



ILLINOIS PUBLIC PENSION FUND ASSOCIATION

Preparing Pension Funds for Tomorrow

www.ippfa.org

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July 2012 Newsletter



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PUBLIC PENSION PLAN REFORMS HELP IMPROVE FINANCES, STILL PROVIDE RETIREMENT SECURITY FOR WORKERS

by Center for State and Local Government Excellence

Center for Excellence update on reforms made by five governments

WASHINGTON, DC – June 28, 2012 – New [fact sheets](#) from the Center for State and Local Government Excellence offer updates on the results of pension plan reforms made by five state and local governments -- Iowa, Oregon, Vermont, Gwinnett County (GA), and Houston (TX). - [click here for more...](#)

Joint Government Plan Letter

GFOA, NASRA, NAGDCA, NCPERS & NCTR—June 15, 2012

On behalf of the above-listed national public sector associations – representing state and local government plans and sponsors – we are writing in response to the Advance Notice of Proposed Rulemaking ("ANPRM"), REG-157714-06; 76 FR 69172 (Nov. 8, 2011)), regarding the definition of governmental plan under Section 414(d) of the Internal Revenue Code of 1986 ("IRC"), as well as the related public hearing on the proposed regulations (77 FR 5442) scheduled for July 9, 2012. We appreciate the opportunity to comment and the deliberative approach both the Internal Revenue Service ("IRS") and Department of Treasury ("Treasury") have taken on this critical issue. - [click here for more...](#)

Economy to keep rolling along in 2012 and 2013—Chicago Fed Letter

by William A. Strauss, senior economist and economic advisor, and Norman Wang, associate economist—August 2012
According to participants in the Chicago Fed's annual Automotive Outlook Symposium, solid economic growth is forecasted for the nation this year and in 2013. Inflation is expected to fall in 2012 and remain unchanged in 2013, and the unemployment rate is anticipated to move lower but remain high by historical standards through the end of 2013. Light vehicle sales are forecasted to improve in 2012 and 2013. - [click here for more...](#)

Bill requiring state actuary signed into law

By CHRIS WETTERICH, The State Journal-Register—Jun 18, 2012

Illinois will have another set of eyes scrutinizing the finances of the state-funded pension systems under a bill signed Monday by Gov. Pat Quinn.

Meanwhile, Quinn said he, the four legislative leaders and their staffs continue to have daily discussions about legislation to overhaul the pension systems, but have reached no consensus about what to do. -

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

NPPC Statement on Pew's "The Widening Gap Update"

National Public Pension Coalition—June 20, 2012

Washington, DC – The National Public Pension Coalition, a coalition of organizations representing millions of teachers, nurses, police, firefighters, and other public sector employees, issued the following statement in response to a recent Pew Center on the States report on public pensions.

NPPC Executive Director Jordan Marks:

"To the detriment of all public employees and all of our communities, 'The Widening Gap Update' uses data from fiscal year 2010 and will undoubtedly be used by organizations and individuals like the Koch Brothers and Arnold Foundation to advance their own agendas against public employees. - [click here for more...](#)

COLUMN-Five things to consider before cutting pension benefits

by Mark Miller, Reuters columnist Jun 20, 2012

CHICAGO, June 20(Reuters) - The message from voters about public pension plans is clear: They're ready to cut the retirement benefits of police, firefighters, teachers and other state and municipal workers.

The latest indicators include the failed recall of Gov. Scott Walker in Wisconsin - which started with his efforts to cut pensions - and referendums in San Jose and San Diego, where voters overwhelmingly backed pension reform measures. -

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

Sale of Assets Financed with Tax-Exempt Bonds by State and Local Governments and 501(c)(3) Organizations

By IRS on May 14, 2012

Tax Exempt Bonds ("TEB") focuses on providing participants in the municipal bond industry with quality service to assist issuers and conduit borrowers in understanding their tax responsibilities. TEB has initiated an outreach and educational services program to increase understanding and compliance with tax law applicable to tax-exempt bonds. As part of this service TEB is providing the following information with respect to the sale of property financed by tax-exempt bonds. Governmental issuers and 501(c)(3) organizations may use this information to establish practices to monitor tax compliance throughout the period that their bonds are outstanding. This information is not intended to be cited as an authoritative source. TEB recommends that issuers and 501(c)(3) organizations review this basic information concerning remedial actions in consultation with their counsel. -[click here for more...](#)

NASRA tracks private sector and state & local government employment on a monthly basis

From Wikipension

Data is provided by the [U.S. Bureau of Labor Statistics](#) and is compiled by NASRA staff.

Latest Update (May 2012)

The U.S. Bureau of Labor Statistics reported last week that state and local governments lost 8,000 jobs in May 2012. Since peaking in August 2008 state and local governments have shed 662,000 jobs, or approximately 3.4 percent of their total. By comparison private sector employment increased in May by 82,000 jobs. May 2012 marked the 27th straight month of private sector job increase. Since peaking in January 2008 private sector jobs are down by about 4.0% of their total. - [click here for more...](#)

New PEW Report Relies on FY 2010 Data, Presents Flawed Picture of Current State of Public Pensions

by Federal e-News on Thursday, June 28, 2012

On June 18, 2012, the Pew Center on the States released an update to their report, "The Widening Gap," which addresses state liabilities and costs for pensions and retiree health care benefits. The report asserts that States "continue to lose ground in their efforts to cover the long-term costs of their employees' pensions and retiree health care," and that in fiscal year 2010, states were \$1.38 trillion short of having saved enough to pay their "retirement bills," a nine percent increase from the year before, according to Pew. - [click here for more...](#)

Legislative Updates

NEW INFO at Your Fingertips!!!

The IPPFA has compiled a list of important legislation that has been recently introduced relating to Police, Fire and the Illinois Pension Code. Each Bill can be viewed in its entirety by clicking on the bill number. We ask for you to follow up on these current bills by contacting your legislator through the link at the bottom of the page. You may view the contact information for the bill sponsor by clicking on the sponsor's name. The IPPFA will continue to update this as new legislation is introduced.

President James McNamee

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

Training and Education

Sign up NOW!!! 2012 IPPFA Midwest Pension Conference “Hotel is Filling UP”

For over 25 years the IPPFA has offered Public Pension Trustees the best and latest in trustee training. With the recent far reaching changes in pension law and with the difficult challenges yet to come, the IPPFA strives to prepare pension trustees for the future. Please join us for Training in Ethics, Investment Procedures, Fiduciary Responsibilities, Legal and Legislative Updates, and much, much more and all with nationally renowned speakers. IPPFA Midwest Pension conference will be held in Lake Geneva, WI. The dates for the conference are October 2-5, 2012 at the Grand Geneva Resort & Spa. - [click here for more...](#)

Open Meetings Act

06/01/2012

The Open Meetings Act now requires every trustee, elected or appointed, to complete the electronic training curriculum developed and administered by the Public Access Counselor of the Attorney General Office. - [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.

The IPPFA is pleased to announce that registration is now open for Certified Trustee Program 12-6 to be held at the NIU campus in Hoffman Estates, IL November 12-15, 2012. Please fill out the attached form for each trustee attending and fax it to 630-784-0416 or email to kelli.spicer@ippfa.org to reserve your spot. -

- [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...](#)
