



# ILLINOIS PUBLIC PENSION FUND ASSOCIATION

## *Preparing Pension Funds for Tomorrow*

[www.ippfa.org](http://www.ippfa.org)

August 5, 2013

## August 2013 Newsletter



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## ***Illinois Articles...***

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### **COALITION FOR QUALIFIED PLAN STATUS**

#### **For Illinois Article 3 Police Pension Funds & Article 4 Firefighter Pension Funds AFFI \* IGFOA \* ILFOP \* IMTA \* IPFA \* IPPFA \* PBPA**

In 2008 the Internal Revenue Service raised concerns about whether Illinois Article 3 and Article 4 Pension Funds were in compliance with federal tax law and strongly encouraged the Funds to obtain Qualified Plan Determination Letters. It is recognition as a Qualified Plan that allows our Pension Funds to receive the several tax benefits'. Determination Letters are only good for 5 years. It is time for renewal. - [click here for more...](#)

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### **Economy to cruise at speed limit in 2013 and accelerate slightly in 2014**

#### **by William A. Strauss, senior economist and economic advisor, and Norman Wang, associate economist— Chicago Fed Letter**

According to participants in the Chicago Fed's annual Automotive Outlook Symposium, the nation's economic growth is forecasted to be solid this year and to strengthen somewhat in 2014. Inflation is expected to remain flat in 2013 and 2014, and the unemployment rate is anticipated to move lower but remain high by historical standards through the end of 2014. Light vehicle sales are predicted to improve in 2013 and 2014. - [click here for more...](#)

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### **Managing economic development in times of fiscal uncertainty**

#### **by Richard H. Mattoon, senior economist and economic advisor, and Sarah Wetmore, vice president and research director, Civic Federation—Chicago Fed Letter**

On April 4, 2013, the Federal Reserve Bank of Chicago and the Civic Federation held a conference to examine the impact of state and local tax adjustments, as well as fiscal policy uncertainties, on economic development. Also, conference participants explored state and local governments' recent experiences in dealing with fiscal difficulties, as well as their strategies to attract businesses to stimulate economic growth while still balancing their budgets. - [click here for more...](#)

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## ***National Articles...***

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### **Pension Proposal Aims to Ease Burden on States and Cities**

#### **By Mary Williams Walsh—DealBook/New York Times**

As states and cities wrestle with mounting pension woes, some even seeking refuge in bankruptcy, Washington has mostly stayed on the sidelines. By law, the 50 states are sovereigns, so even though federal officials have regulated company pension plans for decades, they have had little interest in telling the states how to run theirs. Now, one United States senator wants to change that. Orrin Hatch of Utah, the senior Republican on the Senate Finance Committee, has

devised a way for states and cities to exit the pension business while still giving public workers the type of benefits they want. It involves a tax-law change that would enable governments to turn their pension plans over to life insurers. - [click here for more...](#)

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## **NATIONAL SAVE 4 RETIREMENT WEEK—Oct 20-26, 2013**

### **NAGDCA—Meetings and Events**

#### **Goals for National Save for Retirement Week:**

- Make employees more aware of how critical it is to save now for their financial future
- Promote the benefits of getting started saving for retirement today
- Encourage employees to take full advantage of their employer-sponsored plans by increasing their contributions

#### **April: Contact Your Retirement Plan Service Provider to Discuss NS4RW Promotion**

April should be used to begin conversations with your Retirement Plan Services Provider to discuss what materials, support and resources they can provide to help support NS4RW. - [click here for more...](#)

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## **New GASB Chairman Foresees New Pension Standards Influencing Government Budgeting Decisions**

By Michael Cohn July—26, 2013

David A. Vaudt, the new chairman of the Governmental Accounting Standards Board, plans to closely monitor the impact of GASB's new pension accounting standards on the finances of state and local governments. "Pensions are still at the top of the agenda for the GASB board," he said in an interview with Accounting Today on Friday. - [click here for more...](#)

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## **STATE AND LOCAL GOVERNMENT WORKFORCE: 2013 TRENDS**

By Center for Excellence—May 14, 2013

### **Annual survey finds top concern is staff development as improving economy hastens retirements**

Washington, DC--As local and state government workers head for the exits, human resource managers say their top concern is staff development.

This annual survey conducted by the Center and the International Public Management Association for Human Resources (IPMA-HR) finds that as local and state government workers head for the exits, human resource managers say their top concern is staff development. -[click here for more...](#)

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## **Understanding New Public Pension Funding Guidelines and Calculations**

NCTR

The importance of properly financing state and local government retirement systems has never been greater. Sound pension funding policies not only help ensure costs and benefits remain sustainable, but also strengthen the financial position and credit rating of the sponsoring governments.

State and local governments soon will need to distinguish several separate pension calculations that will be derived in different manners for distinct purposes:

- Books—computing an annual position regarding pensions for financial statements

- Bonds—calculating how pension obligations affect a government’s creditworthiness
  - Budgets—determining the appropriate annual contribution to the retirement system for sound funding  
- [click here for more...](#)
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### **SEC Names Asset Management Enforcement Co-Chiefs Legislative Director**

ThinkAdvisor.com—July 2, 2013

Julie Riewe, Marshall Sprung to jointly run unit in enforcement division; Timothy Henseler will direct Office of Legislative, Intergovernmental Affairs.

The SEC announced Monday the appointment of Julie Riewe and Marshall Sprung as co-chiefs of the Division of Enforcement’s asset management unit, succeeding Bruce Karpati, who led the unit as a co-chief since its January 2010 inception but who left the commission in May.

Since May 2012, both Riewe and Sprung had been serving as deputy chiefs of the unit, whose charter, according to the SEC, is to focus “on misconduct by investment advisers, investment companies and private funds.” - [click here for more...](#)

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### ***Court Cases...***

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#### **IN THE APPELLATE COURT OF ILLINOIS FOURTH DISTRICT**

THE CITY OF CHAMPAIGN, an Illinois Municipal Corporation, Plaintiff-Appellant,  
v. LISA MADIGAN, in Her Official Capacity as Attorney General of the State of Illinois; PATRICK WADE; and THE NEWS-GAZETTE, INC., an Illinois Corporation, Defendants-Appellees.

This case arises from defendant Patrick Wade's July 2011 request pursuant to the Illinois Freedom of Information Act

(FOIA) (5 ILCS 140/11(e) (West 2010)) for copies of electronic communications sent and received during city council meetings from members of the Champaign city council as well as the mayor of the City of Champaign (collectively, the City). - [click here for more...](#)

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### **Training and Education**

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#### **Sign up for the 2013 IPPFA Midwest Pension Conference**

**We are filling up fast!! Get registered right away!!**

IPPFA Midwest Pension Conference will be held at 7036 Grand Geneva Way, Lake Geneva, Wisconsin. The dates for the 2013 conference are October 1 - 4, 2013 (Tuesday-Friday).

The venue will be the Grand Geneva Resort & Spa. The Grand Geneva Resort Hotel is **Full** at this time. They are now taking reservations at the Holiday Inn Vacation Resort through the Grand Geneva. The IPPFA rate is \$133.00 per night, plus taxes.

**Call the Grand Geneva Resort & Spa direct at 1-800-558-3417. -**

- [click here for more...](#)

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**1st Annual IPPFA Remembrance Fund Paintball Tournament**

Please Join Us on Saturday-September 7, 2013

Check in Starts at 8:00am—Battles begin at 9:00am

Profits from the tournament will benefit the Remembrance Fund. The cost for the tournament is \$75.00 per participant. The price includes: Paintball gun, protective equipment, all day CO2, or HPA air fills, and 500 paintballs. The date and location are, September 7, 2013 at Challenge Park at 2903 Schweitzer Rd., Joliet, IL 60421. - -

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**IPPFA On-Line Certified Trustee Program/and Classroom Program**

The IPPFA is pleased to announce that it is now offering the 32-hour Certified Trustee Program (CTP) as an on-line course for the first time. Over 1,000 public pension trustees have gone through the IPPFA CTP, hundreds before the legislature made such training mandatory in 2009. Now through the on-line training those trustees that would have difficulty attending in-person training can obtain the required training using their own computer in the comfort of their home or office. This is especially helpful to the appointed or retired trustees that have other employment and should make it easier for municipalities to find citizens that are willing to be appointed as trustees. - [click here for more...](#)

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**Online Training/eLearning**

This course introduces students to various aspects of financial management related to Police and Fire pension funds along with the administration of those pension funds. Each topic will be taught by a professional in their field. Plus you can do this in the comfort of your own home or office! - [click here for more...](#)

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**IPPFA Toolkit!!!**

**Illinois Public Pension Fund Members:**

In our desire to actively engage our membership, and produce relevant materials that will be useful to our members in the field we have commissioned the services of VISION MAI, LLC to produce a tangible, easy-to-read handbook that can be referenced and revered at any time. - [click here for more...](#)

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