



# 2022 METRO Fire Chiefs Symposium

*Greg Knoll*

*IPFA Executive Director*



# I will speak from one or more perspective:

Elected Article 4 Trustee (*since 1976*)

Appointed Article 3 Trustee (*since 1999*)

Illinois Professional Firefighters Association (IPFA)  
Executive Director & Treasurer

Illinois Fire Pension Investment Fund (IFPIF)  
Beneficiary Trustee & Board Treasurer

*Retired Firefighter*

*(38 years total experience with 2 municipal fire departments)*



# Full Disclosure:

***I cannot speak on certain topics concerning IFPIF:***

***aka: “ A Brief Ethics training session”***

If IFPIF has any ongoing Requests for Proposals in the: bid, review, approval, or agreement execution process, I can't speak at all about it.

*It is about a “quiet period”.*



# Full Disclosure:

***I cannot speak on certain topics concerning IFPIF:***

## ***Quiet Periods***

In United States securities law, a quiet period is a period of time in which companies refrain from communicating with investors to avoid unfairly disclosing material, non-public information to certain investors when the company (*IFPIF Board in my case*) has not yet publicly communicated this information.



# Full Disclosure:

## ***I cannot speak on certain topics concerning IFPIF:***

- Ex Parte conversations:
- Adjective - done with respect to or in the interests of one side only or of an interested outside party.
- *"the owners made an ex parte application to the High Court for a stay on the decision"*
- Adverb - with respect to or in the interests of one side only or of an interested outside party.
- *"lawyers are forbidden to meet with a judge ex parte, or outside the presence of opposing counsel"*



# Full Disclosure:

## ***I cannot speak on certain topics concerning IFPIF:***

If I answer a question or provide information, it's an Ex Parte conversation. I would have to report that conversation to the IFPIF Ethics Officer.


To summarize:

- I am honored to be elected to and serve on the IFPIF Board.
- If you voted for a candidate in any of the elections, thank you.
- If you voted for me, *thank you even more.*



# One of Today's Topic

2021  
Biennial Report  
(2019 – 2020)

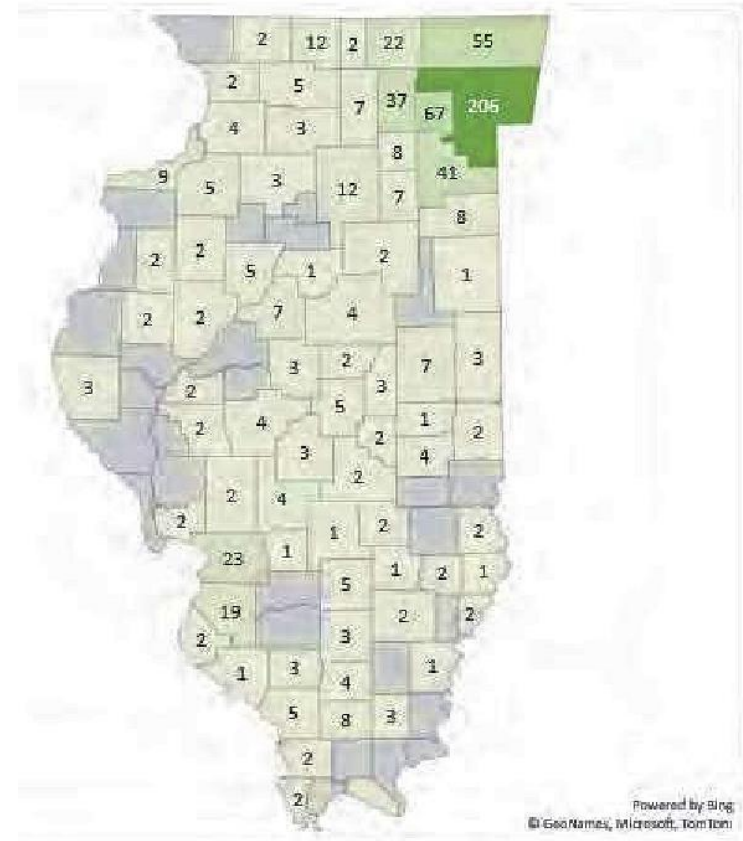


State of Illinois  
Department of Insurance  
Public Pension Division

JB Pritzker  
Governor

Dana Popish Severinghaus  
Acting Director

- Article 2 General Assembly Retirement System
- Article 3 Suburban and Downstate Police Pension Funds
- Article 4 Suburban and Downstate Firefighters Pension Funds
- Article 5 Policemen's Annuity and Benefit Fund of Chicago
- Article 6 Firemen's Annuity and Benefit Fund of Chicago
- Article 7 Illinois Municipal Retirement Fund
- Article 8 Municipal Employees', Officers' and Officials' Annuity and Benefit Fund of Chicago
- Article 9 County Employees' and Officers' Annuity and Benefit Fund of Cook County
- Article 10 Forest Preserve District Employees' Annuity and Benefit Fund of Cook County
- Article 11 Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago
- Article 12 Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago
- Article 13 Metropolitan Water Reclamation District Retirement Fund
- Article 14 State Employees' Retirement System of Illinois
- Article 15 State Universities Retirement System
- Article 16 Teachers' Retirement System of the State of Illinois
- Article 17 Public School Teachers' Pension and Retirement Fund of Chicago
- Article 18 Judges' Retirement System of Illinois





# *It's still a bit of a fruit stand !*

1. Different end of fiscal year months.
2. Different investment guidelines based on the Category of the Article 3 or 4 fund.

## ACTIVE RETIREMENT SYSTEMS AND PENSION FUNDS

NUMBER OF ACTIVE PUBLIC PENSION FUNDS	YEAR 2020	YEAR 2019
Article 3 Suburban and Downstate Police Pension Funds	357	357
Article 4 Suburban and Downstate Firefighters Pension Funds	299	300
<b>Total Public Pension Funds</b>	<b>656</b>	<b>657</b>
Retirement Systems	15	15
<b>Total</b>	<b>671</b>	<b>672</b>

RETIREMENT SYSTEMS / PENSION FUNDS BY AREA	GEOGRAPHIC AREA	FISCAL YEAR ENDING
Article 2 General Assembly Retirement System	Statewide	06/30/XX
Article 3 Suburban and Downstate Police Pension Funds	Municipalities	Varies
Article 4 Suburban and Downstate Firefighters Pension Funds	Municipalities	Varies
Article 5 Policemen's Annuity and Benefit Fund of Chicago	Chicago	12/31/XX
Article 6 Firemen's Annuity and Benefit Fund of Chicago	Chicago	12/31/XX
Article 7 Illinois Municipal Retirement Fund	Municipal	12/31/XX
Article 8 Municipal Employees', Officers' and Officials' Annuity and Benefit Fund of Chicago	Chicago	12/31/XX
Article 9 County Employees' and Officers' Annuity and Benefit Fund of Cook County	Cook County	12/31/XX
Article 10 Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	Cook County	12/31/XX
Article 11 Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	Chicago	12/31/XX
Article 12 Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	Chicago	12/31/XX
Article 13 Metropolitan Water Reclamation District Retirement Fund	Cook County	12/31/XX
Article 14 State Employees' Retirement System of Illinois	Statewide	06/30/XX
Article 15 State Universities Retirement System	Statewide	06/30/XX
Article 16 Teachers' Retirement System of the State of Illinois	Statewide	06/30/XX
Article 17 Public School Teachers' Pension and Retirement Fund of Chicago	Chicago	06/31/XX
Article 18 Judges' Retirement System of Illinois	Statewide	06/30/XX





# 2021 Biennial Report – Assets

## CHANGES BY RETIREMENT SYSTEM AND PENSION FUND

The following three tables show changes during the biennial period in the following areas: (1) actuarial value of assets and liabilities, (2) unfunded actuarial liabilities, (3) funded ratio, and (4) administrative expenses.

Actuarial Value of Assets and Liabilities Retirement Systems and Pension Funds		2019 Actuarial Assets	2019 Actuarial Liabilities	2020 Actuarial Assets	2020 Actuarial Liabilities
Article 2	General Assembly Retirement System	\$60,057,098	\$374,597,259	\$63,879,905	\$373,493,743
Article 3	Suburban and Downstate Police Pension Funds	\$9,177,962,175	\$16,699,963,594	\$9,748,852,201	\$17,464,681,196
Article 4	Suburban and Downstate Firefighters Pension Funds	\$6,619,285,247	\$12,196,123,971	\$7,082,874,737	\$12,706,812,629
Article 5	Policemen's Annuity and Benefit Fund of Chicago	\$3,179,502,852	\$14,269,769,913	\$3,399,988,145	\$14,703,118,659
Article 6	Firemen's Annuity and Benefit Fund of Chicago	\$1,137,089,084	\$6,256,060,133	\$1,275,913,387	\$6,570,504,235
Article 7	Illinois Municipal Retirement Fund	\$49,220,101,915	\$53,641,517,245	\$51,659,392,342	\$54,564,902,708
Article 8	Municipal Employees', Officers' and Officials' Annuity and Benefit Fund of Chicago	\$4,012,852,196	\$17,296,295,382	\$3,977,037,893	\$17,847,226,939
Article 9	County Employees' and Officers' Annuity and Benefit Fund of Cook County	\$10,983,364,279	\$17,949,663,806	\$11,765,568,459	\$18,421,022,810
Article 10	Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	\$203,486,292	\$343,422,342	\$209,707,146	\$355,129,896
Article 11	Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	\$1,151,482,838	\$2,701,906,435	\$1,175,408,317	\$2,735,455,643
Article 12	Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	\$349,960,428	\$1,170,602,980	\$342,131,743	\$1,190,365,644
Article 13	Metropolitan Water Reclamation District Retirement Fund	\$1,489,266,144	\$2,666,221,630	\$1,556,056,167	\$2,714,192,284
Article 14	State Employees' Retirement System of Illinois	\$19,661,900,000	\$46,444,000,000	\$20,091,700,000	\$47,580,500,000
Article 15	State Universities Retirement System	\$18,429,185,637	\$48,731,439,198	\$19,389,500,950	\$50,145,830,802
Article 16	Teachers' Retirement System of the State of Illinois	\$53,391,192,733	\$131,456,968,953	\$54,890,975,828	\$135,598,547,013
Article 17	Public School Teachers' Pension and Retirement Fund of Chicago	\$11,021,811,634	\$23,252,163,307	\$11,240,208,045	\$24,073,482,607
Article 18	Judges' Retirement System of Illinois	\$1,068,739,561	\$2,793,016,352	\$940,677,677	\$2,669,295,896
<b>Total Retirement Systems</b>		<b>\$175,359,992,691</b>	<b>\$369,347,644,935</b>	<b>\$181,978,146,004</b>	<b>\$379,543,068,879</b>
<b>Total Pension Funds (Article 3 &amp; 4)</b>		<b>\$15,797,247,422</b>	<b>\$28,896,087,565</b>	<b>\$16,831,726,938</b>	<b>\$30,171,493,825</b>
<b>All Retirement Systems/Pension Funds</b>		<b>\$191,157,240,113</b>	<b>\$398,243,732,500</b>	<b>\$198,809,872,942</b>	<b>\$409,714,562,704</b>

Values presented for Article 3 and Article 4 pension funds are actuarial values as reported on the actuarial valuations prepared by DOI. Values presented for the remaining funds are actuarial values as reported in the annual statement filings.



# 2021 Biennial Report – Unfunded Liabilities

Change in Unfunded Actuarial Liability Retirement Systems and Pension Funds		2019 Unfunded Actuarial Liability	2020 Unfunded Actuarial Liability	Dollar Change From 2019 to 2020	Percentage Change From 2019 to 2020
Article 2	General Assembly Retirement System	\$314,540,161	\$309,613,838	-\$4,926,323	-1.57%
Article 3	Suburban and Downstate Police Pension Funds	\$7,522,001,419	\$7,715,828,995	\$193,827,576	2.58%
Article 4	Suburban and Downstate Firefighters Pension Funds	\$5,576,838,724	\$5,623,937,892	\$47,099,168	0.84%
Article 5	Policemen's Annuity and Benefit Fund of Chicago	\$11,090,267,061	\$11,303,130,514	\$212,863,453	1.92%
Article 6	Firemen's Annuity and Benefit Fund of Chicago	\$5,118,971,049	\$5,294,590,848	\$175,619,799	3.43%
Article 7	Illinois Municipal Retirement Fund	\$4,421,415,330	\$2,905,510,366	-\$1,515,904,964	-34.29%
Article 8	Municipal Employees', Officers' and Officials' Annuity and Benefit Fund of Chicago	\$13,283,443,186	\$13,870,189,046	\$586,745,860	4.42%
Article 9	County Employees' and Officers' Annuity and Benefit Fund of Cook County	\$6,966,299,527	\$6,655,454,351	-\$310,845,176	-4.46%
Article 10	Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	\$139,936,050	\$145,422,750	\$5,486,700	3.92%
Article 11	Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	\$1,550,423,597	\$1,560,047,326	\$9,623,729	0.62%
Article 12	Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago	\$820,642,552	\$848,233,901	\$27,591,349	3.36%
Article 13	Metropolitan Water Reclamation District Retirement Fund	\$1,176,955,486	\$1,158,136,117	-\$18,819,369	-1.60%
Article 14	State Employees' Retirement System of Illinois	\$26,782,100,000	\$27,488,800,000	\$706,700,000	2.64%
Article 15	State Universities Retirement System	\$30,302,253,561	\$30,756,329,852	\$454,076,291	1.50%
Article 16	Teachers' Retirement System of the State of Illinois	\$78,065,776,220	\$80,707,571,185	\$2,641,794,965	3.38%
Article 17	Public School Teachers' Pension and Retirement Fund of Chicago	\$12,230,351,673	\$12,833,274,562	\$602,922,889	4.93%
Article 18	Judges' Retirement System of Illinois	\$1,724,276,791	\$1,728,618,219	\$4,341,428	0.25%
<b>Total Retirement Systems</b>		\$193,987,652,244	\$197,564,922,875	\$3,577,270,631	1.84%
<b>Total Pension Funds (Article 3 &amp; 4)</b>		\$13,098,840,143	\$13,339,766,887	\$240,926,744	1.84%
<b>All Retirement Systems/Pension Funds</b>		\$207,086,492,387	\$210,904,689,762	\$3,818,197,375	1.84%

The unfunded liability is calculated as the difference between the actuarial value of assets and the actuarial liability.



# 2021 Biennial Report –

## Article 3 Suburban and Downstate Police Pension Funds

Pension Data: (Traditional Defined Benefit Plan Only)	Tier 1				
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
For Fiscal Year Ending:					
Number of Active Participants	7,723	8,343	8,878	9,523	10,113
Number of Inactive Participants Vested	520	491	490*	464*	409*
Number of Inactive Participants Not vested	466	484	509*	522*	543*
Salary Expense	\$784,625,720	\$821,936,649	\$848,584,675	\$880,620,512	\$908,764,426
Number of Beneficiaries/Retirees	11,834	11,449	11,067	10,698	10,353
Beneficiary/ Retiree Pension Expense	\$760,192,988	\$710,120,164	\$663,130,157	\$618,187,979	\$578,023,602
Pension Data: (Traditional Defined Benefit Plan Only)	Tier 2				
For Fiscal Year Ending	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Number of Active Participants	5,270	4,774	4,111	3,555	3,001
Number of Inactive Participants Vested	0	3	2*	2*	2*
Number of Inactive Participants Not vested	1,050	896	727*	574*	436*
Salary Expense	\$410,454,456	\$356,298,946	\$296,126,967	\$244,371,212	\$197,299,403
Number of Beneficiaries/Retirees	22	19	16	11	7
Beneficiary/ Retiree Pension Expense	\$915,175	\$671,933	\$573,825	\$394,414	\$206,437

\*data not presented in the 2019 Biennial Report



# 2021 Biennial Report –

## Article 4 Suburban and Downstate Firefighters Pension Funds

Pension Data: (Traditional Defined Benefit Plan Only)	Tier 1				
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
For Fiscal Year Ending:					
Number of Active Participants	5,733	6,158	6,519	6,903	7,250
Number of Inactive Participants Vested	385	342	336*	303*	286*
Number of Inactive Participants Not vested	203	225	234*	247*	266*
Salary Expense	\$593,061,036	\$616,348,471	\$632,877,654	\$649,221,540	\$663,408,903
Number of Beneficiaries/Retirees	8,790	8,543	8,618	8,413	8,183
Beneficiary/ Retiree Pension Expense	\$573,486,116	\$537,230,676	\$504,239,759	\$473,924,641	\$443,823,595
Pension Data: (Traditional Defined Benefit Plan Only)	Tier 2				
For Fiscal Year Ending	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Number of Active Participants	3,514	3,134	2,712	2,301	1,921
Number of Inactive Participants Vested	45	28	13*	10*	6*
Number of Inactive Participants Not vested	384	305	232*	172*	124*
Salary Expense	\$282,458,491	\$242,493,944	\$202,556,390	\$165,631,764	\$131,890,601
Number of Beneficiaries/Retirees	16	11	14	9	6
Beneficiary/ Retiree Pension Expense	\$758,375	\$459,041	\$303,030	\$202,069	\$140,561

\*data not presented in the 2019 Biennial Report



# 2021 Biennial Report – IDOI Recommendation

The Division's recommendation for the next biennial period is as follows:

Post Consolidation: After the investment asset consolidation of the downstate and suburban Article 3 and Article 4 pension funds is complete, the Division would recommend a thorough review of those Articles and Articles 1 and 1A for their interplay with the two new consolidated funds, Articles 22B and 22C, including but not limited to a review of the investment parameters set forth at 40 ILCS 5/1-113 through 1-113.20.

*(From page 24 of the report.)*



# Net Present Value of Assets *(at Market)*

FUND	2019	2020
Article 3	9,290,344,197.48	9,878,031,551.79
Article 4	6,705,261,012.54	7,235,300,150.28

*Data from 2019 & 2020 IDOI Public Pension Detailed Financial Data Report*



# Category Breakdown

Fund Size	# Police Funds	# Fire Funds
Category I	22	64
Category II	48	26
Category III	57	43
Category IV	225	159

Data from 2020 IDOI report

Continue to follow investment restrictions.



ARTICLE 3 DATA					
	2020	2019	2018	2017	2016
Active Male	11578	11725	11697	11657	11886
Active Female	1415	1359	1212	1212	1216
TOTAL ACTIVE	12993	13084	12909	12869	13102
Retired	8583	8226	7920	7476	7358
Duty Disabled	1015	998	977	926	904
Non-Duty Disabled	323	317	315	314	306
Occupational Disease	0	0	0	0	0
Survivor	1989	1861	1843	1777	1750
Children	16	9	8	10	11
Handicapped Parent	1	1	1	1	1
Handicapped Child	20	20	19	17	17
Deferred Pensioner	520	474	487	453	411
TOTAL	25460	24990	24479	23843	23860

*Data from 2020 IDOI Public Pension Detailed Financial Data Report*





ARTICLE 4 DATA					
	2020	2019	2018	2017	2016
Active Male	9027	9028	9015	8822	8959
Active Female	229	223	216	208	201
TOTAL ACTIVE	9256	9251	9231	9030	9160
Retired	5829	5609	5436	5141	5069
Duty Disabled	1147	1130	1129	1084	1103
Non-Duty Disabled	147	140	144	134	135
Occupational Disease	131	132	136	136	138
Survivor	1536	1485	1443	1403	1401
Children	327	322	331	328	317
Handicapped Parent	0	0	0	0	0
Handicapped Child	13	12	13	14	13
Deferred Pensioner	430	370	348	310	291
TOTAL	18816	18451	18211	17580	17627

*Data from 2020 IDOI Public Pension Detailed Financial Data Report*



# If you want the following reports:

The IDOI 2016 -2020 5 year summary.

The IPFA historical report:

Article 4 Fire Funds from 1996

IPFA has data for Article 4 funds from 1964,  
*but it is too much to print on one sheet.*

- *Want a copy of one or both ? E-mail me.*



# Where can you find details ?

- Data on your fund:
  - <https://insurance.illinois.gov/Applications/Pension/PensionDataPortal.aspx>
  - Your fund's annual report data from 2002 forward.
  - Excel files showing most numeric data from 2012 to 2020.
- *The data is what your fund reported to the IDOI. Local Board Trustees signed it!*



# Illinois Fire Pension Investment Fund



<https://ifpif.org/>



# Illinois Fire Pension Investment Fund

Public Act 101-0610 Enabled IFPIF & IPOPIF

It all began January 2020 with a Transition Board

Three elected Employer Representatives

Director of the Illinois Municipal League

Three elected Active Firefighter Representatives

One Elected Beneficiary Representative

President of the Associated Firefighters of Illinois

Terms will be 4 year terms after the 2022 elections.



# Illinois Fire Pension Investment Fund

A staff of 5:     Chief Executive Officer  
                      Chief Operating Officer  
                      Chief Finance Officer  
                      Portfolio Officer  
                      Member Services Officer

Office space:   1919 South Highland Avenue  
                      Building A, Suite 237  
                      Lombard, IL 60148



# Illinois Fire Pension Investment Fund

Outside firms:

Transition Advisor – Ernst & Young

Investment Advisor – Marquette & Associates

Accounting Firm – Lauterbach & Amen

Actuary – Forster & Foster

Asset Custodian – The Northern Trust



# Illinois Fire Pension Investment Fund

## The Big Miss Speaks:

1. Money will be used to prop up poorly funded local boards. **NO**
2. Funds can be swept by the state government. **NO**
3. IFPIF can get involved in local fund matters. **NO**
4. No longer a need for a local pension board. **NO**





# Illinois Fire Pension Investment Fund

## Realities:

1. IFPIF is responsible for long term investment of local fund assets.
2. Local Boards continue to be responsible for ALL other activities.
3. IFPIF will accept transfers into any local account 5 times a month.
4. Funds to cover benefits & reasonable board expenses are available monthly – just fill out the form.
5. There is an emergency fund request procedure.



# Illinois Fire Pension Investment Fund

*This is an investment fund with +/- \$ 7 billion AUM  
(Assets Under Management)*

Go to the web site: read & learn.

Sign up for e-mail notifications.

Follow the actions of IFPIF & your local pension Board.

Continue to vote for local board representatives.



# Illinois Fire Pension Investment Fund

*I was honored to be elected as the Beneficiary Trustee for IFPIF.*

*My term is up for re-election in 2022.*

*I ask that you speak with your retired, disabled, and deferred pensioners and ask them to file nomination slips and vote to re-elect me as the Beneficiary Representative.*

*Please make sure to vote whenever you can.*



# A Legislative Prediction

“We can either kick the can down the road and make the payments or stop kicking the can, declare bankruptcy and start defaulting on the obligations that are due to the pension recipients,” Cole said. “We’re not kicking the can down the road. We’re refinancing so we can continue to make payments.”

Illinois recently consolidated hundreds of downstate police and fire pension funds, but that largely saved on administrative costs, not the legacy costs of promised benefits.

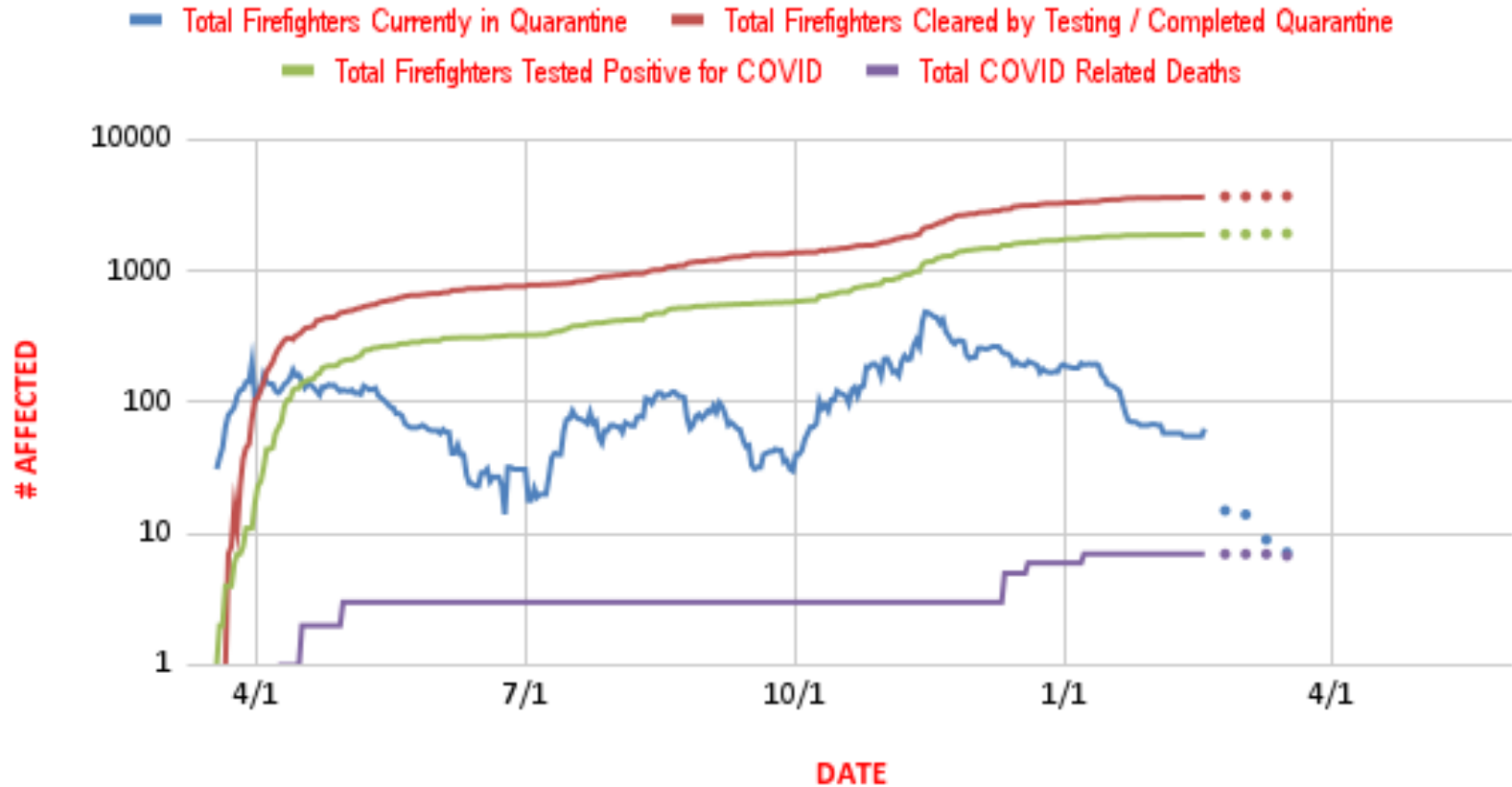
Across the state, there’s more than \$12 billion in unfunded pension liabilities of local police and fire pension funds combined.

*Excerpted from a 8-16-2020 Center Square article written by Greg Bishop.  
Cole refers to Brad Cole, Illinois Municipal League Executive Director.*



# As to COVID and the Fire Service

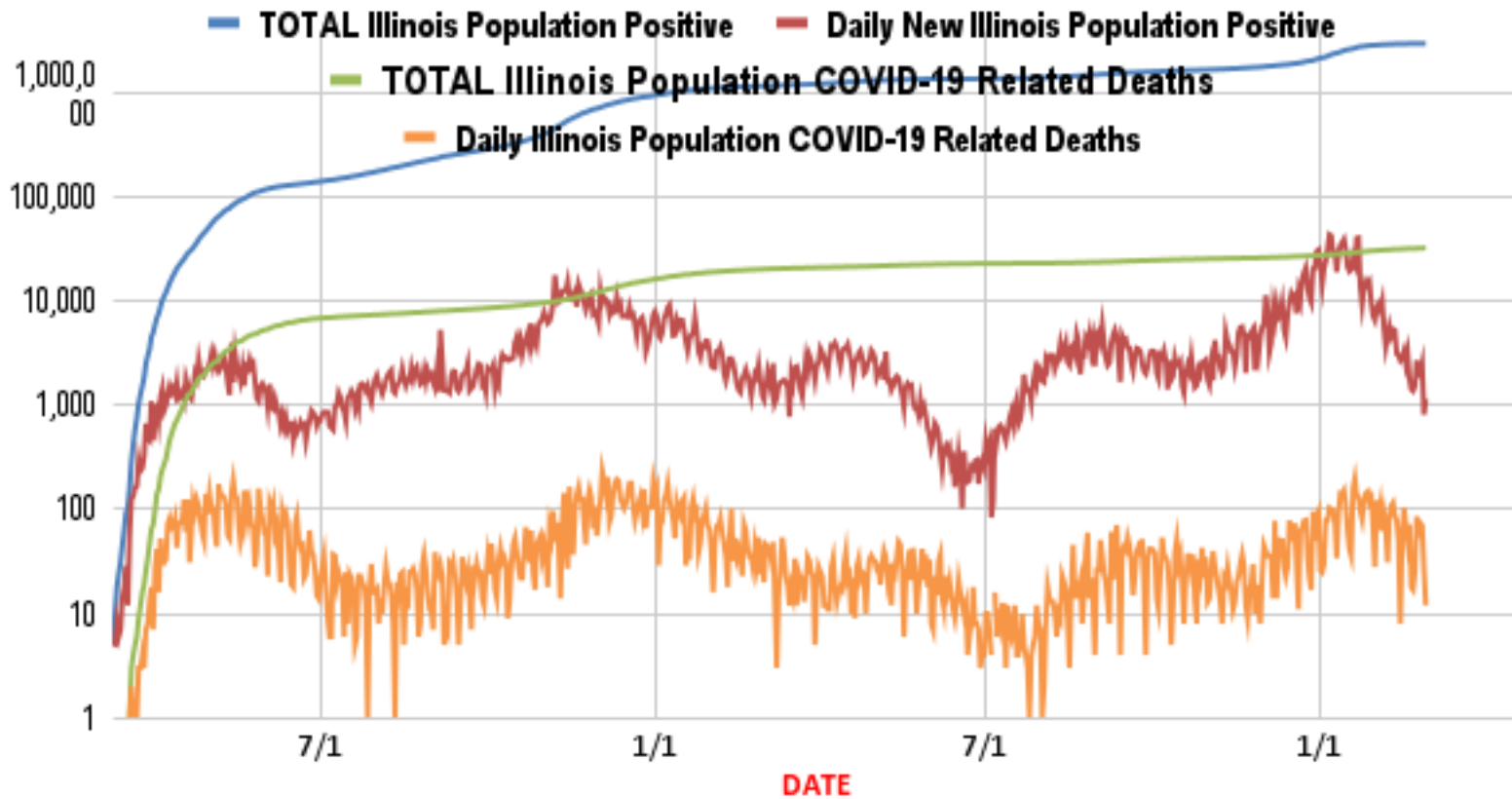
## Illinois Fire COVID Data





# As to COVID in Illinois

## Illinois Population Covid Data





# Please continue to:

Follow the science.

Be smart, be safe.

Take care of:

yourself

family

friends

co-workers.

Have fun.



Thanks for your time & attention:

*Greg Knoll, Executive Director*

*Illinois Professional Firefighters Association*

*188 Industrial Drive, Suite 134*

*Elmhurst, IL 60126-1608*

*630-833-2405*

*[ipfa@aol.com](mailto:ipfa@aol.com)*