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A PUBLIC SAFETY LAW FIRM

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August 2, 2017

Honorable Chet Olson, Mayor
City of Rochelle
420 N. 6th St.
P.O. Box 601
Rochelle, IL 61068

By Certified Return Receipt Mail

Re: Rochelle Firefighters' Pension Fund-Annual Tax Levy Requirements

Dear Mayor Olson:

Please be advised that the undersigned is legal counsel for the Rochelle Firefighters' Pension Fund. The Pension Board Trustees recently met to discuss the annual tax levy/municipal contribution requirements for the Pension Fund for the upcoming tax year. As you are aware, the Pension Board either relies on actuarial valuation performed by the Illinois Department of Insurance or an independent actuary employed by the Pension Board.

In this case, the Pension Board relied upon the Actuarial Valuation of Foster & Foster, an independent actuary retained by the Pension Board for purposes of determining the "recommended levy". Foster & Foster's recommended levy for the upcoming tax year, in order to satisfy the annual requirements of the Rochelle Firefighters' Pension Fund, as required by §5/4-118 of the Pension Code, is \$531,650. A copy of the Actuarial Valuation Report is enclosed for your review.

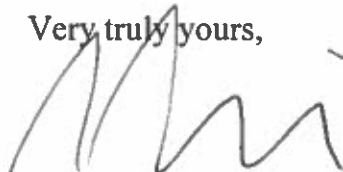
Accordingly, pursuant to §5/4-118 of the Pension Code, the Rochelle Firefighters' Pension Board is requesting that the City of Rochelle levy or contribute that amount for the upcoming tax year in order to satisfy the annual requirements of the Rochelle Firefighters' Pension Fund. In the event that the City will not be levying or contributing this amount, please advise me.

Finally, the Pension Board wishes to draw your attention to §4-118.1 of the Pension Code and §4402.30 of the Illinois Administrative Code defining salary for pension purposes. Both those authorities refer to pensionable salary as being determined at least in part as that established by the municipality's appropriations ordinance. A

similar conclusion was recently reached by the First District Appellate Court in *Village of Chicago Ridge v. Chicago Ridge Firefighters' Pension Bd. of Trustees*, 2016 IL App (1st) 152089. In light of these authorities, the Pension Board requests the Village ensure the appropriate salaries attached to rank for officers covered by Article 4 of the Pension Code are properly reflected in a municipal appropriations ordinance.

Thank you for your anticipated cooperation and assistance in this matter. Please do not hesitate to contact the undersigned should you have any questions concerning this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'B. LaBardi', with a stylized flourish at the end.

Brian J. LaBardi

cc: Zach Prewett
Rochelle Firefighters' Pension Board