



ILLINOIS PUBLIC PENSION FUND ASSOCIATION

Preparing Pension Funds for Tomorrow

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September 2013 Newsletter



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Illinois Articles...

ECONOMY: PACE OF GROWTH QUESTIONED

By Edward H. Boss Jr., Chief Economist—Commission on Government Forecasting and Accountability

Last month the question was posed as to whether or not the economy was entering another soft patch that had been a recurring event in the past several years. Monthly business reports since then, while not all in one direction, suggest that the pace of growth has moderated even in light of the latest GDP revisions that showed a stronger than expected performance in the April-June quarter. A look at the Indicators of Illinois Economic Activity at the end of this article provides some credence to that conclusion, particularly State wise. - [click here for more...](#)

National Articles...

Public Sector Pension Reform: Addressing Pressing Fiscal Realities from a Long-Term Perspective

Thomas L. Gais, Director, The Nelson A. Rockefeller Institute of Government

The State University of New York, Paul J. Yakoboski, Senior Economist, TIAA-CREF Institute

June 2013

State and local governments remain bastions of retirement plan sponsorship for public sector employees — 99 percent of full-time public sector employees have access to an employment-based retirement plan. Primary coverage in the sector is typically through a defined benefit (DB) pension plan. However, state and local pension funds experienced large declines in asset values during the 2008-09 recession and financial markets crash. The recession also reduced tax revenues, making it difficult for many governments to fund the annual contribution associated with their DB plan. State and local governments and the plans they sponsor continue to face financial challenges in the recession's aftermath.

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

Moody's wins dismissal of pension fund's securities lawsuit

By Bloomberg—August 26, 2013

Moody's Corp. won dismissal of a lawsuit by a pension fund claiming the credit ratings firm made false statements about its independence and objectivity. U.S. District Judge George B. Daniels in Manhattan found that the \$1.1 billion Teamsters Local 282 Pension Trust Fund, Lake Success, N.Y., failed to establish that Moody's violated securities laws, according to a ruling issued Aug. 23. - [click here for more...](#)

2013 Employer Health Benefits Survey

The Henry J Kaiser Family Foundation—August 20, 2013

Employer-sponsored insurance covers about 149 million nonelderly people.¹ To provide current information about employer-sponsored health benefits, the Kaiser Family Foundation (Kaiser) and the Health Research & Educational Trust (HRET) conduct an annual survey of nonfederal private and public employers with three or more workers. This is the fifteenth Kaiser/HRET survey and reflects employer sponsored health benefits in 2013. -

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

13 WAYS TO GET MORE SOCIAL SECURITY

By: Renee Morad—Money Talks News

The average monthly Social Security benefit for a retiree in 2013 is estimated at \$1261, according to the Social Security Administration. That's just \$15,132 a year – hardly enough to live on. Hopefully when you reach retirement, you'll have a nice nest egg to offset hurdles like vanishing pensions and unpredictable stock-market returns. But either way, there are certain actions you can take today to boost your Social Security payments during retirement – and they can add up to thousands of extra dollars in your golden years. Here are 13 things you can think about today to increase your Social Security payments during retirements:

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

Affordable Care Act Health Insurance Marketplace Outreach and Enrollment Toolkit for Elected Officials

By Health Insurance Marketplace

When the Affordable Care Act was signed into law in 2010, it carried with it a promise of expanding access to quality, affordable health coverage for millions of American families and small businesses. The law is already making health coverage stronger for the majority of Americans who already have it. More than eight out of ten Americans have already begun to experience the benefits of the Affordable Care Act with better coverage, including free wellness and prevention care like mammograms and cancer screenings. Three million kids who didn't have coverage before now can stay on their parents' plans until age 26. But for the nearly two in ten Americans without health insurance, there will be a new easy way to get affordable coverage. - [click here for more...](#)

US Labor Department announces final rules to improve employment of veterans, people with disabilities

WASHINGTON, D.C. — The U.S. Department of Labor today announced two final rules to improve hiring and employment of veterans and for people with disabilities. One rule updates requirements under the Vietnam Era Veterans' Readjustment Assistance Act of 1974; the other updates those under Section 503 of the Rehabilitation Act of 1973. For more than 40 years these laws have required federal contractors and subcontractors to affirmatively recruit, hire, train and promote qualified veterans and people with disabilities respectively. -[click here for more...](#)

More Carrying Debt into Retirement

Center for Retirement Research at Boston College—August 22, 2013

No matter how you measure it, older Americans are falling deeper in debt. The number of people in their 60s who have debt has grown from just under half of that age group in 1998 to nearly two out of three in 2010. And their debt, as a share of their assets, has surged during that time from 10 percent to 18 percent. Debt is becoming increasingly common

among older people, regardless of their level of income, according to Urban Institute researchers, who presented their findings at the August meeting of the Retirement Research Consortium. (The Center for Retirement Research at Boston College, which sponsors this blog, is a Consortium member.) - [click here for more...](#)

Court Case...

Gutraj v. Village of Grayslake Police Pension Fund

By Charles H. Atwell—Atwell & Atwell Law Offices

Attached is an interesting opinion out of the Second District Appellate Court filed on June 28, 2013 (Gutraj v. Board of Trustees of the Village of Grayslake Police Pension Fund). The Second District Appellate Court affirmed the Lake County Circuit Court, in holding that the Plaintiff (police officer/disabled) was entitled to the benefits provided under 40 ILCS 5/3-111.1 and also those provided under the recent amendment to 3-114.1(d). The Second District concluded that the disabled police officer was entitled to the 3% increase after he attained age 60, and additionally the annual non-compounded increase equal to 3% of the original pension. The Appellate Court reasoned that the aforementioned statutes are not mutually exclusive. Although it would appear that the Court was left with no other recourse in its interpretation of the legislative intent, the conclusion is most dramatic.

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

STATE OF MICHIGAN COURT OF APPEALS

MICHIGAN COALITION OF STATE EMPLOYEE UNIONS, INTERNATIONAL UNION UAW AND LOCAL 6000, etc... v STATE OF MICHIGAN, STATE EMPLOYEES RETIREMENT SYSTEM, STATE EMPLOYEES RETIREMENT SYSTEM BOARD, etc...

Defendants appeal by right the trial court's order holding 2011 PA 264 unconstitutional because it violates Const 1963, art 11, § 5. 2011 PA 264 made changes to the State Employees' Retirement Act (SERA), MCL 38.1 *et seq.* Plaintiffs challenged those changes that required employees hired before April 1, 1997, who maintained membership in the state pension system

-2-(the "defined benefit pension plan" or "DB plan") to choose either to contribute 4 percent of their income to that plan or to switch to the 401(k) plan (the "defined contribution plan" or "DC plan," applicable for state employees hired on or after April 1, 1997) without a required contribution. They also challenged the change in the way overtime is applied to the calculation of "final average compensation." - [click here for more...](#)

Training and Education...

Sign up for the 2013 IPPFA Midwest Pension Conference

Grand Geneva Hotel and The Holiday Inn Club Vacations is now full. Aternative: The Cove of Lake Geneva 111 Center St., Downtown Lake Geneva. \$79.00 per night plus taxes, other fees may apply. 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).

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. - -

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

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...](#)

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...](#)

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...](#)
