



COVID-19 IMPACT ON PENSION BOARD OPERATIONS

By IPPFA General Counsel Richard Reimer and
IPPFA Deputy Counsel Brian LaBardi

"The COVID-19 pandemic will no doubt dramatically affect pension boards from an economic standpoint. Besides the obvious long-term economic impact, the current environment will have other short-term impact on pension board operations.

On April 1, 2020, Governor Pritzker entered Executive Order 2020-18 continuing the suspension of certain portions of the Open Meetings Act until April 30, 2020. The prior Executive Order 2020-07 entered March 16th, initially impacting meeting requirements, had been set to expire April 7th.

As pertains to meetings of public bodies, it prohibits "public and private gatherings of any number of people occurring outside a single household" and further prohibits gatherings of 10 or more people unless exempted by the order. The Order also suspends portions of the Open Meetings Act ("OMA") to make it easier for public bodies to meet remotely. The source of this authority as applied to non-State agencies is unclear."

This article discusses the impact on pension board operations due to COVID-19, including the impact on Conducting Quarterly or Special Board Meetings and the impact on Disability and Annual Examinations.

To view it in full, please click [here](#).

2020 IPPFA ONLINE 8-HOUR SEMINAR

Registration is Now Available!

This online seminar is a great way to get your required training done while still complying with the Illinois stay-at-home order.

By registering and participating in our online regional seminar, you are given the opportunity to hear from both speakers and professionals who work in the public pension arena on a daily basis. Receive up-to-date information in the areas of legislation, ethics, the economy, and fiduciary responsibilities.

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- Who Wants to Be a Pension Expert?
- Legal and Legislative Updates
- Pre-Consolidation Actuarial Review
- Improving Your Public Pension Knowledge
- Ask Your Attorney Q&A Session (Video)
- Legal Updates and Recent Court Cases (Video)
- Pensions and Collective Bargaining (Video)

The fee for this online seminar is \$250.00 for IPPFA Members and \$450.00 for Non-IPPFA Members.

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[Executive Order in Response to COVID-19 \(COVID-19 Executive Order NO. XX\)¹](#)

[Coronavirus Information and Resources](#)

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['We Have No Money': Coronavirus Slams State Taxes](#)

[Some Plans Already Taking Action on Risk, Liquidity](#)

[Underfunded Public Plans Facing a New Round of Woes](#)

[Coronavirus Forces Economics Profession to Leave Comfort Zone](#)

PENSION QUESTION

Pension Question for Police Officers Returning to Work Part-Time

A police department has part-time hourly officers who are not in the Article 3 Fund, and the department may hire back some of their own retirees temporarily because of staff shortages due to COVID-19. When asked if this would impact the officers' pensions, our opinion is that they can be hired into a position not covered by Article 3. However, another question posed is will there be tax ramifications of going back to work for the same town before the age of 59.5?

Answers:

- If the member is being rehired into a police officer role, they must (re)join the Article 3 Fund and their retirement benefit must be suspended.
- If the member is being rehired into a non-police officer role, they can continue to collect their retirement pension and if they are under the age of 59.5, their 2020 1099R will reflect a "1" in Box 7.

Sources:



Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS

WEBINAR: ILLINOIS SUSTAINABLE INVESTING ACT



GREAT LAKES ADVISORS
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Thursday, May 7, 2020 | 10:00-10:30am CT

[Register Here](#)

The [Illinois Sustainable Investing Act](#), which came in to effect on January 1, 2020, pertains to all state and local public funds in Illinois. The Act directs funds to update their investment policy statements and consider incorporating relevant environmental, social, and governance factors into investment decisions.

On Thursday, May 7th, please join us for a webinar featuring Illinois State Treasurer

Michael Frerichs, who will discuss the Illinois Sustainable Investing Act. Specific topics will include:

- What is the intent of the new legislation?
- Who is affected by the legislation?
- What is required to be in compliance?
- What resources are available?

The webinar will also include time for Q&A from attendees.

Please feel free to send your questions prior to the webinar to **Dan Nielsen**.



MICHAEL FRERICHS
Illinois State Treasurer
(312) 814-3575
<https://illinoistreasurer.gov/>



DAN NIELSEN
Great Lakes Advisors
Head of ESG and Responsible Investing
(312) 517-7130
dnielsen@greatlakesadvisors.com

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Illinois Public Pension Fund Association (IPPFA)

2587 Millennium Dr., Unit C in Elgin, IL 60124

tel: (630) 784-0406 | fax: (630) 784-0416

