

RECORDKEEPING

A Progress Check for Trustees

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ORGANIZATION

- Pension Fund Calendar
 - Know What is due and When it is due
 - Designate Who is responsible for completion
 - Be sure suggested topics are on the Agenda for discussion and/or voting



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Calendar ~ JANUARY

- End of month
 - Payee copies of 1099R, 1099MISC must be postmarked by January 31st
- Conduct 6-month review of closed meeting minutes
- Servicer Certification – Illinois finance entities (*due February 28th*)
- Review professional services contracts
 - Audit, Actuary, Accountant
- December fiscal year-end, begin preparation of IDOI Annual Statement (due June 30th)

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Calendar ~ FEBRUARY

- **Mid-month**
 - 945 tax forms must be filed with the IRS

- **End of month**
 - IRS copies (“red”) of 1099R, 1099MISC, 1096 must be filed with the IRS

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Calendar ~ MARCH

- **Prepare election procedures and seek reappointments**
 - Nominations
 - Ballots
 - Notice of Election Results

- **Review and update Investment Policy**
 - Copy must be filed with DOI

- **Send out Affidavits of Continued Eligibility to pensioners**
 - Fiduciary responsibility
 - Consequence if not returned?

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Calendar ~ APRIL - MAY

- Conduct and canvass Trustee elections
- Statements of Economic Interest filed with the County by May 1st for the County for the Fund you are Serving
- Private or DOI Actuarial Valuation
 - Due 9 months after Fiscal Year End but needed for Tax Levy Request (end of September)
- Approve payment of DOI Annual Compliance Fee
 - Invoice mailed in May by DOI to Secretary of Pension Fund
 - **Due June 30th -> LATE FEES!!**

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Calendar ~ JUNE

- DOI Annual Compliance Fee due June 30th
- December Fiscal Year End
 - DOI Annual Statement DUE (*due June 30th*)
- May Fiscal Year End
 - Begin DOI Annual Statement (*due November 30th*)

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Calendar ~ JULY

- Recognize new Board, elect Board officers
 - Police – July meeting (Prez, VP, Sec, Asst Sec)
 - Fire – 1st meeting after elections (Prez, Sec)
- Conduct 6-month review of closed meeting minutes
- Review and update membership records
- Conduct annual medical evaluations of disabled members (until age 50)
- Review Actuarial Report
 - Submit tax levy report (Municipal Compliance Report)
 - Make tax levy recommendation
- June Fiscal Year End
 - Begin DOI Annual Statement (*due December 31st*)

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Calendar ~ OCTOBER

- Review and update Board rules and forms
- Review and update contractual agreements with custodians and advisors
- Establish regular meeting schedule for next calendar year
- Review actuarial report (*if not previously available*)
 - Submit tax levy report (Municipal Compliance Report)
 - Make tax levy recommendation
- April Fiscal Year End
 - DOI Annual Statement DUE (*due October 31st*)

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Calendar ~ NOVEMBER - DECEMBER

- Approve Pension Benefit Payments/Cost of Living Adjustments (COLA) for next calendar year
- May Fiscal Year End
 - **DOI Annual Statement DUE** *(due November 30th)*
- June Fiscal Year End
 - **DOI Annual Statement DUE** *(due December 31st)*

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Agenda Items

- Open Meetings Act Posting Requirements
 - WHEN - 48 hours in advance
 - At least one copy must be available for public review during the ENTIRE 48-hour period preceding the meeting
 - WHERE – Principal office of the public body AND at the location where the meeting is to be held
- Review Calendar When Establishing Agenda Items
- Any topic can be discussed, but the topic must be listed on the Agenda to vote for approval

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Did You Know....?

- You can teleconference an absent trustee to participate in a meeting **ONLY** under these conditions:
 - A (physical) quorum is already established
 - Reasons of illness or disability
 - Employment or business of the public body
 - Family or other emergency



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What Is A "MEETING"?

- For 5-member pension boards, **any** gathering of three trustees to discuss public business is a quorum
- Does **NOT** apply to social gatherings (unless deliberative discussion takes place)
- A telephone conference call **IS A MEETING**
- Any person can record or video a meeting
- Meetings must be held at times and places convenient and open to the public
- Post a Notice of Regular Meetings scheduled for the ***Entire Year***

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What to Record in Minutes

- **MUST include:**
 - Date, Time and Place of Meeting
 - Board Members Present & Absent
 - A Summary of Discussion on all matters proposed, deliberated or decided, and a record of any votes taken
- Motions (when are they needed?)
- Roll-call vote (when is it required?)
- Any Invoices Paid or Checks Written
- Keep copies of minutes.....forever!
- Approved AND Signed, posting
- How much detail?
 - **What was DONE, not what was SAID**



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Closed Session Meeting Minutes

- **MUST** Keep an Audio or Video Record of ALL Closed Meetings
- A Vote must be taken in an OPEN meeting to CLOSE a Meeting
- Minutes may be kept confidential
- Recordings may be destroyed after 18 months AND....
 - **ONLY** after Board Approval and approval of the written minutes of the closed meeting
- Review closed meeting minutes semi-annually



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Pension Trustees Responsibilities

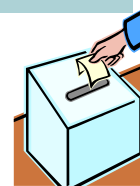
- **Responsibilities & Fiduciary Duties**
 - Investing Pension Fund Assets
 - Meeting Attendance
 - Quarterly for regular business, Periodic Special Meetings
 - Disability Hearings, Approval of Pension Benefits
 - Collect Member Contributions and Request Property Tax Levy
 - Rule Making and Hiring Expert Assistance



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And.....More Responsibilities!

- **Trustee Elections**
 - Procedure: Nominations, Ballots, Results
 - Timing (3rd Monday in April)
 - Election of Board Officers – following Election
- **Mandatory Trustee Training**
 - 32 hours for New Trustees; 16 hours Continuing Education
 - Open Meetings Act Training – ALL Trustees!
 - www.illinoisattorneygeneral.gov
 - Annual Training for OMA Designee (5 ILCS 120/1.05)
 - Annual Training for FOIA Officer (5 ILCS 140/3.5(b))
 - New Trustees: OMA training within 90 days of start of term
 - Keep Certificates on File; Record All Training



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Active Member Files

- **WHAT Documents Are Required?**
 - List of documents on next slides
- **WHEN** do they need to be Updated?
 - **Annually**
- **WHY**
 - **DOI Compliance Audit**
 - **Member Death**
- **Retention of Accurate and Up-to-Date Records is Essential!**



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What Records Are Required?

- Application for Membership into the Pension Fund
- Birth Certificates
 - Member
 - Spouse
 - Children
- Certificates of Adoption or Legal Guardianship
- Marriage or Civil Union Certificates
- Dissolution of Marriage/Civil Union Documents

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Wait, There's More.....

- Any QILDRO Information (*as it pertains to divorce*)
- Documentation of Member Contributions
- Initial Medical Exam/Fit for Duty
- Transfer of Creditable Service/Reciprocity Calculations, Documentation, Copies of Checks
- Military Discharge Papers / DD-214
- Member Salary History and Dates of Promotion

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Retirement/Disability/Deferred/Withdrawal

- Application for Benefits of Any Kind
 - Retirement, Disability, Surviving Spouse, Dependents, Refund, etc.
- Details of Benefit Calculation
- Records of any and all Medical Evaluations
 - Initial Medical Exams and annual evaluation for disabled members under age 50
- Copy of Refund Check
- Copy of Verification of Termination Date
- Copy of Death Certificate

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Did You Know....?

- A survivor's pension doesn't always go to the surviving spouse.
 - Surviving spouse (must be married on date of death)
 - Fire
 - Retirement pension: if get married after last day worked, must be married to member at least one year to be eligible
 - Disability pension: must be married to member at time of death to be eligible
 - Police
 - Retirement pension: must be married to member on last day worked AND at time of death to be eligible
 - Disability pension: must be married to member at time of death to be eligible
 - Dependent children
 - Birth, adopted
 - Until age 18 unless legally handicapped
 - Dependent parents
 - Claimed on 1040 form
 - Estate
 - Excess of contributions paid less benefits received



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RECORDS RETENTION

The Local Records Act (50 ILCS 205/)

In Illinois, no public record may be disposed of without the approval of the appropriate Records Commission

- Development of an *Application for Authority to Dispose of Local Records* Filed with the Commission
- Obtain a Records Disposal Certificate
- An Approved Certificate must be obtained before records can be destroyed
- Contact the Illinois State Archives for Details
 - Phone: 217-782-7075

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QILDRO DOCUMENTS

Qualified Illinois Domestic Relations Order

- Newest version effective 07/01/06
- 3 pieces
 - All must be filed in court**
 - Have Board Attorney review before implementing**
 - Available on DOI webpage (with reference manual)**



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QILDRO COMPONENTS

- QILDRO Order**
 - Names parties
 - Allocates benefit as a flat dollar amount or as percentage of the “marital portion” of the pension
- Consent To Issuance form**
 - Required if hired prior to 07/01/99
- Calculation Form**
 - Required only if QILDRO Order refers to benefit as a percentage of the marital portion
 - Completed by member, ex-spouse, their attorneys
 - Can't be completed until creditable service is done

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Did You Know....?

- A QILDRO is only applicable against a contribution refund or a retirement pension.
 - Conversion?
 - Remittance to ex-spouse without QILDRO
 - For example, split direct deposit or miscellaneous deduction
 - Pensioner is erroneously taxed on full amount



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THANK YOU!

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