



Legislation Details (With Text)

File #:	2019-0767	Version:	1	Name:	A RESOLUTION OF THE VILLAGE OF ORLAND PARK, ILLINOIS URGING THE GENERAL ASSEMBLY TO ENACT PUBLIC SAFETY PENSION FUND CONSOLIDATION
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Title:	A RESOLUTION OF THE VILLAGE OF ORLAND PARK, ILLINOIS URGING THE GENERAL ASSEMBLY TO ENACT PUBLIC SAFETY PENSION FUND CONSOLIDATION				
Code sections:					
Attachments:	1. IML Memo., 2. Pension Reform Standard, 3. Resolution				

Date	Ver.	Action By	Action	Result
10/24/2019	1	Village Clerk	PUBLISHED	
10/21/2019	0	Board of Trustees		
10/16/2019	0	Village Manager	INTRODUCED TO BOARD	

Title

A RESOLUTION OF THE VILLAGE OF ORLAND PARK, ILLINOIS URGING THE GENERAL ASSEMBLY TO ENACT PUBLIC SAFETY PENSION FUND CONSOLIDATION

Body

WHEREAS, the financial burdens imposed by Illinois' downstate public safety pension funds are unsustainable and, if left unaddressed by the General Assembly, will eventually destroy the financial solvency of municipal governments throughout the state; and

WHEREAS, the existence of more than 650 separate public safety pension funds creates duplicative costs, inefficiencies and investment restrictions that result in increasing financial pressure on municipalities and their taxpayers; and

WHEREAS, consolidating these pension funds for investment purposes provides a unique opportunity to achieve cost savings to taxpayers without altering existing benefit levels for current police officers and firefighters; and

WHEREAS, Governor JB Pritzker appointed the Illinois Pension Consolidation Feasibility Task Force which has issued its report recommending the consolidation of downstate police and fire pension plan assets for investment purposes, and

WHEREAS, the Illinois Pension Consolidation Feasibility Task Force determined, and the Illinois Municipal League agrees, that if the downstate public safety pension plans were consolidated for investment

purposes, administrative costs would be reduced and investment returns would increase substantially; and

WHEREAS, the recommendations of the Task Force are consistent with legislation the Illinois Municipal League has previously proposed; and

WHEREAS, the Illinois Pension Consolidation Feasibility Task Force further stated:

“With up to \$1 million a day in lost investment returns to the pension plans, the Task Force recommends there be legislation passed by the General Assembly in the fall of 2019 that will achieve this consolidation;” and

WHEREAS, in 2010, Illinois lawmakers adopted Public Act 96-0889 which created a second tier (“Tier 2”) for the Illinois Municipal Retirement Fund’s (IMRF) Regular Plan which capped pensionable salaries, increased the requirement for vesting to ten (10) years, and increased the age of eligibility for retirement from 62 years to 67 years of age, and

WHEREAS, this second tier of pension beneficiaries was a reform attempt to begin to tackle the problem of a projected shortage of money in the state’s pension funds.

NOW THEREFORE, BE IT RESOLVED, by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, that the Village of Orland Park urges the General Assembly to take immediate action to enact public safety pension fund consolidation that reduces municipal pension costs and protects taxpayers without altering benefits for existing employees and retirees.

BE IT FURTHER RESOLVED that, the Village of Orland Park, Illinois, urges the General Assembly to keep Tier 2 intact in order to continue to lower the cost of existing pension obligations and save money for Illinois taxpayers.

This Resolution shall be in full force and effect upon its adoption as provided by law.