



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: John Betten, Director of Public Safety
Walter Denton, City Administrator
Date: February 18, 2008
Subject: Resolution Urging the General Assembly to:
1. Stop Making Costly Benefit Improvements
2. Adopt Reforms that Protect Police and Fire Pensions

List of committees that have reviewed: Public Safety

Background: Over the past year, the Illinois Municipal League (IML) has focused on a pending fiscal crisis in the Downstate Police and Fire Pension System. A report was published in February 2007 describing how police and fire pension funds throughout the state are grossly underfunded. While the City of O'Fallon's police pensions are fully funded, a state-wide crisis could place our pensions in jeopardy, as well.

The IML has proposed a bill in the General Assembly that seeks to stabilize the downstate police and fire pension funds. The IML has asked member governments to adopt the resolution in support of their efforts to address costly changes in police and fire pensions.

Legal Considerations, if any: None

Budget Impact: None.

Staff recommendation: Approval.