

IGFOA Professional Education Committee presents the
2019 ILLINOIS PUBLIC PENSION INSTITUTE I
Thursday, April 11, 2019
8:25 AM to 4:30 PM
NIU Naperville, 1120 E. Diehl Rd., Naperville, IL 60563

7:40 – 8:25 AM **Registration & Continental Breakfast**

8:25 – 8:30 AM **Welcome and Overview**

8:30 – 9:20 AM **Public Act 100-0281**
Part I: The Nuts and Bolts of the New Police Officer
Retirement Plan Law

Speaker: **Jeffrey Van Wagner**, Principal, Alliance Pension Consultants

Public Act 100-0281 was signed into law on August 24, 2017, affecting the retirement plan provisions applicable to many police officers across Illinois. With its introduction comes many questions, especially given it requires the establishment of a new retirement plan maintained by each municipality. While police officers work to understand how the new law affects their retirement, municipalities must work through the actual creation of the plan the law requires for those impacted officers. This session focuses on the latter group, to help municipalities create a working system in line with the law and the objectives of the stakeholders affected by it.

Learning Objectives: *Participants completing this session will be able to:*

1. Understand the provisions/requirements of Public Act 100-0281 and identify the officer population affected;
2. Consider the following decision points for municipalities:
 - a. Plan design
 - b. Contributions / cost
 - c. Investment alternatives
 - d. Taxation effects
3. Outline the process to setup the requisite plan, including document creation, trust establishment, fund development, and ongoing maintenance/administration.

9:20 – 10:10 AM **Public Act 100-0281**
Part II: Changes to Police Pension Benefits and How it
Affects You

Speakers: **Allison Barrett**, Director, Lauterbach & Amen, LLP
 Todd Schroeder, Director of Actuarial Services, Lauterbach & Amen, LLP

Part II of this session will cover Public Act 100-0281 and its impact on the benefits available to Article 3 members and on municipal actuarial funding levels. Learn which plans new members are eligible to join (IMRF, Article 3 and/or the municipality's new Defined Contribution Plan) and how these elections will impact funding requirements.

Learning Objectives: *Participants completing this session will be able to:*

1. Identify the retirement benefit options for Article 3 members after 01/01/19;
2. Understand the actuarial impact of the benefit changes outlined in PA 100-0281; and
3. Gain knowledge of how the election of various plan options will impact funding requirements.

IGFOA reserves the right to modify the agenda, sessions, and speakers

10:10 – 10:20 AM Morning Break

10:20 – 11:10 AM Understanding Negative Amortization

Speaker: **Jason Franken**, Actuarial Consultant, Foster & Foster, Inc.

This session will help participants understand the concept of negative amortization and its effect on the unfunded liability and annual contribution. Participants will learn how to identify negative amortization and review ways to reduce or eliminate it to put the plan sponsor on a more sustainable path.

Learning Objectives: *Participants completing this session will be able to:*

1. Understand negative amortization and its effect on a pension plan;
2. Identify the factors that cause negative amortization; and
3. Learn about ways to eliminate negative amortization.

11:10 AM–12:00 PM Pension Funding Policy – Time for a Check-Up?

Moderator: **Jason Franken**, Actuarial Consultant, Foster & Foster, Inc.

Panel: **Elizabeth Holleb**, Director of Finance & IT, City of Lake Forest

Melinda Molloy, Finance Director, Village of Wilmette

Maggie Bosley, Lauterbach & Amen (Finance Director, Village of Glenview)

Panelists will discuss their experiences in reviewing their pension funding policy and implementing changes to tackle the unfunded liability in their pension plans. Each panelist has experienced a multi-step process of examining the pros and cons of their current funding policy, reviewing alternative strategies, debating the municipality's goals and objectives and adopting a new policy. The panelists are in various stages of this process so participants will gain insight from different points in this journey.

Learning Objectives: *Participants completing this session will be able to:*

1. Understand the process of reviewing the funding policy;
2. Discuss the concepts that are critical to eliminating unfunded liability in a pension plan; and
3. Learn about real-life examples of municipalities that have taken a proactive approach to funding their pension plans.

12:00 – 1:00 PM Networking Luncheon

1:00 – 2:15 PM In Search of Best Practices for Pension Funds

Speakers: **Stan Helgerson**, Retired, Carol Stream

Dan Ryan, Project Coordinator, Illinois Public Pension Fund Association (IPPFA)

Participants will learn about options that pension fund trustees and treasurers should review to insure optimal administration and financial management of police and fire pension plans.

Learning Objectives: *Participants completing this session will be able to:*

1. Examine and review the key elements of pension fund investment policies to insure the best possible investment performance commensurate with appropriate risk;
2. Define practices to improve financial reporting of pension plan operations;

3. Identify practices that control the cost of disability pensions while maintaining ethical and cost-effective treatment of applicants and pensioners; and
4. Understand the role the Finance Director can play to support and improve pension funding and operations.

2:15 – 2:30 PM Afternoon Break

2:30 – 3:20 PM Legislative Update

Speaker: **William McCarty II**, Director, Office of Budget & Management, City of Springfield

William McCarty II, Director, Office of Budget and Management, City of Springfield, and IGFOA Legislative Committee Chair will provide insight into current legislative issues and concerns related to pension reform, efforts to consolidate funds, and the status of the property tax freeze as it relates to pension levies.

Learning Objectives: *Participants completing this session will be able to:*

1. Understand the views held by state legislators on pension reform and how an eventual agreement may affect local governments and pension boards;
2. Explore recent developments in proposed pension reform legislation; and
3. Understand the key provisions of proposed property tax freeze legislation and how those provisions could impact pension levies.

3:20 – 3:30 PM Afternoon Break

3:30 – 4:20 PM Pension Fund Fiduciary Responsibility & Liability

Speaker: **Jerry Marzullo**, Esq., Puchalski Goodloe Marzullo, LLP

This session will contend with what it means to be a fiduciary to the fund, what it means to accept liability and to expose yourself to liability and the best practices to become a great Pension Fund Trustee.

Learning Objectives: *Participants completing this session will be able to:*

1. Understand the role of a fiduciary to the Fund;
2. Discover the "pitfalls" that could present liability issues to Pension Fund Trustees; and
3. Be able to implement best practices.

4:20 – 4:30 PM Closing Remarks

Many thanks to Mary L Tomanek, Institutional Consultant, Graystone Consulting and Public Pension Team Leader and Denise Joseph, Assistant Finance Director, Village of Glencoe from the IGFOA Professional Education Committee for planning and coordinating the 2019 Illinois Public Pension I!



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