation results reported herein are based on plan provisions in effect as of June 1, 2004, the employee data furnished by the Village, the financial data provided by the Fund's trustee and the actuarial methods and assumptions described later in this report. I hereby certify that this report is complete and accurate and fairly presents the actuarial position of the Fund as of May 31, 2004, in accordance with generally accepted actuarial principles and procedures. In my opinion, the assumptions used are reasonably related to the experience of the Plan and to reasonable expectations.

Respectfully submitted,

Timothy W. Sharpe, EA, MAAA  
Enrolled Actuary No. 02-4384

---

Date

## SUMMARY OF RESULTS

There were no changes with respect to Plan Provisions, Actuarial Methods, or Actuarial Assumptions from the prior year.

There were no unexpected changes with respect to the participants included in this actuarial valuation (5 new members, 1 termination, 2 retirementst, 0 incidents of disability, annual payroll increase 5.9%, average salary increase 5.0%).

There were no unexpected changes with respect to the Fund's investments from the prior year (annual investment return 7.76%).

The Village's Tax Levy Requirement has increased from \$1,156,897 last year to \$1,201,792 this year (3.9%). The increase in the Tax Levy is due to the increase in salaries. The Percent Funded has increased from 73.7% last year to 76.0% this year.

The amount of the Village Tax Levy due to PA 93-0689 is \$25,599.

Section 8: There is hereby certified to the County Clerk of DuPage County, Illinois, the several sums aforesaid, constituting said total amount of TWO MILLION THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTEEN DOLLARS (\$2,366,816) which said total amount the said Helen M. Plum Memorial Library of the Village of Lombard required to be raised by taxation for the current fiscal year of said Village.

Section 9: The Village Clerk of said Village of Lombard is hereby ordered and directed to file with the County Clerk of DuPage County a certified copy of this Ordinance, prior to the last Tuesday in December, 2004.

Section 10: The validity or invalidity of any section of this Ordinance shall not affect the validity or invalidity of any other section.

Section 11: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

Passed on first reading this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

First reading waived by action of the Board of Trustees this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

Passed on second reading this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
William J. Mueller  
Village President

ATTEST:

\_\_\_\_\_  
Barbara A. Johnson  
Acting Village Clerk

Tax Levy Ordinance No. \_\_\_\_\_  
Helen M. Plum Memorial Library  
Fiscal Year June 1, 2004 to May 31, 2005  
Page 5

APPROVAL AS TO FORM:

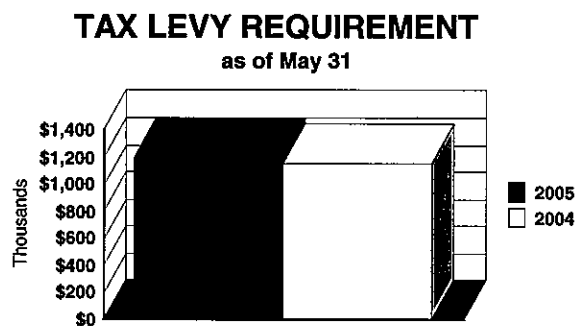
\_\_\_\_\_  
Thomas Bayer  
Village Attorney

Published by me in pamphlet form this \_\_\_\_\_ day of \_\_\_\_\_, 2004

\_\_\_\_\_  
Barbara A. Johnson  
Acting Village Clerk

# SUMMARY OF RESULTS (Continued)

	For Year Ending May 31	
	<u>2005</u>	<u>2004</u>
Tax Levy Requirement	\$ 1,201,792	\$ 1,156,897
Tax Levy as a Percentage of Payroll	26.69%	27.21%
	as of June 1	
	<u>2004</u>	<u>2003</u>
Village Normal Cost	789,953	755,514
Anticipated Employee Contributions	380,778	359,537
Accrued Liability	29,971,305	27,382,431
Actuarial Value of Assets	22,786,191	20,184,121
Unfunded Accrued Liability/(Surplus)	7,185,114	7,198,310
Amortization of Unfunded Accrued Liability/(Surplus)	327,993	320,669
Percent Funded	76.0%	73.7%
Annual Payroll	\$ 4,503,589	\$ 4,252,355

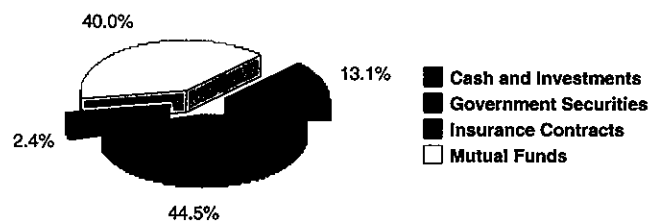


## ACTUARIAL VALUATION OF ASSETS

		as of June 1	
	<u>2004</u>		<u>2003</u>
Cash and Investments	\$ 2,961,692	\$	1,910,509
Government Securities	10,073,264		10,341,132
Insurance Contracts	546,224		456,783
Mutual Funds	9,071,816		7,355,357
Interest Receivable	133,451		111,878
Miscellaneous Receivable/(Payable)	<u>(255)</u>		<u>8,462</u>
Actuarial Value of Assets	\$ <u>22,786,191</u>	\$	<u>20,184,121</u>

## SUMMARY OF ASSETS

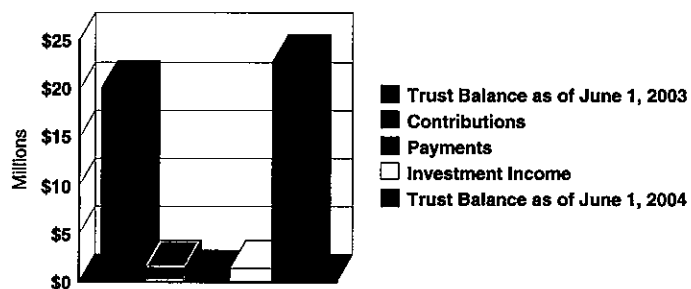
As Of June 1, 2004



## ASSET CHANGES DURING PRIOR YEAR

Trust Balance as of May 1, 2003		\$	20,184,121
Contributions			
Village	1,077,751		
Employee	<u>379,624</u>		
Total			1,457,375
Payments			
Benefit Payments	420,249		
Expenses	<u>39,229</u>		
Total			459,478
Investment Income			<u>1,604,173</u>
Trust Balance as of June 1, 2004		\$	<u>22,786,191</u>
Approximate Annual Rate of Return			7.76%

## ASSET CHANGES DURING PRIOR YEAR



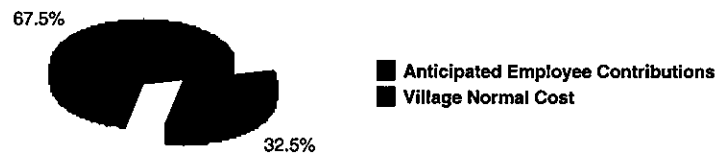
## NORMAL COST

The Normal Cost is the actuarial present value of the portion of the projected benefits that are expected to accrue during the year based upon the actuarial valuation method and actuarial assumptions employed in the valuation.

		as of June 1	
	<u>2004</u>		<u>2003</u>
Total Normal Cost	\$ 1,170,731	\$	1,115,051
Anticipated Employee Contributions	<u>380,778</u>		<u>359,537</u>
Village Normal Cost	<u>789,953</u>		<u>755,514</u>
Normal Cost Payroll	\$ 4,503,589	\$	4,252,355
Village Normal Cost Rate	17.54%		17.77%
Total Normal Cost Rate	26.00%		26.22%

## NORMAL COST

As Of June 1, 2004



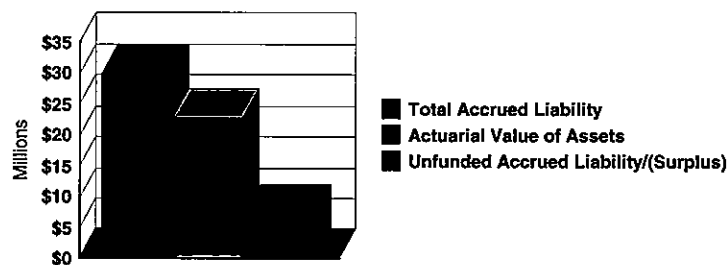
## ACCRUED LIABILITY

The Accrued Liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and actuarial assumptions employed in the valuation. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of Assets.

		as of June 1	
Accrued Liability	<u>2004</u>		<u>2003</u>
Active Employees	\$ 24,095,702	\$	22,883,738
Children Annuities	0		0
Disability Annuities	3,266,862		3,240,593
Retirement Annuities	2,415,409		1,060,557
Surviving Spouse Annuities	193,332		197,543
Terminated Vested Annuities	<u>0</u>		<u>0</u>
Total Annuities	5,875,603		4,498,693
Total Accrued Liability	29,971,305		27,382,431
Actuarial Value of Assets	<u>22,786,191</u>		<u>20,184,121</u>
Unfunded Accrued Liability/(Surplus)	\$ <u>7,185,114</u>	\$	<u>7,198,310</u>
Percent Funded	76.0%		73.7%

### ACCRUED LIABILITY

As Of June 1, 2004



## TAX LEVY REQUIREMENT

The Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the unfunded accrued liability as a level percentage of pay-roll over a forty (40) year period which commenced in 1993, plus an adjustment for interest.

	For Year Ending May 31	
	<u>2005</u>	<u>2004</u>
Village Normal Cost as of Beginning of Year	\$ 789,953	\$ 755,514
Amortization of Unfunded Accrued Liability/(Surplus)	327,993	320,669
Interest for One Year	<u>83,846</u>	<u>80,714</u>
Tax Levy Requirement as of End of Year	\$ <u>1,201,792</u>	\$ <u>1,156,897</u>

## TAX LEVY REQUIREMENT

For Fiscal Year Ending May 31, 2005



## SUMMARY OF PLAN PARTICIPANTS

The actuarial valuation of the Plan is based upon the employee data furnished by the Village.  
The information provided for Active participants included:

Name  
Sex  
Date of Birth  
Date of Hire  
Compensation  
Employee Contributions

The information provided for Inactive participants included:

Name  
Sex  
Date of Birth  
Date of Pension Commencement  
Monthly Pension Benefit  
Form of Payment

Membership	<u>2004</u>	<u>2004</u>	<u>2003</u>	<u>2003</u>
Current Employees				
Vested	42		44	
Nonvested	<u>23</u>		<u>19</u>	
Total	<u>65</u>		<u>63</u>	
Inactive Participants		<u>Annual Benefits</u>		<u>Annual Benefits</u>
Children	0 \$	0	0 \$	0
Disabled Employees	6	226,274	6	225,543
Retired Employees	4	175,498	2	91,384
Surviving Spouses	1	21,311	1	21,311
Terminated Vesteds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>11</u>	<u>423,083</u>	<u>9</u>	<u>338,238</u>
Annual Payroll	\$	4,503,589	\$	4,252,355

## SUMMARY OF PLAN PARTICIPANTS (Continued)

### Age and Service Distribution

Service Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Salary
20-24	2							2	47,891
25-29	4							4	50,857
30-34	2	2						4	62,518
35-39	3	7	4	1				15	64,319
40-44	1		6	6				13	68,934
45-49	1	1	2	3	4	4		15	74,746
50-54				3	5	3		11	79,680
55-59							1	1	95,717
Total	<u>13</u>	<u>10</u>	<u>12</u>	<u>13</u>	<u>9</u>	<u>7</u>	<u>1</u>	<u>65</u>	<u>69,286</u>
Salary	52,575	65,853	68,786	80,157	67,126	84,893	95,717		

Average Age: 41.5      Average Service: 13.8

DURATION (years)    Active Members: 15.6    Retired Members: 10.4    All Members: 14.6

### PROJECTED PENSION PAYMENTS

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$862,667	\$917,017	\$1,242,625	\$1,349,601	\$1,560,948

### PROJECTED PENSION PAYMENTS 2005-2009



## SUMMARY OF PLAN PROVISIONS

The Plan Provisions have not been changed from the prior year.

The Village of Lombard Firefighters Pension Fund was created and is administered as prescribed by "Article 4. Firefighters' Pension Fund - Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40). A brief summary of the plan provisions is provided below.

Employees attaining the age of (50) or more with (20) or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The pension shall be increased by (1/12) of (2.5%) of such monthly salary for each additional month of service over (20) years up to (30) years, to a maximum of (75%) of such monthly salary.

Employees with at least (10) years but less than (20) years of credited service may retire at or after age (60) and receive a reduced benefit ranging from (15%) of final salary for (10) years of service to (45.6%) for 19 years of service.

Surviving spouses receive (100%) of final salary for fatalities resulting from an act of duty, or otherwise (54%) of final salary. Surviving children receive (12%) of final salary. The maximum family survivor benefit is (75%) of final salary.

Employees disabled in the line of duty receive (65%) of final salary.

The monthly pension of a covered employee who retired with (20) or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least (55) years, by (3%) of the amount of the pension payable at the time of the increase.

Employees are required to contribute (8.455%) of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than twenty (20) years of service, accumulated employee contributions may be refunded without accumulated interest.

## ACTUARIAL METHODS

The Actuarial Methods used for determining the Tax Levy and GASB Statements No. 25 & 27 financial disclosure have not been changed from the prior year. The Actuarial Method employed for this valuation is as follows:

### Entry Age Normal Cost Method

Under the Entry Age Normal Cost Method the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to sufficiently fund all benefits under the plan. The Normal Cost for the plan is determined as the greater of a) the sum of the Normal Costs for all active participants, and b) 17.5% of the total payroll of all active participants.

The Accrued Liability is the theoretical amount that would have accumulated had annual contributions equal to the Normal Cost been paid. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

## ACTUARIAL ASSUMPTIONS

The Actuarial Assumptions used for determining the Tax Levy Requirement and GASB Statements No. 25 & 27 Disclosure Information are the same and have not been changed from the prior year. The Actuarial Assumptions employed for this valuation are as follows:

Valuation Date	June 1, 2004
Asset Valuation Method	Market Value
Investment Return	7.50%
Salary Scale	5.25%
Mortality	1984 Unisex Pensioners Mortality Table
Withdrawal	Graduated Rates
Disability	Graduated Rates
Retirement	Graduated Rates (100% by Age 60)
Marital Status	80% Married, Spouse Same Age
Plan Expenses	None

<u>Sample Annual Rates Per 100 Participants</u>				
<u>Age</u>	<u>Mortality</u>	<u>Withdrawal</u>	<u>Disability</u>	<u>Retirement</u>
20	0.13	1.75	0.01	
30	0.11	1.10	0.01	
40	0.21	0.05	0.63	
50	0.56	0.88	1.67	20.00
60	1.43		1.74	100.00

## GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION

The Governmental Accounting Standards Board (GASB) issued Statements No. 25 & 27 that established generally accepted accounting principles for the annual financial statements for defined benefit pension plans. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>May 31, 2004</u>	<u>May 31, 2003</u>
Retirees and beneficiaries receiving benefits	11	9
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	42	44
Active nonvested plan members	<u>23</u>	<u>19</u>
Total	<u>76</u>	<u>72</u>
Number of participating employers	1	1

## SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
05/31/02	18,500,259	24,639,779	6,139,520	75.1%	4,093,859	150.0%
05/31/03	20,184,121	27,382,431	7,198,310	73.7%	4,252,355	169.3%
05/31/04	22,786,191	29,971,305	7,185,114	76.0%	4,503,589	159.5%

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>May 31, 2004</u>	<u>May 31, 2003</u>
Annual required contribution	1,080,248	957,658
Interest on net pension obligation	(917)	(1,301)
Adjustment to annual required contribution	<u>556</u>	<u>771</u>
Annual pension cost	1,079,887	957,128
Contributions made	<u>1,077,751</u>	<u>952,016</u>
Increase (decrease) in net pension obligation	2,136	5,112
Net pension obligation beginning of year	<u>(12,229)</u>	<u>(17,341)</u>
Net pension obligation end of year	<u>(10,093)</u>	<u>(12,229)</u>

THREE-YEAR TREND INFORMATION

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC) <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension Obligation <u>Obligation</u>
05/31/02	766,803	101.1%	(17,341)
05/31/03	957,128	99.5%	(12,229)
05/31/04	1,079,887	99.8%	(10,093)

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

Contribution rates:

Village	23.931%	22.388%
Plan members	8.455%	Same

Annual pension cost	1,079,887	957,128
---------------------	-----------	---------

Contributions made	1,077,751	952,016
--------------------	-----------	---------

Actuarial valuation date	05/31/04	05/31/03
--------------------------	----------	----------

Actuarial cost method	Entry age	Same
-----------------------	-----------	------

Amortization period	Level percentage of pay, closed	Same
---------------------	---------------------------------	------

Remaining amortization period	29 years	30 years
-------------------------------	----------	----------

Asset valuation method	Market	Same
------------------------	--------	------

Actuarial assumptions:

Investment rate of return*	7.50%	Same
----------------------------	-------	------

Projected salary increases*	5.25%	Same
-----------------------------	-------	------

*Includes inflation at	3.00%	Same
------------------------	-------	------

Cost-of-living adjustments	3.00% per year	Same
----------------------------	----------------	------



Actuary

**VILLAGE OF LOMBARD**  
**LOMBARD POLICE PENSION FUND**

Actuarial Valuation Report

For the Year

Beginning June 1, 2004

And Ending May 31, 2005

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*Timothy W. Sharpe, Actuary, Geneva, IL (630) 262-0600*

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## INTRODUCTION

Police-sworn personnel of the Village of Lombard are covered by the Police Pension Plan that is a defined-benefit, single-employer pension plan. The purpose of this report is to disclose the Tax Levy Requirement and GASB Statements No. 25 & 27 financial information and related actuarial information for the year beginning June 1, 2004, and ending May 31, 2005.

The valuation results reported herein are based on plan provisions in effect as of June 1, 2004, the employee data furnished by the Village, the financial data provided by the Fund's trustee and the actuarial methods and assumptions described later in this report. I hereby certify that this report is complete and accurate and fairly presents the actuarial position of the Fund as of May 31, 2004, in accordance with generally accepted actuarial principles and procedures. In my opinion, the assumptions used are reasonably related to the experience of the Plan and to reasonable expectations.

Respectfully submitted,

Timothy W. Sharpe, EA, MAAA  
Enrolled Actuary No. 02-4384

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Date

## SUMMARY OF RESULTS

There were no changes with respect to Plan Provisions, Actuarial Methods or Actuarial Assumptions from the prior year.

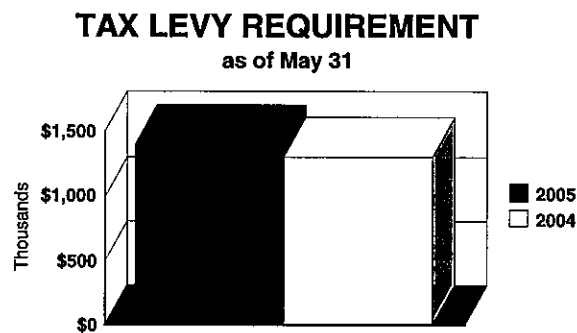
There were no unexpected changes with respect to the participants included in this actuarial valuation (5 new members, 0 terminations, 4 retirements, 0 incidents of disability, annual payroll increase 4.5%, average increase 5.3%).

There were no unexpected changes with respect to the Fund's investments from the prior year (annual investment return 6.02%).

The Village's Tax Levy Requirement has increased from \$1,311,614 last year to \$1,401,029 this year (6.8%). The increase in the Tax Levy is due to the increase in salaries, and that the investment return was less than expected. The Percent Funded has decreased slightly from 68.9% last year to 68.8% this year.

## SUMMARY OF RESULTS (Continued)

	For Year Ending May 31	
	<u>2005</u>	<u>2004</u>
Tax Levy Requirement	\$ 1,401,029	\$ 1,311,614
Tax Levy as a Percentage of Payroll	29.31%	28.68%
	as of June 1	
	<u>2004</u>	<u>2003</u>
Village Normal Cost	685,237	653,865
Anticipated Employee Contributions	473,749	453,140
Accrued Liability	43,417,912	40,893,632
Actuarial Value of Assets	29,878,816	28,182,770
Unfunded Accrued Liability/(Surplus)	13,539,096	12,710,862
Amortization of Unfunded Accrued Liability/(Surplus)	618,046	566,241
Percent Funded	68.8%	68.9%
Annual Payroll	\$ 4,780,513	\$ 4,572,551

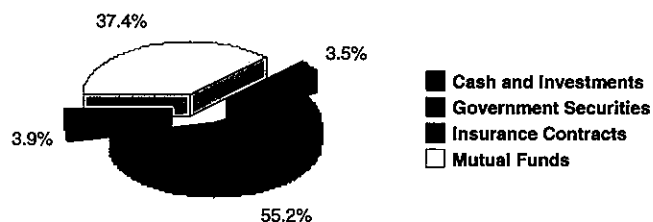


## ACTUARIAL VALUATION OF ASSETS

		as of June 1	
	<u>2004</u>		<u>2003</u>
Cash and Investments	\$ 1,046,202	\$	160,857
Government Securities	16,396,854		18,649,418
Insurance Contracts	1,160,303		2,775,441
Mutual Funds	11,113,326		6,437,828
Interest Receivable	163,266		150,632
Miscellaneous Receivable/(Payable)	<u>(1,135)</u>		<u>8,594</u>
Actuarial Value of Assets	\$ <u>29,878,816</u>	\$	<u>28,182,770</u>

## SUMMARY OF ASSETS

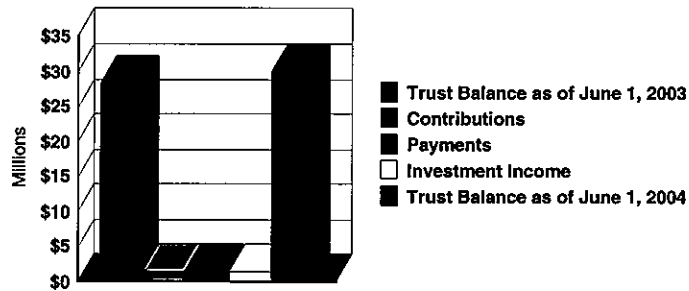
As Of June 1, 2004



## ASSET CHANGES DURING PRIOR YEAR

Trust Balance as of June 1, 2003		\$	28,182,771
Contributions			
Village	1,188,227		
Employee	<u>469,263</u>		
Total			1,657,490
Payments			
Benefit Payments	1,595,278		
Expenses	<u>62,365</u>		
Total			1,657,643
Investment Income			<u>1,696,198</u>
Trust Balance as of June 1, 2004		\$	<u>29,878,816</u>
Approximate Annual Rate of Return			6.02%

## ASSET CHANGES DURING PRIOR YEAR

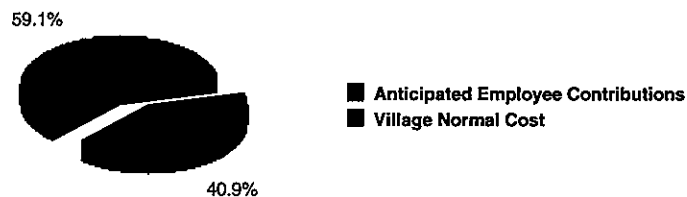


## NORMAL COST

The Normal Cost is the actuarial present value of the portion of the projected benefits that are expected to accrue during the year based upon the actuarial valuation method and actuarial assumptions employed in the valuation.

		as of June 1	
	<u>2004</u>		<u>2003</u>
Total Normal Cost	\$ 1,158,986	\$	1,107,005
Anticipated Employee Contributions	<u>473,749</u>		<u>453,140</u>
Village Normal Cost	<u>685,237</u>		<u>653,865</u>
Normal Cost Payroll	\$ 4,780,513	\$	4,572,551
Village Normal Cost Rate	14.33%		14.30%
Total Normal Cost Rate	24.24%		24.21%

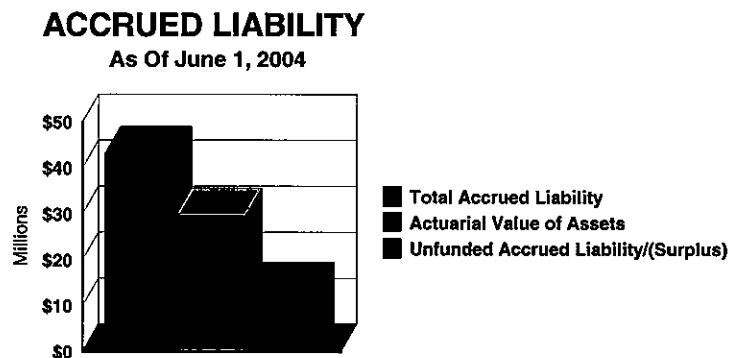
### NORMAL COST As Of June 1, 2004



## ACCRUED LIABILITY

The Accrued Liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and actuarial assumptions employed in the valuation. The Unfunded Accrued Liability is the excess of the Accrued Liability over the Actuarial Value of Assets.

		as of June 1	
Accrued Liability	<u>2004</u>		<u>2003</u>
Active Employees	\$ 21,354,248	\$	21,309,670
Children Annuities	0		0
Disability Annuities	819,539		810,599
Retirement Annuities	20,552,803		18,000,366
Surviving Spouse Annuities	691,322		772,997
Terminated Vested Annuities	<u>0</u>		<u>0</u>
Total Annuities	22,063,664		19,583,962
Total Accrued Liability	43,417,912		40,893,632
Actuarial Value of Assets	<u>29,878,816</u>		<u>28,182,770</u>
Unfunded Accrued Liability/(Surplus)	\$ <u>13,539,096</u>	\$	<u>12,710,862</u>
Percent Funded	68.8%		68.9%



## TAX LEVY REQUIREMENT

The Tax Levy Requirement is determined as the annual contribution necessary to fund the normal cost, plus the amount to amortize the unfunded accrued liability as a level percentage of pay-roll over a forty (40) year period which commenced in 1993, plus an adjustment for interest.

	For Year Ending May 31	
	<u>2005</u>	<u>2004</u>
Village Normal Cost as of Beginning of Year	\$ 685,237	\$ 653,865
Amortization of Unfunded Accrued Liability/(Surplus)	618,046	566,241
Interest for One Year	<u>97,746</u>	<u>91,508</u>
Tax Levy Requirement as of End of Year	\$ <u>1,401,029</u>	\$ <u>1,311,614</u>

## TAX LEVY REQUIREMENT

For Fiscal Year Ending May 31, 2005



## SUMMARY OF PLAN PARTICIPANTS

The actuarial valuation of the Plan is based upon the employee data furnished by the Village.  
The information provided for Active participants included:

Name  
Sex  
Date of Birth  
Date of Hire  
Compensation  
Employee Contributions

The information provided for Inactive participants included:

Name  
Sex  
Date of Birth  
Date of Pension Commencement  
Monthly Pension Benefit  
Form of Payment

Membership	<u>2004</u>	<u>2004</u>	<u>2003</u>	<u>2003</u>
Current Employees				
Vested	44		44	
Nonvested	<u>28</u>		<u>27</u>	
Total	<u>72</u>		<u>71</u>	
Inactive Participants		<u>Annual Benefits</u>		<u>Annual Benefits</u>
Children	0 \$	0	0 \$	0
Disabled Employees	2	49,505	2	49,505
Retired Employees	37	1,502,263	33	1,285,073
Surviving Spouses	5	100,123	6	112,126
Terminated Vesteds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>44</u>	<u>1,651,891</u>	<u>41</u>	<u>1,446,704</u>
Annual Payroll	\$	4,780,513	\$	4,572,551

## SUMMARY OF PLAN PARTICIPANTS (Continued)

### Age and Service Distribution

Service Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Salary
20-24	2							2	48,709
25-29	8							8	50,160
30-34	4	12						16	62,043
35-39	2	6	7	1				16	65,250
40-44		1	2	9				12	72,762
45-49	1		1	2	3	1		8	78,739
50-54					3	5	2	10	74,206
Total	<u>17</u>	<u>19</u>	<u>10</u>	<u>12</u>	<u>6</u>	<u>6</u>	<u>2</u>	<u>72</u>	<u>66,396</u>
Salary	53,833	65,952	71,647	68,948	76,230	79,988	65,558		

Average Age: 38.0      Average Service: 11.6

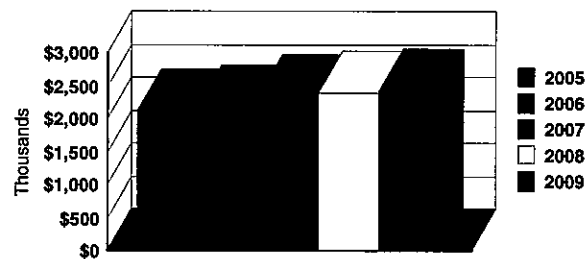
DURATION (years)    Active Members: 16.9    Retired Members: 9.9    All Members: 13.4

### PROJECTED PENSION PAYMENTS

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$2,138,863	\$2,210,146	\$2,341,824	\$2,396,183	\$2,453,673

### PROJECTED PENSION PAYMENTS

2005-2009



## SUMMARY OF PLAN PROVISIONS

The Plan Provisions have not been changed from the prior year.

The Village of Lombard Police Pension Fund was created and is administered as prescribed by "Article 3. Police Pension Fund - Municipalities 500,000 and Under" of the Illinois Pension Code (Illinois Compiled Statutes, 1992, Chapter 40). A brief summary of the plan provisions is provided below.

Employees attaining the age of (50) or more with (20) or more years of creditable service are entitled to receive an annual retirement benefit of (2.5%) of final salary for each year of service up to (30) years, to a maximum of (75%) of such salary.

Employees with at least (8) years but less than (20) years of credited service may retire at or after age (60) and receive a reduced benefit of (2.5%) of final salary for each year of service.

Surviving spouses receive (100%) of final salary for fatalities resulting from an act of duty, or otherwise the greater of (50%) of final salary or the employee's retirement benefit.

Employees disabled in the line of duty receive (65%) of final salary.

The monthly pension of a covered employee who retired with (20) or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least (55) years, by (3%) of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as (3%) of the amount of the pension payable at the time of the increase.

Employees are required to contribute (9.91%) of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than (20) years of service, accumulated employee contributions may be refunded without accumulated interest.

## ACTUARIAL METHODS

The Actuarial Methods used for determining the Tax Levy and GASB Statements No. 25 & 27 financial disclosure have not been changed from the prior year. The Actuarial Method employed for this valuation is as follows:

### Entry Age Normal Cost Method

Under the Entry Age Normal Cost Method the Normal Cost for each participant is computed as the level percentage of pay which, if paid from the earliest age the participant is eligible to enter the plan until retirement or termination, will accumulate with interest to sufficiently fund all benefits under the plan. The Normal Cost for the plan is determined as the sum of the Normal Costs for all active participants.

The Accrued Liability is the theoretical amount that would have accumulated had annual contributions equal to the Normal Cost been paid. The Unfunded Accrued Liability is the excess of the Accrued Liability over the plan's assets. Experience gains or losses adjust the Unfunded Accrued Liability.

## ACTUARIAL ASSUMPTIONS

The Actuarial Assumptions used for determining the Tax Levy Requirement and GASB Statements No. 25 & 27 Disclosure Information are the same and have not been changed from the prior year. The Actuarial Assumptions employed for this valuation are as follows:

Valuation Date	June 1, 2004
Asset Valuation Method	Market Value
Investment Return	7.50%
Salary Scale	5.25%
Mortality	1984 Unisex Pensioners Mortality Table
Withdrawal	Graduated Rates
Disability	Graduated Rates
Retirement	Graduated Rates (100% by Age 60)
Marital Status	80% Married, Spouse Same Age
Plan Expenses	None

<u>Sample Annual Rates Per 100 Participants</u>				
<u>Age</u>	<u>Mortality</u>	<u>Withdrawal</u>	<u>Disability</u>	<u>Retirement</u>
20	0.13	4.76	0.12	
30	0.11	2.37	0.21	
40	0.21	1.40	0.41	
50	0.56	1.04	0.85	20.00
60	1.43			100.00

## STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION

The Governmental Accounting Standards Board (GASB) issued Statements No. 25 & 27 that established generally accepted accounting principles for the annual financial statements for defined benefit pension plans. The required information is as follows:

Membership in the plan consisted of the following as of:

	<u>May 31, 2004</u>	<u>May 31, 2003</u>
Retirees and beneficiaries receiving benefits	44	41
Terminated plan members entitled to but not yet receiving benefits	0	0
Active vested plan members	44	44
Active nonvested plan members	<u>28</u>	<u>27</u>
Total	<u>116</u>	<u>112</u>
Number of participating employers	1	1

## SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
05/31/02	26,507,623	38,366,845	11,859,222	69.1%	4,237,755	279.8%
05/31/03	28,182,770	40,893,632	12,710,862	68.9%	4,572,551	278.0%
05/31/04	29,878,816	43,417,912	13,539,096	68.8%	4,780,513	283.2%

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

ANNUAL PENSION COST AND NET PENSION OBLIGATION

	<u>May 31, 2004</u>	<u>May 31, 2003</u>
Annual required contribution	1,191,814	1,066,354
Interest on net pension obligation	(1,550)	(1,959)
Adjustment to annual required contribution	<u>940</u>	<u>1,161</u>
Annual pension cost	1,191,204	1,065,556
Contributions made	<u>1,188,227</u>	<u>1,060,104</u>
Increase (decrease) in net pension obligation	2,977	5,452
Net pension obligation beginning of year	<u>(20,662)</u>	<u>(26,114)</u>
Net pension obligation end of year	<u>(17,685)</u>	<u>(20,662)</u>

THREE-YEAR TREND INFORMATION

<u>Fiscal</u> <u>Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
05/31/02	849,090	101.3%	(26,114)
05/31/03	1,065,556	99.5%	(20,662)
05/31/04	1,191,204	99.8%	(17,685)

GASB STATEMENTS NO. 25 & 27 DISCLOSURE INFORMATION (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

Contribution rates:

Village	24.86%	23.18%
Plan members	9.91%	Same

Annual pension cost	1,191,204	1,065,556
---------------------	-----------	-----------

Contributions made	1,188,227	1,060,104
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Actuarial valuation date	05/31/04	05/31/03
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Actuarial cost method	Entry age	Same
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Amortization period	Level percentage of pay, closed	Same
---------------------	---------------------------------	------

Remaining amortization period	29 years	30 years
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Asset valuation method	Market	Same
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Actuarial assumptions:

Investment rate of return*	7.50%	Same
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Projected salary increases*	5.25%	Same
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*Includes inflation at	3.00%	Same
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Cost-of-living adjustments	3.00% per year	Same
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**ORDINANCE \_\_\_\_\_**

**AN ORDINANCE PROVIDING FOR THE LEVY AND ASSESSMENT OF  
TAXES FOR THE FISCAL YEAR BEGINNING JUNE 1, 2004, AND  
ENDING MAY 31, 2005, FOR THE VILLAGE OF LOMBARD, DUPAGE  
COUNTY, STATE OF ILLINOIS**

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS as follows:

Section 1: That the total amount of appropriation for all corporate purposes legally made to be collected from the tax levy of the current fiscal year beginning June 1, 2004, and ending May 31, 2005 of the Village of Lombard is hereby ascertained to be the sum of SIX MILLION SIX HUNDRED FIFTY ONE THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$6,651,520).

Section 2: SIX MILLION SIX HUNDRED FIFTY ONE THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$6,651,520) being the total of appropriations heretofore legally made, which are to be collected from the tax levy of the current fiscal year of the Village of Lombard, beginning June 1, 2004 and ending May 31, 2005 for all corporate purposes of said Village of Lombard for the Public Benefit Fund, for the Liability Insurance Fund, for the Illinois Municipal Retirement Fund, for the Social Security Fund, for the Police Pension Fund, for the Firefighters' Pension Fund, and General Corporate Fund, as budgeted for the current fiscal year by the Annual Budget Ordinance of the Village of Lombard for the fiscal year beginning June 1, 2004 and ending May 31, 2005, said Ordinance passed by the President and Board of Trustees of the Village of Lombard at the legally convened meeting of April 1, 2004, be and the same is hereby levied upon all the taxable property in the Village of Lombard subject to taxation for the current fiscal year. The specific amounts as levied for the various funds heretofore named being included herein by being placed in the separate columns under the heading "TO BE RAISED BY TAX LEVY" which appears over the same, the tax being so levied being for the current fiscal year of said Village, and for the said appropriation to be collected for said tax levy, the total of which has been ascertained as aforesaid, and being as set forth in Sections 3 to 9, inclusive, as follows:

Section 3: There is hereby authorized a tax levy in the amount of ONE MILLION FOUR HUNDRED TWO THOUSAND SIX HUNDRED EIGHTY DOLLARS (\$1,402,680) for Liability Insurance purposes, and detailed as follows:

<u>1230</u>	<u>LIABILITY INSURANCE</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
755695	Risk Management Services	\$ 25,310	\$ 10,730
755870	Retained Losses	858,800	858,800
756040	Policies and Bonds	533,150	533,150
	Total	<u>\$1,417,260</u>	<u>\$1,402,680</u>

**Section 4:** There is hereby authorized a tax levy in the amount of FIVE HUNDRED FIFTY NINE THOUSAND FOUR HUNDRED TWENTY DOLLARS (\$559,420) for the Illinois Municipal Retirement Fund purposes and detailed as follows:

1010	IMRF	AMOUNT BUDGETED	TO BE RAISED BY TAX LEVY
71 1630	IMRF Village	\$474,360	\$443,160
71 1640	IMRF Library	<u>116,260</u>	<u>116,260</u>
	Total	<u><b>\$590,620</b></u>	<u><b>\$559,420</b></u>

**Section 5:** There is hereby authorized a tax levy in the amount of FIVE HUNDRED EIGHTY SIX THOUSAND FIVE HUNDRED FIFTY DOLLARS (\$586,550) for the Social Security purposes and detailed as follows:

1010	SOCIAL SECURITY	AMOUNT BUDGETED	TO BE RAISED BY TAX LEVY
71 1530	Social Security-Village	\$395,600	\$340,890
71 1540	Social Security-Library	83,800	83,800
71 1570	Medicare-Village	182,460	142,260
71 1580	Medicare-Library	<u>19,600</u>	<u>19,600</u>
	Total	<u><b>\$1,038,960</b></u>	<u><b>\$586,550</b></u>

**Section 6:** There is hereby authorized a tax levy in the amount of ONE MILLION FOUR HUNDRED ONE THOUSAND THIRTY DOLLARS (\$1,401,030) for the Police Pension Fund, and detailed as follows:

7100	POLICE PENSION FUND	AMOUNT BUDGETED	TO BE RAISED BY TAX LEVY
712100	Police Pension Payments	\$1,830,100	\$1,401,030
733620	Administrative Exp-Pension Fund	<u>65,000</u>	<u>0</u>
	Total	<u><b>\$1,660,800</b></u>	<u><b>\$1,401,030</b></u>

Section 7: There is hereby authorized a tax levy in the amount of ONE MILLION TWO HUNDRED SEVEN THOUSAND SEVEN HUNDRED NINETY DOLLARS (\$1,207,790)\*\* for the Firefighters' Pension Fund, and detailed as follows:

<u>7200</u>	<u>FIREFIGHTERS' PENSION FUND</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
712200	Fire Pension Payments	\$481,350	\$481,350
733620	Administrative Exp-Pension Fund	50,000	50,000
687720	Pension Reserve	<u>676,440</u>	<u>676,440</u>
	Total	<u><b>\$1,207,790</b></u>	<u><b>\$1,207,790**</b></u>

\*\* Of the total tax levy in the amount of ONE MILLION TWO HUNDRED SEVEN THOUSAND SEVEN HUNDRED NINETY DOLLARS (\$1,207,790) for the Firefighters' Pension Fund, ONE MILLION ONE HUNDRED SEVENTY SIX THOUSAND ONE HUNDRED NINETY DOLLARS (\$1,176,190) is subject to the Property Tax Extension Limitation Act (Tax Cap), and TWENTY FIVE THOUSAND SIX HUNDRED DOLLARS is exempt from the Property Tax Extension Limitation Act (Tax Cap) pursuant to Public Act 93-689.

Section 8: There is hereby authorized a tax levy in the amount of THREE HUNDRED TWENTY EIGHT THOUSAND THREE HUNDRED FORTY DOLLARS (\$328,340) for Public Benefit purposes, and detailed as follows:

<u>6810</u>	<u>PUBLIC BENEFIT FUND</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
788100	SA Bonds-Principal	\$1,060,000	\$328,340
788200	SA Bonds-Interest	<u>224,400</u>	<u>0</u>
	Total	<u><b>\$1,284,400</b></u>	<u><b>\$328,340</b></u>

Section 9: There is hereby authorized a tax levy in the amount of ONE MILLION FIVE HUNDRED SIXTY THOUSAND FOUR HUNDRED THIRTY FIVE DOLLARS (\$1,171,710) for the General Corporate Fund, and detailed as follows:

<u>1010</u>	<u>GENERAL CORPORATE FUND HEALTH INSURANCE</u>	<u>AMOUNT BUDGETED</u>	<u>TO BE RAISED BY TAX LEVY</u>
711330	Blue Cross/Blue Shield Plan	\$787,740	\$787,740
711350	Life and AD & D Insurance	28,830	28,830
711380	Blue Cross/Blue Shield HMO/IL	<u>884,750</u>	<u>355,140</u>
	Total	<u><b>\$1,701,320</b></u>	<u><b>\$1,171,710</b></u>

SUMMARY OF THE TOTAL AMOUNT TO BE  
RAISED BY TAX LEVY

LIABILITY INSURANCE	\$1,402,680
ILLINOIS MUNICIPAL RETIREMENT FUND	559,420
SOCIAL SECURITY	586,550
POLICE PENSION FUND	1,401,030
FIREFIGHTERS' PENSION FUND-SUBJECT TO TAX CAP	1,176,190
PUBLIC BENEFIT FUND	328,340
GENERAL CORPORATE FUND	<u>1,171,710</u>
TOTAL TO BE RAISED BY TAX LEVY- SUBJECT TO TAX CAP	6,625,920
FIREFIGHTERS' PENSION FUND-EXEMPT FROM TAX CAP – PURSUANT TO PUBLIC ACT 93-689	<u>25,600</u>
TOTAL TO BE RAISED BY TAX LEVY	<u>\$6,651,520</u>

Section 10: The total amount of SIX MILLION SIX HUNDRED FIFTY ONE THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$6,651,520) ascertained as aforesaid and detailed in Sections 3 through 9 inclusive herein, be, and the same is hereby levied and assessed on all property subject to taxation within the Village of Lombard, according to the value of said property as that same is assessed and equalized for State and County purposes for the current year.

Section 11: This LEVY ORDINANCE is adopted pursuant to the procedures as set forth in the Illinois Municipal Code and Illinois Pension Code.

Section 12: There is hereby certified to the County Clerk of DuPage County, Illinois, the several sums aforesaid, constituting said total amount and the said total amount of SIX MILLION SIX HUNDRED FIFTY ONE THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$6,651,520).

Section 13: The Village Clerk of said Village of Lombard is hereby ordered and directed to file with the County Clerk of DuPage County a certified copy of this Ordinance, prior to the last Tuesday in December, 2003.

Section 14: The validity or invalidity of any section of this Ordinance shall not affect the validity or invalidity of any other section.

Section 15: This Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

Passed on first reading this \_\_\_\_ day of \_\_\_\_\_, 2004.

First reading waived by action of the Board of Trustees this \_\_\_\_ day of \_\_\_\_\_, 2004.

Passed on second reading this \_\_\_\_ day of \_\_\_\_\_, 2004.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved this \_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
William J. Mueller  
Village President

ATTEST:

\_\_\_\_\_  
Barbara A. Johnson  
Acting Village Clerk

APPROVAL AS TO FORM:

\_\_\_\_\_  
Thomas Bayer  
Village Attorney

**CERTIFICATE OF COMPLIANCE  
WITH THE TRUTH IN TAXATION ACT**

I, **WILLIAM J. MUELLER**, the duly qualified and acting presiding officer of the **VILLAGE OF LOMBARD**, DuPage County, Illinois, do hereby certify that the 2004 tax levy of said **VILLAGE**, attached hereto, was adopted in full compliance with the provisions of the Illinois "Truth in Taxation Act," (35 ILCS 200/18-55 et seq.).

IN WITNESS WHEREOF, I have placed my official signature this 2<sup>nd</sup> day of December, 2004.

\_\_\_\_\_  
Village President

**ORDINANCE \_\_\_\_\_**

**AN ORDINANCE PROVIDING FOR THE LEVY AND ASSESSMENT OF  
TAXES FOR THE FISCAL YEAR BEGINNING JUNE 1, 2004, AND  
ENDING MAY 31, 2005 FOR THE HELEN M. PLUM MEMORIAL LIBRARY  
OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, STATE OF ILLINOIS**

WHEREAS, the Village of Lombard has established a free public library pursuant to Section 2-2 of the Local Library Act of the Illinois Revised Statutes, 1985 edition; and

WHEREAS, the Board of Trustees of the Helen M. Plum Memorial Library of the Village of Lombard has requested that certain sums of money be raised by Tax Levy for the fiscal year beginning June 1, 2004, and ending May 31, 2005.

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS as follows:

Section 1: That the total amount of appropriation for all corporate purposes legally made which are to be raised from the tax levy for the fiscal year beginning June 1, 2004, and ending May 31, 2005, for the Helen M. Plum Memorial Library of the Village of Lombard is hereby ascertained to be the sum of TWO MILLION THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTEEN DOLLARS (\$2,366,816).

Section 2: TWO MILLION THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTEEN DOLLARS (\$2,366,816) being the total of appropriations heretofore legally made, which are to be raised by tax levy for the current fiscal year beginning June 1, 2004, and ending May 31, 2005, for all corporate purposes of the Helen M. Plum Memorial Library of the Village of Lombard for the Helen M. Plum Memorial Library Operating Fund, the Helen M. Plum Memorial Library Public Liability Insurance Fund and the Helen M. Plum Memorial Library Audit Fund as budgeted for the current fiscal year by the Annual Budget Ordinance of the Helen M. Plum Memorial Library for the fiscal year beginning June 1, 2003, and ending May 31, 2004, be and the same is hereby levied upon all the taxable property in the Village of Lombard subject to taxation for the current fiscal year. The specific amounts as levied for the various funds heretofore named being included herein by being placed in the separate columns under the heading "TO BE RAISED BY TAX LEVY" which appears over the same, the tax being so levied being for the current fiscal year of said Library, and for the said appropriation to be collected for said tax levy, the total of which has been ascertained as aforesaid, and being as set forth in Sections 3 to 5, inclusive, as follows:

Section 3: There is hereby authorized a tax levy in the amount of TWO MILLION THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTEEN DOLLARS (\$2,357,205) for the Helen M. Plum Memorial Library Operating Fund, and detailed as follows:

Helen M. Plum Memorial Library Operating Fund	Amount Budgeted	To Be Raised By Tax Levy
SALARIES	\$1,485,501	\$1,485,501
HEALTH AND LIFE INSURANCE	160,813	160,813
TRAINING AND TRAVEL	26,720	26,720
TUITION REIMBURSEMENT	1,000	1,000
PAYROLL PROCESSING	3,500	3,500
PERSONNEL - MISCELLANEOUS	500	500
ADULT BOOKS	198,042	198,042
YOUTH BOOKS	105,776	105,776
ADULT AUDIO VISUAL	29,544	29,544
YOUTH AUDIO VISUAL	18,664	18,664
EDGAR LEWIS ROBBINS FAMILY FUND	2,050	2,050
RENTAL BOOKS	1,500	1,500
BINDERY	1,800	1,800
PERIODICALS - ADULT	28,941	28,941
PERIODICALS - YOUTH	3,200	3,200
MICROFORM	20,132	20,132
ELECTRONIC DATABASES	97,209	97,209
TEEN PERIODICALS	300	300
INTERNET SERVICE	2,664	2,664
ADULT VIDEOTAPES	3,000	3,000
YOUTH VIDEOTAPES	2,500	2,500
MEMORIAL GIFTS - BOOKS	3,000	3,000
COLLECTION MANAGEMENT	4,032	4,032
SUPPLIES	54,207	54,207
POSTAGE	10,500	10,500
TELEPHONE	7,750	7,750
PUBLIC RELATIONS	4,330	4,330
PROGRAMS - ADULT	3,400	3,400
PROGRAMS - YOUNG PEOPLE'S	11,500	11,500
PROGRAMS - TEENS	800	800
DUES	3,571	3,571
COPIER	5,700	5,700
CAROL ANNE ROBBINS SCHOLARSHIP	1,000	1,000
EQUIPMENT RENTAL & MAINTENANCE	5,995	5,995
AUTOMATION PURCHASE / REPAIR	52,781	48,064
INNOPAC PURCHASE AND MAINTENANCE	42,173	0
OCLC	22,705	0
LIBRARY OPERATIONS - MISC.	1,500	0
BANKCARD CHARGES	550	0
FRIENDS OF THE LIBRARY	3,500	0
BUILDING MAINTENANCE	54,425	0
GROUNDS MAINTENANCE	7,600	0
SECURITY	7,500	0

MAINTENANCE MATERIALS	7,500	0
UTILITIES	21,440	0
LONG TERM REPAIR	1,243	0
BUILDING & CONTENTS INSURANCE	6,696	0
PROFESSIONAL SERVICES	4,000	0
FURNITURE / EQUIPMENT PURCHASE	6,378	0
FACILITIES -- MISCELLANEOUS	500	0
TOTAL	<u>\$2,549,632</u>	<u>\$2,357,205</u>

Section 4: There is hereby authorized a tax levy in the amount of EIGHT THOUSAND TWO HUNDRED FIFTY FIVE DOLLARS (\$8,255) for the Helen M. Plum Memorial Library Liability Insurance Fund, and detailed as follows:

Helen M. Plum Memorial Library Liability Insurance Fund	Amount Budgeted	To Be Raised By Tax Levy
Liability Insurance Expense	<u>\$18,000</u>	<u>\$8,255</u>
Total	<u>\$18,000</u>	<u>\$8,255</u>

Section 5: There is hereby authorized a tax levy in the amount of FIVE HUNDRED DOLLARS (\$500) for the Helen M. Plum Memorial Library Audit Fund, and detailed as follows:

Helen M. Plum Memorial Library Audit Fund	Amount Budgeted	To Be Raised By Tax Levy
Audit Expense	<u>\$2,400</u>	<u>\$1,356</u>
Total	<u>\$2,400</u>	<u>\$1,356</u>

SUMMARY OF THE TOTAL AMOUNT TO BE RAISED BY TAX LEVY  
FOR THE HELEN M. PLUM MEMORIAL LIBRARY

Operating Fund	\$2,357,205
Liability Insurance Fund	8,255
Audit Fund	<u>1,356</u>
TOTAL TO BE RAISED BY TAX LEVY	<u>\$2,366,816</u>

Section 6: The total amount of TWO MILLION THREE HUNDRED SIXTY SIX THOUSAND EIGHT HUNDRED SIXTEEN DOLLARS (\$2,366,816) ascertained as aforesaid in Sections 3 through 5 inclusive herein, be, and the same is hereby levied and assessed on all property subject to taxation within the Village of Lombard, according to the value of said property as that same is assessed and equalized for State and County purposes for the current year.

Section 7: This LEVY ORDINANCE is adopted pursuant to the procedures as set forth in the Illinois Municipal Code and The Illinois Local Library Act.