

Hearing Date: 8/29/2019 9:30 AM - 9:30 AM
Courtroom Number: 2308

Location: District 1 Court
Cook County, IL

FILED
5/1/2019 2:39 PM
DOROTHY BROWN

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

2019CH05526

4895236

CITY OF CHICAGO, an Illinois Municipal Corporation,)

Plaintiff,)

v.)

Case No. 2019CH05526

THE CHICAGO POLICEMEN’S)

ANNUITY AND BENEFIT FUND, THE)

MUNICIPAL EMPLOYEES ANNUITY AND)

BENEFIT FUND, THE LABORERS’ ANNUITY)

AND BENEFIT FUND, and)

THE OFFICE OF THE COMPTROLLER)

OF THE STATE OF ILLINOIS,)

Defendants.)

VERIFIED COMPLAINT FOR INJUNCTIVE RELIEF

Plaintiff the City of Chicago (“City”) submits this verified complaint against Defendants The Policemen’s Annuity and Benefit Fund of Chicago (“Police Fund”), The Municipal Employees Annuity and Benefit Fund of Chicago (“Municipal Fund”), The Laborers’ Annuity and Benefit Fund of Chicago (“Labor Fund”), and the Office of the Comptroller of the State of Illinois (“Comptroller”). The Police Fund, Municipal Fund and Labor Fund are sometimes referred to herein collectively as the “Funds.”

1. The City brings this action to stop the interception of State grant funds, based on the Funds’ claims that the City owes them additional pension contributions, unless and until there has been a final determination that the City in fact owes the additional contributions claimed by the Funds. The Funds have falsely certified that there has been such a final determination. The Comptroller has accepted those certifications as true and has begun intercepting funds that otherwise

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would have been paid to the City in support of grant programs supporting children, the elderly, the homeless, persons with addictions and others. This is contrary to the Comptroller's own rules and regulations promulgated in Chapter 74 of the Illinois Administrative Code and in its Statewide Accounting Management System Manual (SAMS Manual), and also, to the right to notice and opportunity to be heard by a fair and impartial tribunal as guaranteed by the Due Process Clause in Article I, Sec. 2 of the Illinois Constitution.

PARTIES

2. The City is a municipal corporation existing under the laws of the State of Illinois.

3. The Police Fund is a statutorily created public pension fund governed by the Illinois Pension Code ("Pension Code"), 40 ILCS 5, and has its principal office in Cook County, Illinois.

4. The Municipal Fund is a statutorily created public pension fund governed by the Illinois Pension Code and has its principal office in Cook County, Illinois.

5. The Labor Fund is a statutorily created public pension fund governed by the Pension Code and has its principal office in Cook County, Illinois.

6. The Comptroller is a state agency governed by the State Comptroller Act, 15 ILCS 405, and has offices in Springfield and Chicago, Illinois.

VENUE

7. Venue lies in Cook County, Illinois because Cook County is the county of residence of one or more defendant properly joined in this action, and because the transactions out of which this cause of action has occurred, or some part thereof, took place in Cook County.

FACTS

8. The Pension Code imposes on the City certain obligations to finance the Funds each year. The purpose of the annual funding obligation for each Fund is to increase the overall assets of the Fund to 90% of the Fund’s actuarial liabilities by a date in the mid-21st century.

9. The City’s obligation to make these annual contributions is set forth for each of the Funds in a section titled “Financing” (for the Police Fund) or “Financing; tax levy” (for the Municipal Fund and Labor Fund). These sections are found at 40 ILCS 5/5-168 (for the Police Fund), 40 ILCS 5/8-173 (for the Municipal Fund), and 40 ILCS 5/11-169 (for the Labor Fund). These sections set forth the City’s contribution obligations for each year.

10. For each of the Funds, the financing provision includes a “grant intercept” clause that reads as follows:

If the city fails to transmit to the Fund contributions required of it under this Article for more than 90 days after the payment of those contributions is due, the Fund may, after giving notice to the city, certify to the State Comptroller the amounts of the delinquent payments, and the Comptroller must, beginning in fiscal year 2016, deduct and deposit into the Fund the certified amounts or a portion of those amounts from the following proportions of grants of State funds to the city:

- (1) in fiscal year 2016, one-third of the total amount of any grants of State funds to the city;
- (2) in fiscal year 2017, two-thirds of the total amount of any grants of State funds to the city; and
- (3) in fiscal year 2018 and each fiscal year thereafter, the total amount of any grants of State funds to the city.

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

40 ILCS 5/5-168(a-5) (for the Police Fund); 40 ILCS 5/8-173(a-10) (for the Municipal Fund); 40 ILCS 5/11-169(a-10) (for the Labor Fund).

11. The Comptroller has promulgated certain rules concerning its administration of the grant intercept clause, and these are set forth at 74 Ill. Admin. Code Section 295. A copy of the rules is attached as Exhibit A. Among other things, the rules require that a pension fund seeking grant intercepts certify to the Comptroller that its claim for additional money "has been established through notice and opportunity to be heard," including "the date of the final determination of the claim." 74 Ill. Admin. Code Section 295.300(b), (c) (7).

12. The Comptroller has created a Pension Fund Collection Request form for pension funds to use when seeking grant intercepts. The form references the following instructions found in the Comptroller's SAMS Manual (*see* attached Exhibit B):¹

Notification Type: Agencies are required to provide and maintain a written record of a clear and detailed notification to the alleged debtor identifying the amount of the debt, the nature of the debt and potential defenses to the debt prior to the submission of a claim for offset.

Enter the appropriate code which describes your agency's notification as set forth below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

CODE	DESCRIPTION
01	U.S. Mail
02	Certified Mail-Return Receipt Requested
03	Oral Notification (written record required)
04	E-mail (affirmative acknowledgement from the debtor required)

Type Of Hearing Offered. Agencies are required to provide debtors with information about a procedure to challenge the existence, amount and current collectability of the debt prior to submission of a claim to the Comptroller for

¹ Found at <https://illinoiscomptroller.gov/agencies/sams/sams-manual/>

entry into the offset system. The decision resulting from the utilization of this procedure must be reviewable. Please identify the type of procedure utilized (referred to below as "Type of Hearing") by entering the appropriate code listed below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

CODE	DESCRIPTION
01	Administrative Hearing conducted pursuant to the Illinois Administrative Procedure Act
02	Conciliation Conference--Face-to-face meeting offered between the debtor and an officer or employee of the agency with authority to adjust the debt. The debtor must be allowed to present documentary evidence and to examine the agency's materials upon which the debt is based. A written record of the proceedings must be prepared.
03	Civil Court Hearing

Statement of Outcome. Only debts finally determined as currently due and payable may be certified to the Comptroller as a claim for offset. Agencies are required to indicate the final outcome of the administrative process leading to the final determination of the debt by entering the appropriate code listed below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

CODE	DESCRIPTION
01	No Hearing Requested—The debtor has not requested access to the agency's procedure to contest the debt. By agency procedure, all appeal rights have lapsed and the debt is currently due and payable.
02	Debt Confirmed at Hearing – After utilization of the agency's procedure for contesting the debt, the amount of the debt is confirmed as currently due and payable. All appeal rights have lapsed.
03	Civil Court Settlement

13. On March 22, 2019, the Municipal Fund submitted to the Comptroller a Pension Fund Collection Request form claiming that the City owes it \$4,608,766.70 for contribution year 2018. A copy of the form is attached as Exhibit C. On the form, the Municipal Fund entered the code "2" (as defined in the Comptroller's instructions, quoted above) for each of the following

questions on the form: “Notification Type,” “Type Of Hearing Offered,” and “Statement of Outcome.” The Municipal Fund certified March 21, 2019 as the Date of Final Determination of Debt. These certifications were false for at least the following reasons:

- a. The Municipal Fund is not an agency.
- b. The Municipal Fund did not provide the City with information about a reviewable procedure to challenge the existence, amount and current collectability of the debt prior to submission of its claim to the Comptroller.
- c. There was no “Conciliation Conference” in the form of a face-to-face meeting offered between the City and an officer or employee of the Municipal Fund with authority to adjust the debt claimed by the Fund.
- d. No written record of any proceedings was prepared.
- e. There was no hearing at which the amount of the debt claimed by the Municipal Fund was confirmed as currently due and payable.
- f. The City’s appeal rights had not and have not lapsed.

14. As a result of the Municipal Fund’s false certifications, the Comptroller has begun to intercept State grant funds that various agencies, pursuant to authorization by the Illinois General Assembly, otherwise would have paid to the City in support of grant programs supporting children, the elderly, the homeless, persons with addictions and others. The City anticipates that, pursuant to the Comptroller’s rules, the Comptroller will remit those intercepted funds to the Municipal Fund some time on or after May 21, 2019, unless enjoined from doing so.

15. On April 1, 2019, the Police Fund submitted to the Comptroller a Pension Fund Collection Request form claiming that the City owes it \$16,046,440.56 for contribution year 2018. A copy of the form is attached as Exhibit D. On the form, the Police Fund entered the

code "2" (as defined in the Comptroller's instructions, quoted above) for "Type Of Hearing Offered," and code 1 (as defined in the Comptroller's instructions) for "Statement of Outcome." The Police Fund certified April 1, 2019 as the Date of Final Determination of Debt. These certifications were false for at least the following reasons:

- a. The Police Fund is not an agency.
- b. The Police Fund did not provide the City with information about a reviewable procedure to challenge the existence, amount and current collectability of the debt prior to its submission of its claim to the Comptroller.
- c. There was no "Conciliation Conference" in the form of a face-to-face meeting offered between the City and an officer or employee of the Police Fund with authority to adjust the debt.
- d. No written record of any proceedings was prepared.
- e. There was no hearing at which the amount of the debt claimed by the Fund was confirmed as currently due and payable.
- f. The City's appeal rights had not and have not lapsed.

16. As a result of the Police Fund's false certification, the City anticipates that the Comptroller will intercept State grant funds that various agencies, pursuant to authorization by the Illinois General Assembly, otherwise would have paid to the City in support of grant programs supporting children, the elderly, the homeless, persons with addictions and others. The City further anticipates that, pursuant to the Comptroller's rules, the Comptroller will remit those intercepted funds to the Police Fund some time on or after May 30, 2019, unless enjoined from doing so.

17. On April 11, 2019, the Labor Fund sent the City a letter communicating its “final determination” that a total of \$2,534,812.68 is due and owing to it for contribution years 2009 through 2018. A copy of the Labor Fund’s letter is attached as Exhibit E. Based on discussions with the Labor Fund, the City anticipates that the Labor Fund will ask the Comptroller to intercept State grant funds on its behalf, and based on its experience with the other funds, the City anticipates that the Comptroller will do so, as long as the Labor Fund completes the Comptroller’s Pension Fund Collection Request form with certifications similar to those submitted by the Police Fund and Municipal Fund. Any such certifications will be false for at least the following reasons:

- a. The Labor Fund is not an agency.
- b. The Labor Fund did not provide the City with information about a reviewable procedure to challenge the existence, amount and current collectability of the debt prior to submission of its claim to the Comptroller.
- c. There was no “Conciliation Conference” in the form of a face-to-face meeting offered between the City and an officer or employee of the Labor Fund with authority to adjust the debt claimed by the Labor Fund.
- d. No written record of any proceedings was prepared.
- e. There was no hearing at which the amount of the debt claimed by the Fund was confirmed as currently due and payable.
- f. The City’s appeal rights had not lapsed.

18. The City anticipates that, upon the Labor Fund’s certification, the Comptroller will begin to intercept State grant funds that various agencies, pursuant to authorization by the

Illinois General Assembly, otherwise would have paid to the City in support of grant programs supporting children, the elderly, the homeless, persons with addictions and others.

19. The City filed a protest with the Comptroller over the Police Fund's previous certifications for contribution years 2016 and 2017, objecting to the Comptroller's interception of State grant funds in the absence of a final determination of the claimed debt, as required by the Comptroller's own rules. The Comptroller denied the City's protest, stating that the Police Fund's certifications were all that it required. Based on this and other communications, the City believes further requests to the Comptroller objecting to intercepts would be futile.

20. The Comptroller has failed to follow its own rules and regulations, codified at 74 Ill. Admin. Code 295.300 and reflected in its SAMS Manual, which require prior notice, an opportunity to be heard and a final determination that a debt is owed before State grant funds can be withheld for pension debts. This is contrary to statutory authority.

21. The Comptroller's interception of the grant funds without a final determination following a hearing before an impartial tribunal as to the City's obligation to pay the alleged debt is also a denial of due process under Article I, Sec. 2 of the Illinois Constitution.

IRREPARABLE HARM AND LACK OF ADEQUATE REMEDY AT LAW

22. The City has suffered and will continue to suffer irreparable harm as a result of the Funds' false certifications and the Comptroller's acceptance of those certifications as a basis for intercepting State grant funds that would otherwise be paid to the City.

23. The City has been and is continuing to be deprived of State grant funds that the City otherwise would have been entitled to as a result of the Comptroller's continued interception of those funds. Because there has been no fair and impartial hearing before a fair and impartial tribunal establishing a debt owed to the Funds, the Comptroller's actions are a

violation of the Due Process Clause of the Illinois Constitution. This is per se irreparable harm for injunction purposes.

24. In addition, the Comptroller's continued interception of these grant funds creates a significant threat that certain unallocated City funds intended for future risks and unanticipated shortfalls will be depleted and unavailable when needed. This could lead to cuts in services and a reduction in personnel if there are not enough unallocated funds to respond to an emergency or other unexpected budget shortfall.

25. Because the ultimate financial impact of the continuing harm is unknown and therefore impossible to quantify, the City has no adequate remedy at law.

26. Maintaining the status quo requires that the Comptroller stop intercepting the funds until there has been a final determination that comports with its rules and with due process.

27. The balance of hardships favors the City, which has been affected immediately by the Comptroller's interceptions. The Funds have no immediate need for the intercepted funds and could only be affected in the long-term by a deficiency in funding. Any such deficiency would be remedied by money damages (or future grant interceptions) in the event the Funds obtain final determinations in their favor.

WHEREFORE, the City requests the following relief:

1. That the Court preliminarily and permanently enjoin the Comptroller from intercepting any further State grant funds, unless and until there has been a final determination, by a court or other impartial tribunal, including all appeals, that the City owes the Funds any additional pension contributions beyond what it has already contributed;

2. That the Court preliminarily and permanently enjoin the Comptroller from remitting any further State grant funds to the Funds, unless and until there has been a final determination,

by a court or other impartial tribunal, including all appeals, that the City owes the Funds any additional pension contributions beyond what it has already contributed;

3. That the Court order the Comptroller to release to the City any State grant funds that have been intercepted but not yet remitted to the Funds;

4. That the Court order the Funds to withdraw their incorrect certifications to the Comptroller, including but not limited to their certifications that there has been a final determination of a debt;

5. That the Court award such other relief as it finds appropriate.

Respectfully submitted,

City of Chicago

By:



Date:

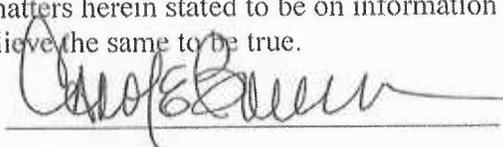
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VERIFICATION

Under penalties as provided by law pursuant to section 1-109 of the Illinois Code of Civil Procedure, I, Carole Brown, certify that the statements set forth in the foregoing Complaint for Injunctive Relief are true and correct, except as to matters herein stated to be on information and belief, and as to such matters certify that I verily believe the same to be true.

DATE: 05/01/19



Joint Committee on Administrative Rules

ADMINISTRATIVE CODE

**TITLE 74: PUBLIC FINANCE
CHAPTER II: COMPTROLLER
PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.100 FOREWARD**

Section 295.100 Foreward

This Part is adopted for the purpose of establishing procedures for remitting certified amounts delinquent to claimants in accordance with Articles 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 22 of the Illinois Pension Code.

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TITLE 74: PUBLIC FINANCE
CHAPTER II: COMPTROLLER
PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.200 DEFINITIONS

Section 295.200 Definitions

As used in this Part, unless the context indicates otherwise, the following terms shall have the meanings specified:

"Act" means the "State Comptroller Act" [15 ILCS 405].

"Applicable Sections of the Code" means Code Sections 3-125, 4-118, 5-168, 6-165, 7-172.1, 8-173, 9-184.5, 10-107.5, 11-169, 12-149.5, 13-503.5 and 22-104.

"Certified Amount Delinquent" means the amount of delinquent payments certified by a claimant pursuant to applicable Sections of the Code and this Part.

"Chief Executive Officer" means the President of the Board of Trustees of the fund or retirement plan.

"Claimant" means a pension fund or retirement plan authorized by the Code (i.e., Chicago and downstate police, firefighters and municipal employees, Cook County employees, and various other local government employees) to certify amounts delinquent and claim remittance under applicable Sections of the Code.

"Claim Eligible to be Remitted" means an amount authorized by applicable Sections of the Code to be remitted by the Comptroller that represents fund contributions certified by a claimant as delinquent.

"Code" means the Illinois Pension Code [40 ILCS 5].

"Comptroller" means the Comptroller of the State of Illinois or any employee of the Office of the Comptroller authorized by the Comptroller to perform the functions and duties required by the Act, the Code or this Part.

"Gross Amount of the Warrant" means that amount of money for which a State agency has authorized the Comptroller to order the payment.

"Payee" means any person who will receive payment in the form of a warrant from the Comptroller, as identified by the Government Unit Code or Federal Employer's Identification Number (FEIN) within a statement of notification under Section 295.300.

"Payee Subject to the Remittance" means the payee of any warrant from which the Comptroller has reduced a claim eligible to be remitted.

"Person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, unit of local government or any other organization.

"Received a Voucher" means that point in time when the Comptroller has physically received the voucher in-house and has date-stamped the voucher.

"Remittance" means a contrary claim or demand by which a given person's claim to a warrant of the Comptroller may be lessened or cancelled.

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TITLE 74: PUBLIC FINANCE
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PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.300 NOTIFICATION OF A FUND'S CLAIM UNDER APPLICABLE
SECTIONS OF THE CODE

Section 295.300 Notification of a Fund's Claim Under Applicable Sections of the Code

- a) A claimant seeking remittance under applicable Sections of the Code shall notify the Comptroller in accordance with this Section.
- b) The Comptroller will not process a remittance under applicable Sections of the Code until the Comptroller has received a statement of notification from a claimant certifying that the certified amount delinquent has been established through notice and opportunity to be heard.
- c) For purposes of the applicable Sections of the Code and this Part, "statement of notification" of a claim eligible to be remitted shall be deemed to occur when the claimant in favor of which the claim has arisen has certified and submitted to the Comptroller the following information:
 - 1) the name and FEIN or Government Unit Code for the person against whom the claim exists;
 - 2) the certified amount delinquent then due and payable to the fund;
 - 3) the reason why there is an amount due to the fund;
 - 4) the time period to which the claim is attributable;
 - 5) a description of the type of notification given to the person against whom the claim exists and the type of opportunity to be heard afforded that person;
 - 6) a statement as to the outcome of any hearings or other proceedings held to establish the claim, or a statement that no hearing was requested; and
 - 7) the date of the final determination of the claim.
- d) The statement of notification shall be certified by the claimant's Chief Executive Officer. The authority to execute the statement of claim required by this Section may be delegated to a responsible person or persons. This delegation of authority shall be made on forms provided by the Comptroller and shall contain a signature sample of the persons to whom the delegation is made.
- e) A claimant that has submitted a claim to be remitted must notify the Comptroller as soon as possible, but in no case later than 30 days, after receiving notice of a change in the status of a claim. A change in status may occur when payments are received through other collection methods.

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TITLE 74: PUBLIC FINANCE
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PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.400 WARRANTS SUBJECT TO REMITTANCE

Section 295.400 Warrants Subject to Remittance

- a) Except as prohibited by federal statute, federal regulation or State statute, the Comptroller shall remit the amount the claimant certifies as delinquent from any warrant payable to the payee subject to remittance. Warrants subject to remittance are either:
 - 1) from proportions of payments of State funds to the payee, when the claim is made pursuant to Code Section 3-125, 4-118, 7-172.1, 9-184.5, 10-107.5, 12-149.5, 13-503.5, or 22-104; or
 - 2) from proportions of grants of State funds to the payee, when the claim is made pursuant to Code Section 5-168, 6-165, 8-173, or 11-169.

- b) A settlement payment by the State or any of its agencies to release any pending or potential claim against the State is eligible to be remitted. Settlement payments subject to remittance are either:
 - 1) from proportions of payments of State funds to the payee, when the claim is made pursuant to Code Section 3-125, 4-118, 7-172.1, 9-184.5, 10-107.5, 12-149.5, 13-503.5, or 22-104; or
 - 2) from proportions of grants of State funds to the payee, when the claim is made pursuant to Code Section 5-168, 6-165, 8-173, or 11-169.

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TITLE 74: PUBLIC FINANCE
CHAPTER II: COMPTROLLER
PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.500 PROCESSING A CERTIFICATION UNDER APPLICABLE SECTIONS
OF THE CODE

Section 295.500 Processing a Certification Under Applicable Sections of the Code

This Section governs the processing of a certification under applicable Sections of the Code.

- a) Before making a remittance, the Comptroller shall review the statement of notification provided by the claimant notifying the Comptroller of the certified amounts delinquent.
- b) The Comptroller shall charge the State agency that submits a voucher against which a remittance is applied for the eligible amount of the voucher submitted. The Comptroller shall draw a warrant on the treasury or on other funds held by the State Treasurer in the amount of the claim eligible to be remitted and deposit that warrant into the State Offset Claims Fund. The State Offset Claims Fund is a trust fund established and administered by the Comptroller for the deposit of monies from a person's warrant pursuant to an offset and the subsequent payment of monies back to either the State agency requesting the offset or the original payee. The State Offset Claims Fund shall be used for the Comptroller's deposit of monies back to either the payee subject to the remittance or the claimant. If, after 60 days have elapsed from the date the Comptroller gives notice of the remittance as prescribed in Section 295.600(a), no protest is made by the payee subject to the remittance, the Comptroller shall issue a warrant on the State Offset Claims Fund for the amount of that deposit to the claimant entitled to the remittance. If a protest conforming to the requirements of Section 295.600(b) is made, the Comptroller shall not issue the warrant to the claimant until the Comptroller ascertains the amount due and payable as provided in Section 295.600(c).
- c) If the Comptroller receives a proper statement of notification for a remittance after he or she has drawn a warrant, the Comptroller shall, if feasible, reprocess the warrant in order that the remittance provided for in this Part may be implemented.
- d) If the amount of the claim eligible to be remitted is less than the amount to which the payee is entitled, the Comptroller shall draw a warrant for the balance of the amount of the voucher against which the Comptroller has made the remittance and shall issue that warrant to the payee subject to the remittance.

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TITLE 74: PUBLIC FINANCE
CHAPTER II: COMPTROLLER
PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.600 ASCERTAINING THE AMOUNT DUE AND PAYABLE TO THE CLAIMANT

Section 295.600 Ascertaining the Amount Due and Payable to the Claimant

- a) Upon processing a claim eligible to be remitted, the Comptroller shall, as soon as is practicable, give notice in writing to the payee subject to remittance. The notice shall:
- 1) state that a claimant has certified amounts delinquent and claims remittance under applicable Sections of the Code against a warrant on funds held by the State Treasurer that is now or that may become payable to the payee subject to remittance;
 - 2) identify the claimant seeking remittance and the reason for the remittance; and
 - 3) inform the payee that, if he or she does not owe any or all of the amount claimed to be due and payable to the claimant, the payee may, within 60 days after the Comptroller gives notice, make a written protest as prescribed in subsection (b). The notice to the payee shall be deemed to have been given if the notice is enclosed in a envelope plainly addressed to the payee, United States postage fully prepaid, and deposited in the United States mail. For purposes of this Section, the date "the Comptroller gives notice" shall mean the date of withholding, as indicated by the date on the written notice sent to the person subject to offset.
- b) Persons wishing to make a protest of the claim eligible to be remitted shall, within 60 days after the Comptroller gives notice as prescribed in subsection (a), notify the Comptroller in writing of:
- 1) the reasons for contesting the claim;
 - 2) the amount, if any, that the payee acknowledges to be due and payable to the claimant; and
 - 3) any other information that will enable the Comptroller to determine the amount, if any, that is due and payable to the claimant.
- c) Upon receipt of a timely protest, the Comptroller shall determine the amount due and payable to the claimant. This determination shall be made in light of all information relating to the transaction in the possession of the Comptroller and any other information the Comptroller may reasonably request and obtain from the claimant and the payee subject to remittance.
- d) If the Comptroller requests information from the claimant, the claimant shall respond within 90 days after the Comptroller's request. The Comptroller may grant a claimant an additional 90 day extension of time to respond for the following reasons:
- 1) the claimant is actively pursuing further investigation;
 - 2) the matter is in settlement negotiations; or
 - 3) other good cause shown by the claimant.
- e) From the deposit into the State Offset Claim Fund made pursuant to Section 295.500, the Comptroller shall issue a warrant to the claimant for the amount found

due and payable to the claimant. Any balance of that deposit shall be returned to the payee subject to remittance.

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PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.700 NOTIFICATION OF THE COMPTROLLER'S EXERCISE OF
REMITTANCE

Section 295.700 Notification of the Comptroller's Exercise of Remittance

Whenever the Comptroller exercises her or his authority under the applicable sections of the Code and this Part, the payee subject to remittance and the agency that originated the voucher shall be sent a copy of the voucher against which the remittance was made, or a written statement obtaining all relevant information from the voucher. The written statement shall include the reason for the remittance and shall indicate the amount of money deducted. The payee subject to remittance and the agency originating the voucher shall receive a copy of the written statement; however, the agency may waive its right to receive the written statement and the voucher. At the request of the claimant, the Comptroller shall notify the State agency, by letter or other means, of the remittance, including the amount of money remitted.

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TITLE 74: PUBLIC FINANCE
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PART 295 PAYMENTS REMITTED ON BEHALF OF A PENSION FUND
SECTION 295.800 RECORD RETENTION

Section 295.800 Record Retention

The Comptroller shall retain a copy of the statement of notification prescribed in Section 295.600 in accordance with the State Records Act [5 ILCS 160] and the State Comptroller Act [15 ILCS 405].

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S TATEWIDE
A CCOUNTING
M ANAGEMENT
S YSTEM



STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

PLAINTIFF'S
EXHIBIT

B

STATE OF ILLINOIS
OFFICE OF THE COMPTROLLER

SECTION INTRODUCTION

PROCEDURE - PAGE NO.
01.10.10 1 of 3

SUB-SECTION OVERVIEW OF THE SAMS MANUAL

EFFECTIVE DATE
July 1, 2001

PROCEDURE ORGANIZATION OF THE SAMS MANUAL

REVISION NUMBER
02-001

PURPOSE AND SCOPE OF THE MANUAL

The Comptrollers' Statewide Accounting Management System Procedures Manual (SAMS Manual) has been developed to assist State agencies with the operation of the statewide accounting system. Documented in this manual are the fiscal policies, accounting principles, controls, operating procedures and reporting requirements for the Statewide Accounting Management System.

Proper use of this manual will assist management of State agencies by:

indicating the method to be used for the processing of accounting information between State agencies and the Office of the Comptroller,

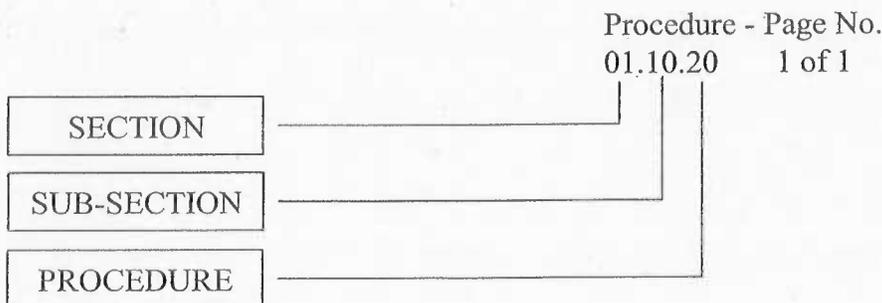
documenting the statewide accounting processing required so that the execution of the procedures is not completely dependent on an individual,

providing a training device and reference material for operating and supervisory personnel, and

providing a source of information to help eliminate uncertainties and confusion caused by verbal communications.

ORGANIZATION OF THE SAMS MANUAL

The SAMS Manual presents to all State agencies a standardized approach to finance and accounting matters within the area of authority of the Comptroller. The standardized approach used to provide SAMS users with access to procedures contained herein was to prepare the manual in the following format:



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STATE OF ILLINOIS
OFFICE OF THE COMPTROLLER

SECTION	ACCOUNTS RECEIVABLE REPORTING	PROCEDURE - PAGE NO. 26.40.20 1 of 10
SUB-SECTION	COLLECTION PROCEDURES & CERTIFICATION OF UNCOLLECTIBILITY	EFFECTIVE DATE January 1, 2019
PROCEDURE	COMPTROLLER'S OFFSET SYSTEM	REVISION NUMBER 19-002

STANDARDS FOR REFERRAL TO COMPTROLLER'S OFFSET SYSTEM

State agencies should use the Comptroller's Offset when it is determined to be in the best economic interest of the State. While the Comptroller's Office suggests placement of accounts for offset early in the collection process, agencies must place all debts over \$250 and more than 90 days past-due in the Comptroller's Offset System. The Comptroller's Office has also adopted the policy of not accepting any debt less than \$10. However, if any of the following conditions are met, the State agency will not be required to place the debt on the Comptroller's Offset System:

1. The agency and debtor have entered into a deferred payment plan;
2. The agency has demonstrated to the Comptroller's satisfaction that referral of the account to the Comptroller's Offset System is not cost effective. Generally, this test will be met when the total collection cost expended or anticipated will exceed the amount of the claim that would reasonably be expected to be realized as a result of those collection costs. The application of the cost effectiveness criteria will not be the same for every agency. Circumstances differ among agencies. The following examples are intended to provide guidance in determining cost effectiveness. They represent instances where it would not be cost effective to submit a debt to the Comptroller's Office for offset.
 - By statute, certain agencies cannot write off debts. However, if one of these debts has been owed for a substantial amount of time, it is reasonable to assume that referral would not be cost effective (e.g., the debtor has changed addresses or names and will be impossible to locate);
 - A company has ceased operations for a long period of time;
 - A business has reorganized (e.g., from a sole proprietor to a partnership or corporation);
 - The age or health of the debtor is such that it is unlikely they will be receiving any payments from the State;

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- Foreign student debtors who have left or will soon be leaving the country;
 - Individuals and corporations in bankruptcy.
3. The claim is against a State agency. The Comptroller's Offset is not to be used in the collection of debts between State agencies.
 4. A university may elect to place only debts that exceed \$1,000 in the Comptroller's Offset System.

Following are the procedures for entering a debt into the Comptroller's Offset System.

STATUTE REFERENCE

State Comptroller Act

State Offset System 15 ILCS 405/10.05

Child Support Deductions 15 ILCS 405/10.05a

Delinquent Student Loans 15 ILCS 405/10.05b

Delinquent Federal Obligations 15 ILCS 405/10.05c

Delinquent Local Entity Obligations 15 ILCS 405/10.05d

Illinois State Collection Act of 1986

Processing Charge 30 ILCS 210/5

Electronic Submission 30 ILCS 210/5c-5

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OFFICE OF THE COMPTROLLER

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PROCEDURES FOR REFERRAL TO COMPTROLLER OFFSET SYSTEM

A. FILING PROCEDURES

The purpose of this procedure is to document the policies and accounting procedures for deductions from vouchers for claims in favor of the State. Agencies must file claims electronically, unless an exception has been approved by the Comptroller's Office.

Debt maintenance (add, change, delete and refund) should be performed using the IOC web portal IDROP (Illinois Debt Recovery Offset Portal). The first step in the enrollment process for IDROP is to complete the User Authorization form (SCO-501i). Please see Exhibit 26.40.20-G for the form and Exhibit 26.40.20-H for the instructions. For additional information, please contact:

Office of the Comptroller
Collections Unit
325 West Adams Street
Springfield, IL 62704
Phone: 217/782-7525
stateoffset@illinoiscomptroller.gov

The Comptroller will not process a claim under Section 10.05 until he/she has received notification from the State agency that the debt has been established through notice and opportunity to be heard.

For purposes of Section 10.05, "Notification" of an account or claim in favor of the State shall be deemed to occur when the State agency in favor of which the account or claim has arisen has submitted to the Comptroller a statement in the prescribed format.

INSTRUCTIONS (REFERS TO EXHIBIT 26.40.20-A)

This form is for exception processing only. State debt should be added to the system via IDROP.

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REFERENCE

CONTENTS

- (1) Enter the claiming agency name.
- (2) Enter the claiming agency address.
- (3) Enter the debtor's name.
- (4) Enter the debtor's social security number or EIN.
- (5) Enter "1" if the debtor is an individual. Enter "2" if the debtor is a business.
- (6) Enter the beginning date to which the claim refers.
- (7) Enter the ending date to which the claim refers.
- (8) Enter "2" for a 210.05 administrative offset.
- (9) Enter the debt code listed in Exhibit 26.40.20-C which indicates the reason why there is an amount due to the State. (i.e., income tax liability, overpayments, etc.)
- (10) Enter the amount of the claim due and payable to the State.
- (11) Enter the five digit agency/division number filing the claim. This field establishes where collected monies are paid to. See listing of agency/orgs. If you need to set up a new one, indicate on the signature authorization card the 5-digit agency code and the address where payment is to be sent.
- (12) Enter the claiming agency's deduction/order/file number for this debt. If blank, 210.05 is entered.
- (13) Enter the four-digit fund number to which the debt is owed.
- (14) Notification Type. Agencies are required to provide and maintain a written record of a clear and detailed notification to the alleged debtor identifying the amount of the debt, the nature of the debt and potential defenses to the debt prior to the submission of a claim for offset.

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Enter the appropriate code which describes your agency's notification as set forth below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

<u>CODE</u>	<u>DESCRIPTION</u>
01	U.S. Mail
02	Certified Mail-Return Receipt Requested
03	Oral Notification (written record required)
04	E-mail (affirmative acknowledgement from the debtor required)

- (15) Type Of Hearing Offered. Agencies are required to provide debtors with information about a procedure to challenge the existence, amount and current collectibility of the debt prior to submission of a claim to the Comptroller for entry into the offset system. The decision resulting from the utilization of this procedure must be reviewable. Please identify the type of procedure utilized (referred to below as "Type of Hearing") by entering the appropriate code listed below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

<u>CODE</u>	<u>DESCRIPTION</u>
01	Administrative Hearing conducted pursuant to the Illinois Administrative Procedure Act
02	Conciliation Conference--Face-to-face meeting offered between the debtor and an officer or employee of the agency with authority to adjust the debt. The debtor must be allowed to present documentary evidence and to examine the agency's materials upon which the debt is based. A written record of the proceedings must be prepared.
03	Civil Court Hearing

- (16) Statement of Outcome. Only debts finally determined as currently due and payable may be certified to the Comptroller as a claim for offset. Agencies are required to indicate the final outcome of the administrative process leading to the final determination of the debt by entering the appropriate

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code listed below. If none of these codes accurately reflect the procedures of your agency, please contact the Comptroller's Office prior to completion of your offset claim submission.

<u>CODE</u>	<u>DESCRIPTION</u>
01	No Hearing Requested—The debtor has not requested access to the agency's procedure to contest the debt. By agency procedure, all appeal rights have lapsed and the debt is currently due and payable.
02	Debt Confirmed at Hearing—After utilization of the agency's procedure for contesting the debt, the amount of the debt is confirmed as currently due and payable. All appeal rights have lapsed.
03	Civil Court Settlement

- (17) Date of Final Determination of Debt. Agencies are required to provide the date upon which the debt is finally determined as currently due and payable. Enter the applicable date in this field.
- (18) Authorized Signature. All claims for offset must be accompanied by an original signature of an authorized agency representative. A properly completed Signature Authorization Card (SAMS Procedure 26.40.25) must be on file with the Comptroller's Office.
- (19) Enter the title of the authorized agency representative listed in 18.
- (20) Enter the date of the filing.
- (21) Enter the contact telephone number for questions regarding this claim submission.

B. COMPTROLLER'S PROCEDURES UPON RECEIVING NOTIFICATION OF A CLAIM IN FAVOR OF THE STATE

The Office of the Comptroller will review the information provided by the agency submitting the claim and ascertain the amount due and payable to the State. Additional information may be requested of the submitting agency to ensure the debt has been established in compliance with statutory and IOC requirements.

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Upon ascertaining the amount due and payable, the Comptroller will deduct the amount of the claim from a voucher(s) from any State agency payable to the person or business which is processed after the claim is received. This withheld amount will be deposited into the State Offset Claims Fund. If the amount of the claim in favor of the State is less than the amount to which the person or business is entitled, a warrant for the balance of the voucher will be prepared and issued to the payee. The agency submitting the voucher against which a Section 10.05 offset claim is applied will have its appropriation charged with the entire amount of the voucher.

In cases where offsets are to be made against a State employee's wages, no more than 25% of the employee's disposable earnings may be subject to offset. Final compensation payments paid to a person when the person leaves the employ of a State agency for accrued vacation, sick leave or overtime are exempt from the 25% limitation and are offset up to 100% of the voucher amounts. State agencies may submit claims for offset for the entire amount owed to the State agency and the Comptroller's Offset System will compute the required 25% available for the offset.

In the event that the calculation of 25% of the employee's disposable earnings exceeds the employee's take home pay (i.e., the net amount of the warrant), that employee's payroll voucher will be returned to the submitting agency. A payroll reversal must be processed and the employee's voluntary deductions must be canceled or reduced so that the employee's take-home pay on the Supplemental Payroll to the employee will be sufficient to satisfy the amount calculated as available for offset. Agencies should contact their employees to determine which of the voluntary deductions on the payroll are to be canceled or reduced.

Additionally, where an agency is aware of ongoing offsets against one of its employees, any final compensation payments for vacation, overtime or sick pay must be vouchered separately from any current pay period wages. The separate voucher for the lump sum payment must carry 0 (zero) in the base to allow 100% offset.

In cases where offsets are to be made against a retirement benefit payment, no more than 25% of the disposable earnings may be subject to offset. State agencies may submit claims for offset for the entire amount owed to the State agency and the Comptroller's Offset System will compute the required 25% available for the offset.

In the event the calculation of 25% of the retiree's disposable earnings exceeds the employee's take home pay (i.e., the net amount of the warrant), that retiree's retirement voucher will be returned to the submitting agency. A reversal must be processed, and the

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retiree's voluntary deductions must be canceled or reduced so that the retiree's take-home pay will be sufficient to satisfy the amount calculated as available for offset. The Retirement System should contact the retiree to determine which of the voluntary deductions are to be canceled or reduced.

C. NOTIFICATION OF THE COMPTROLLER'S EXERCISE OF SECTION 10.5

Whenever the Comptroller exercises his/her authority granted under Section 10.05, the payee will be sent a notification of the deduction.

Notification to the debtor is a form letter (Exhibit 26.40.20-D) which advises the debtor of the name of the claiming agency, the amount withheld and nature of the debt. The Involuntary Withholding Agency Notification Report (IWAN) is sent to the claiming agency via the IDROP Portal or mailed weekly if the agency is not in IDROP. This same report can be accessed via IDROP on a daily basis. It is renamed Involuntary Withholding Offset Notification report (IWON). The vouchering agency receives, on a weekly basis, the Involuntary Withholding Vouchering Agency Report (IWVA). The Comptroller's Office will provide these reports to the respective agencies unless advised that the copy is not needed.

If after 60 days have elapsed from the date the Comptroller gives notice of the offset, no protest is made by the person subject to the offset, the Comptroller shall issue a warrant or interfund payment on the State Offset Claims Fund for the amount of that deposit to the agency entitled thereto. If a protest is made, the Comptroller shall not issue such warrant/interfund payment to the State agency on the State Offset Claims Fund until he ascertains the amount due and payable.

D. PROCESSING CHARGE

The Comptroller's Office will deduct a processing charge, not to exceed \$15, for each payment that is intercepted for a State offset. The processing charge will be paid by the debtor and will not reduce the amount of the debt owed to the agency. The standard processing charge is \$15 per payment; however, if a payment that is being offset is less than \$30, the processing fee will be 50% of the payment amount and the remaining 50% will be utilized to satisfy the debt.

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E. CHANGE IN STATUS OF A CLAIM

A State agency which has submitted a claim for offset must notify the Comptroller as soon as is possible, but in no case later than 30 days, after receiving notice of a change in the status of an offset claim.

A change in the status may occur due to payments received other than through a successful offset, the filing of a bankruptcy petition, etc.

F. PROTEST

The notification described in "C" above advises the alleged debtor that 60 days are allowed for protests. If no protest is received within 60 days, the withholding is paid to the claiming agency (see Section F). Protest adjudication is handled in IDROP. If the alleged debtor writes a protest, the Comptroller's Office: (1) acknowledges receipt of the protest; (2) flags the account to prevent payout to the claiming agency until the protest is resolved; and (3) forwards the claiming agency a copy of the protest via the IDROP Portal. If the claiming agency does not respond within 90 days the withheld money may be refunded to the alleged debtor. The alleged debtor may waive their protest rights by submitting form SCO-965, Collections Unit Protest Waiver form. The funds will be paid to the claiming agency immediately.

G. PAYOUTS

Payouts are of two sorts: (1) refunds and (2) claimant collections. The steps leading to a refund have been described above in Section E.

Claimant collections are paid to the agency which is due the money and notification sent to the attention of the writer of the claim letter (see Exhibit 26.40.20-E) to identify the payment. Effective October 1, 1995, the Comptroller's Office will require all State agencies to use the "single payment" concept when receiving involuntary withholding offset monies pursuant to 15 ILCS 405/10.05. Agencies will receive one warrant/interfund payment daily for the total involuntary withholding offsets due the agency/org. The Involuntary Withholding Transfer Report (IWTR) will also be sent to the claiming agency on a weekly basis if the agency is not in IDROP. If the claiming agency is in IDROP, the IWTR will be available on the Tuesday of the following week after the claiming agency payment is issued.

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H. FILE SUBMISSIONS

Agencies must submit Offset Adds, Changes and Deletes via IDROP or electronic file unless an exception has been approved by the Comptroller's Office. Any transactions submitted on electronic file must be accompanied by a properly completed Involuntary Withholding File Certification Form (see Exhibit 26.40.20-F). File certification for IDROP is done online. Please contact the Collections Unit in the Comptroller's Office for information on IDROP/file submissions.

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STATE OF ILLINOIS
 COMPTROLLER
 SUSANA A. MENDOZA

Pension Fund Collection Request

The Municipal Employees' Annuity and Benefit Fund of
 Chicago

Collections Unit
 325 West Adams
 Springfield Illinois 62704

Requesting Pension Fund
 321 North Clark Street, Suite 700, Chicago, Illinois

Address
 James Mohler, Executive Director,
 MOHLERJ@meabf.org

RE: City of Chicago
 (Governmental Entity Name)

Contact Name and Email Address

COMPTROLLER USE ONLY

RECEIVED
 MAR 26 2019

Section 8-173 of the Illinois Pension Code.

**Involuntary
 Withholding**

To Office of the Comptroller, Collections Unit:

In accordance with the requirements of State or Federal law, please withhold payment from the Governmental Entity.
 Details of this claim are as follows:

FEIN/GUC Number(s)
 (List all known numbers)

IOC USE ONLY

00-1620014
36-0001670
36-6005820
38-0001670
39-0001670

10910104
10910105
10910106
10910107
10910108

10710
 Entity ID Number

Time Period During Which Debt Was Incurred

\$4,608,766.70 as of March 21, 2019

01 / 01 / 2018
 MONTH / DAY / YEAR
 Date From

12 / 31 / 2018
 MONTH / DAY / YEAR
 Date To

Original Claim Amount

PROCEDURAL REQUIREMENTS

Notification Type 1 2

Statement of Outcome 1 2

Type of Hearing Offered 1 2

Date of Final Determination of Debt 03 / 21 / 2019
 MONTH / DAY / YEAR

(If I am submitting a facsimile or email signature, I hereby certify by so filing that the original signed document exists in my possession.)

James E. Mohler Executive Director 3/22/19 312 379-2135
 AUTHORIZED SIGNATURE TITLE DATE TELEPHONE NUMBER

Process Date 03/29/19



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STATE OF ILLINOIS
 COMPTROLLER
 SUSANA A. MENDOZA

Pension Fund Collection Request Statement of Notification

Collections Unit
 325 West Adams
 Springfield Illinois 62704

Policemen's Annuity and Benefit Fund of Chicago
 Requesting Pension Fund
 221 North LaSalle Street, Room 1626
 Address
 Chicago, Illinois 60601
 Kenneth Kaczmarz (kkaczmarz@chipabf.org)
 Contact Name and Email Address

COMPTROLLER USE ONLY
 RECEIVED
 APR 01 2019

RE: City of Chicago
 (Governmental Entity Name)

Section 5-168 of the Illinois Pension Code.

**Involuntary
 Withholding**

To Office of the Comptroller, Collections Unit:

In accordance with the requirements of State or Federal law, please withhold payment from the Governmental Entity.
 Details of this claim are as follows:

FEIN/GUC Number(s)
 (List all known numbers)

IOC USE ONLY

00-11620014
30-0001670
36-6005820
38-0001670
39-0001670

10917607
10917608
10917609
10917610
10917611

1	0	6	1	0
---	---	---	---	---

Entity ID Number

Time Period During Which Debt Was Incurred

01 / 01 / 2018
 MONTH / DAY / YEAR
 Date From

12 / 31 / 2018
 MONTH / DAY / YEAR
 Date To

\$16,046,440.56 (as of 04/01/2019)

Original Claim Amount

Reason For Debt: Please attach a statement as to why there is an amount due to the Fund.

PROCEDURAL REQUIREMENTS

Notification Type

0	1
---	---

Statement of Outcome

0	1
---	---

Type of Hearing Offered

0	2
---	---

Date of Final Determination of Debt 04 / 01 / 2019
 MONTH / DAY / YEAR

If I am submitting a facsimile or email signature, I hereby certify by so filing that the original signed document exists in my possession.

AUTHORIZED SIGNATURE

Acting Exec Dir
 TITLE

April 1, 2019
 DATE

312-744-3891
 TELEPHONE NUMBER

C-33p 10/2018

Process Date 04 / 02 / 19



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LABORERS' AND RETIREMENT BOARD EMPLOYEES'
ANNUITY AND BENEFIT FUND OF CHICAGO

April 11, 2019

Ms. Samantha Fields
Budget Director
City of Chicago
Office of Budget and Management
121 North LaSalle Street, Room 604
Chicago, IL 60602

Re: Follow-Up to Meeting on February 20, 2019 Regarding Loss in Collections Associated with Property Tax

Dear Ms. Fields:

I am writing on behalf of the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago (the "LABF") with respect to our meeting on February 20, 2019 and the LABF's letter dated January 24, 2019, regarding the City's historical employer contribution shortfall due to losses associated with property tax collections (the "Loss in Collections"). In the letter and at the meeting, we explained the LABF's position that it has wrongly been required to absorb the Loss in Collections for decades and articulated LABF's basis for such claim. During the meeting, we quantified the more recent losses, those associated with tax levy years 2008 through 2017, as approximately \$3 million as of December 31, 2017, a figure that was also cited in the preceding letter. This figure included both losses the City of Chicago continued to carry on its books as taxes receivable as well as those associated with prior years that had been written off. Unfortunately, the City did not agree that the LABF should not have to absorb the Loss in Collections and asserts there is no obligation to make LABF "whole" for any such shortfall.

At a meeting of the Board of Trustees of the LABF held on March 19, 2019, the Board decided to pursue the "Prior Years" Reserve Balance Written Off at December 31st for the Years 2013-2018 and the "Prior Years" Amounts Withheld from Remittance absorbed by LABF between 2009 and 2018. Therefore, the LABF issues its final determination that \$2,534,812.68 is due and owing from the City, a figure based on the latest information reported to LABF by the City on March 15, 2019 (see the attached *Loss of Collections Associated with Property Tax Levy* table for details).

Please feel free contact to Michael Walsh, LABF's Executive Director, at (312) 236-2082 or mwalsh@labfchicago.org if you have any questions.

Sincerely,

Victor Roa
Board President

cc: Kurt Peterson, City of Chicago, First Deputy Budget Director
Brenton Siverly, City of Chicago, Assistant Budget Director
Michael Walsh, LABF, Executive Director and Chief Investment Officer

PLAINTIFF'S
EXHIBIT
E

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LABORERS' AND RETIREMENT BOARD EMPLOYEES'
ANNUITY AND BENEFIT FUND OF CHICAGO

LOSS OF COLLECTIONS ASSOCIATED WITH PROPERTY TAX LEVY

YEAR	"PRIOR YEARS" RESERVE BALANCE WRITTEN OFF AT DECEMBER 31ST		"PRIOR YEARS" AMOUNTS WITHHELD FROM REMITTANCE		LOSSES ABSORBED BY LABF
	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT
2009	-	2004 Levy Loss	107,323.72	Yr 2003 & Prior	107,323.72
2010	-	2005 Levy Loss	7,919.04	Yr 2004 & Prior	7,919.04
2011	-	2006 Levy Loss	4,176.72	Yr 2005 & Prior	4,176.72
2012	-	2007 Levy Loss	16,591.68	Yr 2006 & Prior	16,591.68
2013	268,163.58	2008 Levy Loss	21,925.91	Yr 2007 & Prior	290,089.49
2014	447,103.48	2009 Levy Loss	14,899.19	Yr 2008 & Prior	462,002.67
2015	420,358.56	2010 Levy Loss	58,403.41	Yr 2009 & Prior	478,761.97
2016	387,735.80	2011 Levy Loss	62,142.85	Yr 2010 & Prior	449,878.65
2017	285,353.57	2012 Levy Loss	81,090.15	Yr 2011 & Prior	366,443.72
2018	272,405.87	2013 Levy Loss	79,219.15	Yr 2012 & Prior	351,625.02
	<u>\$ 2,081,120.86</u>		<u>\$ 453,691.82</u>		<u>\$ 2,534,812.68</u>

Source: Activity by Tax Levy Year for Property Taxes Report from City of Chicago

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