



ILLINOIS PUBLIC PENSION FUND ASSOCIATION

Preparing Pension Funds for Tomorrow

www.ippfa.org

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September 2012 Newsletter



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Marquette Associates Grieves the Sudden Passing of Partner, Friend Patrick Krolak

Marquette Associates is deeply saddened to announce the sudden passing of Patrick Krolak. Brian Wrubel, President, announced the news to employees in an email late Sunday night: "It is with a very heavy heart that I send this email. Pat Krolak was killed in an automobile accident yesterday along with his parents. It is times like this that I realize how much of a family we are at Marquette. I have known and worked with Pat for over fifteen years and there was no better person. He will be sorely missed as a partner and a good friend." The thoughts and prayers of the company are with Pat's family and friends in this difficult time.

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3rd Annual IPPFA Remembrance & Survivors Fund Sporting Clays Shoot

Profits benefit the IPPFA Remembrance & Survivors Fund

The IPPFA Remembrance & Survivors Fund provides financial support to support the families of firefighters and police officers from IPPFA member pension funds killed in the line of duty. Money for the Remembrance fund is raised by fund raising activities and charitable donations. The Remembrance & Survivors Fund is a 501 © (3) and donations are tax deductible. - [click here for more...](#)

State and Local Government Defined Benefit Pension Plans

A letter addresses to US Senator Hatch: from American Academy of Actuaries

By John H. Moore & William R. Hallmark

In the Senate Finance Committee Ranking Member Report issued earlier this year, “*State and Local Government Defined Benefit Pension Plans: The Pension Debt Crisis that Threatens America*,” you address the threat these plans pose to the financial stability of state and local governments and to the retirement security of millions of their workers and retirees. This issue is serious and controversial, and we commend you for addressing it and for your commitment to solve the problem. - [click here for more...](#)

State Pension Systems on the Rebound

by Jennifer Burnett—July 31, 2012—Knowledge Center/The Council of State Government

Things are starting to look up for state pension systems.

“Conditions affecting public pension plans continue to improve,” said Keith Brainard, research director for the National Association of State Retirement Administrators. That’s good news following years of warnings about the sustainability of state public pension systems. A Pew Center on the States 2010 report warned of a \$1 trillion gap between what states had set aside for pensions and the real price tag for those benefits.

Economic conditions in general have been improving, especially on Wall Street, which is closely tied to the financial health of public retirement systems. Corporate stocks and bonds make up more than half of all cash and investment holdings for state and local public employee retirement systems. - [click here for more...](#)

NCTR Commends Senator Harkin for Efforts to Provide Retirement Security for All

Federal E-News—August 24, 2012

NCTR has advised Senator Tom Harkin (D-IA) that it stands ready to work with him to find a solution to the retirement security needs of all Americans. Harkin, the Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, issued a report in late July documenting a national retirement crisis and proposing a new type of retirement plan as well as several proposed improvements to Social Security. The Senator says he intends for his report to be “the starting place in an evolving discussion about retirement security.” Meredith Williams, NCTR’s Executive Director,

wrote to Harkin that NCTR also strongly believes that all Americans should have access to a pension plan that will provide adequate and reliable retirement security, and commended the Senator for providing an excellent foundation for this vitally-important conversation. -

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

Broadening the approach to preparing for retirement

BMO Retirement Institute Report—US Edition—July 2012

As individuals approach retirement, the question of whether they are financially prepared becomes top of mind. These doubts may be fuelled by several factors, such as employers moving away from offering the traditional defined benefit plan (pension plan) and the potential for Social Security benefits being decreased and delayed, all of which are increasingly shifting the responsibility to individuals to save for their own retirement. In addition, some may still be struggling to rebuild retirement funds depleted by the financial crisis. - [click here for more...](#)

LEGAL CONSTRAINTS ON CHANGES IN STATE AND LOCAL PENSIONS

New Center for Excellence—issue brief—August 2012

WASHINGTON, DC – 8/6/12 – A new issue brief from the Center for State and Local Government Excellence, [Legal Constraints on Changes in State and Local Pensions](#), describes existing legal protections for pensions and reviews recent court decisions that have separated core benefit accruals from cost of living adjustments (COLAs).

Written by Alicia H. Munnell and Laura Quinby of the Center for Retirement Research at Boston College, the brief's key findings include: - [click here for more...](#)

ECONOMY: Is Another Recession Around the Corner?

Edward H. Boss, Jr., Chief Economist—Commission on Government Forecasting & Accountability July 2012.

For the third year in a row, the hoped-for “Summer of Recovery” not only failed to develop, but the pace of activity, rather than improving, slowed sharply. With the economic recovery now entering its fourth year, having officially started in June 2009, not only is it the weakest expansion in at least the post World War II period, but at no time did it generated the type of growth normally associated with economic expansions despite massive fiscal stimulus and easy credit policies. Historically, the average length of all 33 expansions dating back to 1854 is only 42 months, although in the post war era the 11 cycles from 1945 to 2009 lasted on average a longer 59 months. During both periods, however, there have been wide variances. -[click here for more...](#)

State and Local Government Spending on Public Employee Retirement Systems

NASRA ISSUE BRIEF—February 2012

As states and cities continue to address the effects of the Great Recession, the cost of pension benefits for employees of state and local government remains a key point of discussion. On a nationwide basis, pension costs for state and local governments are roughly three percent of total spending (see Figure 1). Current pension spending levels, however, vary widely and are sufficient for some entities and insufficient for others. - [click here for more...](#)

Legislative Updates

Important Legislation 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.

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

Training and Education

Sign up NOW!!! 2012 IPPFA Midwest Pension Conference "Hotel is Full"

Check website for additional locations to stay!!

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 announces 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.

“IPPPFA Regional Seminar schedule for March 19, 2013 at the Jumer's Casino & Hotel, Rock Island.”

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