



ILLINOIS PUBLIC PENSION FUND ASSOCIATION

Preparing Pension Funds for Tomorrow

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February 2012 Newsletter



In this issue...

- **IMPORTANT!! New Requirements for All Trustees--Read!!**
- **DuPage Mayors: Make cops, firefighters part of pension reform**
- **Lessons Learned: The Inaugural Year of Say-on-Pay**
- **The Local Crunch--As States cut aid, localities learn to do less with**
- **Legislators named to pension reform group**
- **House Committee on Ways and Means**
- **ILLINOIS DEPARTMENT OF REVENUE MONTHLY REVENUE REPORT**
- **Martin announces campaign for seat in 35th District**
- **Pooled Registered Pension Plans not the answer to pension crisis: study**
- **WHAT EXPLAINS VARIATION IN DISABILITY APPLICATION RATES ACROSS STATES?**
- **The Numbers: What are the federal government's sources of revenue?**

Training and Education...

- **IPPFA On-Line Certified Trustee Program/and Classroom Program**
- **Check out the Website for the Spring Conference 2012!!**
- **Online Training/eLearning**
- **Regional Seminars**

IMPORTANT!! New Requirements for All Trustees—Read!!

by The Attorney General Lisa Madigan

It is the public policy of this State that public bodies exist to aid in the conduct of the people's business and that the people have a right to be informed as to the conduct of their business.

- Illinois Open Meetings Act, 5 ILCS 120/1.

Pursuant to the fundamental philosophy of the American constitutional form of government, it is declared to be the

public policy of the State of Illinois that all persons are entitled to full and complete information regarding the affairs of government and the official acts and policies of those who represent them as public officials and public employees consistent with the terms of this Act. Such access is necessary to enable the people to fulfill their duties of discussing public issues fully and freely, making informed political judgments and monitoring government to ensure that it is being conducted in the public interest.

- Illinois Freedom of Information Act, 5 ILCS 140/1 - [click here for more...](#)

DuPage mayors: Make cops, firefighters part of pension reform

By Robert Sanchez from The Daily Herald – 01-26-2012

With rising pension costs putting a financial strain on local budgets, municipal leaders in DuPage County are calling on state lawmakers to expand proposed pension reform so it applies to police officers and firefighters.

Reforming the pensions of teachers and state workers is a topic Illinois lawmakers say they want to focus on during the upcoming legislative session, which starts next week. But unless something changes, there are no plans to touch the pensions of public safety employees. - [click here for more...](#)

Lessons Learned: The Inaugural Year of Say-on-Pay

CalSTRS is a long-term investor and we have been actively involved in corporate governance issues including executive compensation for over two decades. CalSTRS believes that a thorough review of pay practices is an important fiduciary duty that both corporate boards of directors and institutional investors should exercise with diligence and care. CalSTRS wants to reflect on what it learned during the 2011 proxy season, the first with mandatory Say-on-Pay at a majority of U.S. companies. Not only to improve our process going forward, but to help influence the market towards a better alignment between pay and performance. - [click here for more...](#)

The Local Crunch—As States cut aid, localities learn to do less with less

By Rob Gurwitt—Stateline.org

You can get accustomed to hard times, and over the last few years Ohio's towns and cities learned to scrape by. Faced with the long-term decay of Rust Belt manufacturing and the financial travails of homeowners, banks and businesses of all sorts, they watched their tax revenues shrink and did their best to adjust. They deferred road maintenance. They laid off employees and delayed new hires. They reorganized departments, merged positions, and generally looked for any means of saving a few dollars.

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

Legislators named to pension reform group

SJ-R.com—State Journal-Register by David Thomas Posted: 01/12/2012

Legislative leaders have made their appointments to Gov. Pat Quinn's pension reform panel. Named were: Sens. Michael Noland, D-Elgin, and Bill Brady, R-Bloomington, and Reps. Elaine Nekritz, D-Des Plaines, and Darlene Senger, R-Naperville. The panel will be led by Jerry Stermer, one of Quinn's top aides. Noland said pension reform needs a fresh set of eyes. "What I mostly bring to the table is a sense of fairness coupled with a sense of urgency, an awareness that we have run out of places to run to," he said.

Nekritz heads the House Personnel and Pension Committee. Senger also is a committee member. "Darlene has a very good background in this very arena, so to speak. She knows the state's got some fault in this," House Republican Leader Tom Cross of Oswego said about his selection of Senger. "She would also tell you that the employees have to be a bit more engaged in their contribution."

David Thomas can be reached at 782-6292.

House Committee on Ways and Means

Statement of Tim Lee, Board Member, Coalition to Preserve Retirement Security, Alexandria, Virginia.
Testimony Before the Subcommittee on Social Security of the House Committee on Ways and Means on June 23, 2011.

Chairman Johnson, Ranking Member Becerra and distinguished members of the subcommittee, my name is Tim Lee and I am the Executive Director of the Texas Retired Teachers Association. I am testifying today in my capacity as a Board member of the Coalition to Preserve Retirement Security. On behalf of the Coalition, I thank you for the opportunity to appear before the subcommittee to discuss Social Security's finances. Specifically, I am here to discuss the issue of mandating Social Security coverage for public sector workers. - [click here for more...](#)

ILLINOIS DEPARTMENT OF REVENUE MONTHLY REVENUE REPORT

Fiscal Year 2012 by Research Department

This report analyzes the major revenues the Illinois Department of Revenue (IDOR) Research Division forecasts. It examines how actual revenues compare with the previous year and with current FY 2012 forecasts. The current forecasts are those contained in the Governor's Fiscal Year 2012 Operating Budget, updated to reflect a lag in withholding receipts and the effect of federal bonus depreciation.

For the first two months of Fiscal Year 2012 our tax revenue forecasts are coming in \$62.6 million (1.4 percent) above budget. When we have received the first quarter of FY 2012 receipts, we will meet with the Governor's Council of Economic Advisors to discuss any potential forecast revisions. - [click here for more...](#)

Martin announces campaign for seat in 35th District

The Beverly Review—by Caroline Connors

Tony Martin's foray into politics began in 1992 when he was elected as the student government president at St. Xavier University (SXU).

Since his days lobbying for financial aid, Martin said, he has continued to work for the middle class by advancing legislation on a number of pension related issues primarily for the Chicago Fire Department, his employer for the past 23 years.

Now, Martin said, he wants to use his political experience and knowledge to make a positive difference in the state of Illinois. Martin, 46, of Mt. Greenwood, has announced his candidacy for the 35th District of the Illinois House of Representatives. He will face three opponents in the Democratic primary on March 20, 2012. - [click here for more...](#)

Pooled Registered Pension Plans not the answer to pension crisis: study

CCPA—Canadian Centre for Policy Alternatives—Kerri-Anne Finn, Senior Communications Officer

OTTAWA—The newly proposed Pooled Registered Pension Plan (PRPP) program will do nothing to solve Canada’s pension crisis, says a study released today by the Canadian Centre for Policy Alternatives (CCPA).

The study, by pension expert and CCPA research associate Monica Townson, provides an analysis of the PRPP program and argues that expanding the Canada Pension Plan (CPP) would provide better retirement pensions to virtually all Canadians.

“The PRPP scheme will not help the baby boom generation now coming up to retirement. They are the ‘lost generation’ when it comes to retirement income,” says Townson. “Pension reform should be addressing their needs in particular. We can almost certainly expect poverty rates among seniors to start going up again unless something is done.” - [click here for more...](#)

WHAT EXPLAINS VARIATION IN DISABILITY APPLICATION RATES ACROSS STATES?

By Norma B. Coe, Kelly Haverstick, Alicia H. Munnell, Anthony Webb—Center for Retirement Research at Boston College

Social Security Disability Insurance (SSDI) applications and benefit receipts vary greatly by state, which has led to concerns about potential inconsistencies in the way that states apply disability standards.¹ This possibility has prompted numerous Congressional hearings and reports, and led the Social Security Advisory Board to express concern about the Social Security Administration’s ability to disentangle the potential causes. This *brief*, using a longer time period and more comprehensive list of variables than other studies, explores the extent to which health, demographic, and employment characteristics – as well as state policies or politics – explain the variation across states. - [click here for more...](#)

The Numbers: What are the federal government’s sources of revenue?

by Tax Policy Center Urban Institute and Bookings Institution

Individual income taxes and payroll taxes now account for four out of every five federal revenue dollars. Corporate income taxes contribute another 12 percent. Excise taxes, estate and gift taxes, customs duties, and miscellaneous receipts (earnings of the Federal Reserve System and various fees and charges) make up the balance. The composition of tax revenue has changed markedly over the past half century, with payroll taxes contributing an increasing, and corporate income and excise taxes a decreasing, share of the total, but the share provided by individual income taxes has

remained roughly constant. -[click here for more...](#)

Training and Education

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...](#)

Check out the Website for the Spring Conference 2012!!

Come join the IPPFA for its 2012 IPPFA Illinois Pension Spring Conference on May 15 thru May 18th, 2012 at the Presidential Abraham Lincoln Hotel & Convention Center in Springfield, Illinois 62701.

For over 25 years the IPPFA has been offering the best in Pension Fund Trustee Training. - [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. - [click here for more...](#)

Regional Seminars

How Do I Satisfy The Annual Trustee Training Requirements?

Experts will speak on the state of the economy, the updates of pension legislation in Illinois and the Illinois Department of Insurance will be speak on a variety of topics. - [click here for more...](#)
