

# VILLAGE OF NORRIDGE

4000 North Olcott Avenue • Norridge, Illinois 60706-1199  
708/ 453-0800 FAX 708/ 453-9335  
www.villageofnorridge.com

**PRESIDENT**

James Chmura

**CLERK**

Debra J. Budnik

**TRUSTEES**

Ursula A. Kucharski  
Dominic S. Falagario  
Jacqueline Gregorio  
Dominic Sulimowski  
Donald Gelsomino  
Daniel Tannhauser

## VILLAGE OF NORRIDGE

### **MINUTES - TRUTH IN TAXATION PUBLIC HEARING - WEDNESDAY NOVEMBER 14, 2018**

Village of Norridge  
4000 N. Olcott Avenue  
Norridge, IL 60706  
**6:00 P.M.**

#### **REGARDING THE PROPOSED TAX LEVY TO FUND THE VILLAGE SHARE OF THE POLICE PENSION FUND FOR THE FISCAL YEAR MAY 1, 2018 TO APRIL 30, 2019**

The hearing was called to order by President Chmura.

Clerk Budnik called roll. Present: President Chmura  
Clerk Budnik  
Trustee Kucharski  
Trustee Tannhauser  
Trustee Sulimowski  
Trustee Falagario  
Trustee Gregorio  
Trustee Gelsomino (arrived at 6:07pm)

A quorum was declared.

President Chmura asked all to stand and pledge allegiance to the flag.

President Chmura asked Clerk Budnik to read the notice that was published in the Pioneer Press/Norridge and Harwood Heights News on November 1, 2018 in regard to the Proposed Tax Levy to fund the Village share of the Police Pension Fund for the fiscal year May 1, 2018 to April 30, 2019.

Clerk Budnik read the notice.

President Chmura asked Joanna Skupien to explain the purpose of the hearing.

Joanna Skupien introduced Paul Malicki, Paul Draniczarek, Matthew Goduto, Michelle Mayer, Daniel Tannhauser from the Police Pension Board. The Board administers a fund for the benefit of police officers, their surviving spouses, children and certain other dependents.

The police pension board is independent. Consists of five members, two appointed by the mayor, 2 active police officers elected by their union and one inactive retired officer.

The board has its own attorney, auditor and actuarial firm, selected and hired by the pension board. Joanna Skupien serves as the Pension



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Fund's Treasurer which is a non-voting position and liaison between the Pension Fund Board and the Village Board.

The pension fund meets quarterly and is open to the public. Money that is levied goes directly into the Police Pension Fund Checking Account.

The first time the Village had to levy a tax for the police pension fund was in 2009/2010. Village has only levied taxes since that time to fund the police pension. The Village since then, when able to, has tried to supplement the obligation from the general fund.

This year 2018/2019 levy will be \$1.6 million. A 35% increase of the levy from last year. The increase is not an overall tax bill increase. It is just the village portion used for the levy. Residents should review their tax bill and look at the Village of Norridge Police Pension Fund item to determine their increase.

Ms. Skupien introduced Kevin Cavanaugh and Bob Rietz from Lauterbach & Amen for further details about the actuarial valuation.

Mr. Cavanaugh gave an overview of the tax levy funding and the current financial statement. Actuarial report is the pension fund's assets versus liabilities including normal costs, annual benefit accrual for active officers, unfunded liabilities.

55.6% currently funded (figure is in line with state)

\$21.7M unfunded liabilities

Target is 100% funding on an 18 year plan

Public question: Is there any reason we are only at 50% funded  
Fund has followed a historical plan based on assumptions for future need.  
The assumptions change and can lead to actuarial loses.

President Chmura mentioned Springfield makes the laws for funds.  
Mortality tables change and liability goes up.  
Benefits changing does not help pension plans. Village does have second tier officers following a different model for pension plan. It is an eight year average to collect pension.

Trustee Sulimowski asked if there was a problem with the former actuary that led to this need to levy. Were calculations wrong and driving the village down this road. It is somewhat of a collaborative effort to determine how to fund the pension. Can the village take action against the previous mistake?

There could be a number of factors involved with needing to levy the additional tax. Difficult to pin point exact reason.

There were no other public comments.

President Chmura asked if there were any other questions. There were none.

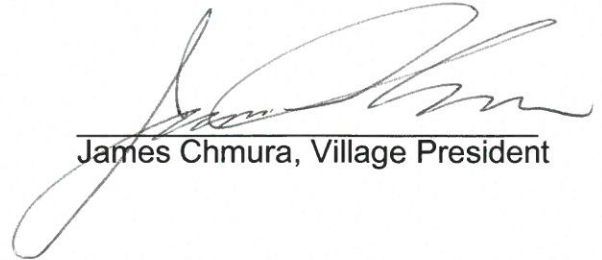


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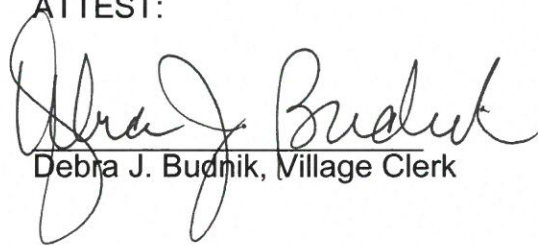
**Motion** by Gelsomino, seconded by Tannhauser to adjourn the Truth in Taxation Public Hearing.

Kucharski, Tannhauser, Sulimowski, Falagario, Gregorio, Gelsomino yea.  
Nays none. Meeting adjourned at 6:20 pm.



James Chmura, Village President

ATTEST:



Debra J. Budnik, Village Clerk