

Jason will review basic funding concepts, common pension terms, the use of actuarial assumptions, the actuarial cost method budget mechanism, and amortization of unfunded liabilities.

Kevin McCanna, Speer Financial, Financial Advisor

Kevin is the Chairman of Speer Financial, Inc. Speer is one of the most active advisors in the United States, serving government since 1954. Kevin is a member of the Chartered Financial Analysts Society of Chicago, the Illinois Government Finance Officers Association, and the Chicago Bar Society.

Kevin will discuss unfunded pension liabilities and their potential impact to the Village's bond rating. Back in the fall of 2016, the Village had our bond rating affirmed at Aaa (with a stable outlook) by Moody's investor services. While that was great news, the report cited an increase in pension liabilities as a potential factor that could someday lead to a downgrade. Kevin will review Moody's rating process and provide detail on Moody's Adjusted Net Pension Liability metric.

Recommendation:

The study session is informational only; there is no required or requested Council action at this time.