



# Glass Half Full 2025

## IMRF Benefits Presentation



2019 Award Recipient



*Taryn Durst – Member Education Counselor*

# Topics of the Day

- Introduction to IMRF
- Understanding Your Benefits
- How Your Pension is Calculated
- Voluntary Additional Contributions
- Additional Resources for Members



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# IMRF's Updates



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# IMRF's Updates

- **Member Access webpage – personal email address on file required to register**
- **Member Access Learning Center – resources to navigate the new website & a self-registration walkthrough video: [Member Access Learning Center \(imrf.org\)](https://www.imrf.org)**



Sign In

[Need Help?](#)

Welcome to IMRF Member Access!

This website provides the information and tools you need to manage your IMRF benefits.

Please enter your user ID and password to access the site.

If this is your first time logging in, please use the self-registration link.

If you need help logging in, contact IMRF Member Services at 1-800-ASK-IMRF (275-4673).

User ID:

[Forgot your User ID?](#)

Password:

[Forgot your Password?](#)

Sign In

[Self-registration](#)



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**I** llinois  
**M** unicipal  
**R** etirement  
**F** und

## A defined benefit pension fund for employees of local government

- Pension benefits
- Disability benefits
- Death benefits



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## Created by the Illinois General Assembly

### Governed by the Illinois Pension Code

- Began operating in 1941
- In response to economic conditions (Great Depression)
- Social Security was not available to public employees
- Started with 5 employers and \$5,000 in assets



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- **About 3,045 units of government**
- **Membership breakdown**
  - 181,205+ Active
  - 157,200+ Inactive
  - 155,090+ Benefit Recipients
- **Each employer funds retirement costs of its own employees**
- **Full funding goal**
- **Legally enforceable benefits**



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# 2024 Pension Dollar



- IMRF does not receive any funding from the State of Illinois



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# Member Contributions

*Regular*  
*4.5%*

*Mandated by IL*  
*State statute*

- **Member contributions are tax-deferred**
- **Established by the Illinois Pension Code**



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# Average 2024 Employer Contributions

*Regular*  
**6.65%**

*Employer Rates*  
*change annually*

- Check out the **2023 Employer Rate Meeting Webinars** to understand more about how these rates are set.



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# Enrollment in IMRF

- Enrollment is based on number of hours expected to be worked during a 12-month period.
- Each employer has a specific hourly standard.

**600**  
HOUR STANDARD

OR

**1,000**  
HOUR STANDARD



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**Member participation began  
prior to January 1, 2011**



**Member participation began  
on or after January 1, 2011**



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# IMRF Benefits

- Disability
- Death
- Retirement



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# IMRF Disability Protection

**You're covered for IMRF disability 24/7 once you have 12 consecutive months of service**

- Income and service protection
- Protects your retirement and death benefits
- Includes pregnancy
- 30-day waiting period, earnings from employer must stop, workers' comp and Social Security disability offsets



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# Active Member Death Benefit Payments

## Less than 1 year of service

- Return member contributions
- Job-related death—also includes 1 year of earnings

## More than 1 year of service and Active

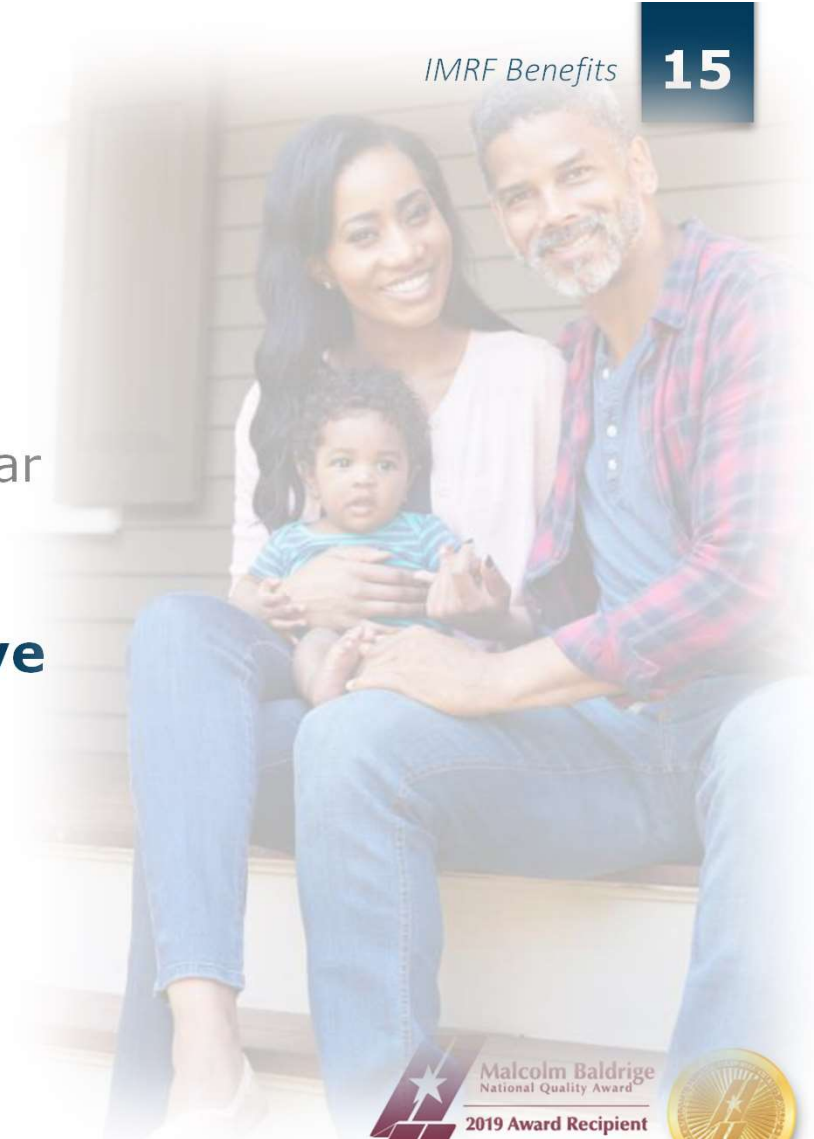
- 1 year's earnings + member contributions and interest

## Vested and Active

- Eligible spouse can choose survivor pension or lump sum



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## What is Your IMRF Pension Amount Based On?



**Age at Retirement**



**Years & Months of Service**



**Final Rate of Earnings (FRE)**



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## Regular Plan Benefits

### Eligibility

- 8 years service
- Age 55 (earliest age),  
Age 60 (unreduced)

### Reduction if under age 60 or less than 35 years of service

- .25% per month
- Reduction is permanent
- Smallest reduction is applied

AGE	REDUCTION	SERVICE
60	0%	35
59	3%	34
58	6%	33
57	9%	32
56	12%	31
55	15%	30



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## Regular Plan Benefits

### Eligibility

- 10 years service
- Age 62 (earliest age),  
Age 67 (unreduced)

### Reduction if under age 67 or less than 35 years of service

- 0.5% per month
- Reduction is permanent
- Smallest reduction is applied

AGE	REDUCTION	SERVICE
67	0%	35
66	6%	34
65	12%	33
64	18%	32
63	24%	31
62	30%	30



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## SLEP Plan Benefits

### Eligibility

- 20 years SLEP service
- Age 50

### No reduction

- If 20 years not earned in SLEP, converted to Regular Tier 1 pension



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# SLEP Plan Benefits

## Eligibility

- 10 years service
- Age 55 (unreduced)

## Reduction if under age 55

- 0.5% per month
- Reduction is permanent
- Age 50 (earliest age)

Age	Reduction
55	0%
54	6%
53	12%
52	18%
51	24%
50	30%



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# How Do You Earn Service Credit?

- Working for an IMRF employer
  - full-time
  - part-time
- Being on IMRF disability
- Seasonal position
- Unused/unpaid sick time converted to service credit
  - cannot be used to vest
- Purchasing service credit

- Military Service
- Reinstatement
- Retroactive
- Omitted
- Benefit Protection Leave
- Out of State



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Malcolm Baldrige  
National Quality Award  
2019 Award Recipient



# Unused/Unpaid Sick Time

## Did You Know?

- Full days are applied
- Pension effective date must be within 60 days of terminating IMRF participation
- Final employer only, unless retiring from certain educational employers
- Cannot be used to vest

<b>1-20</b>	<b>1 month</b>
<b>21-40</b>	<b>2 months</b>
<b>41-60</b>	<b>3 months</b>
<b>61-80</b>	<b>4 months</b>
<b>81-100</b>	<b>5 months</b>
<b>101-120</b>	<b>6 months</b>
<b>121-140</b>	<b>7 months</b>
<b>141-160</b>	<b>8 months</b>
<b>161-180</b>	<b>9 months</b>
<b>181-200</b>	<b>10 months</b>
<b>201-220</b>	<b>11 months</b>
<b>221-240</b>	<b>12 months</b>



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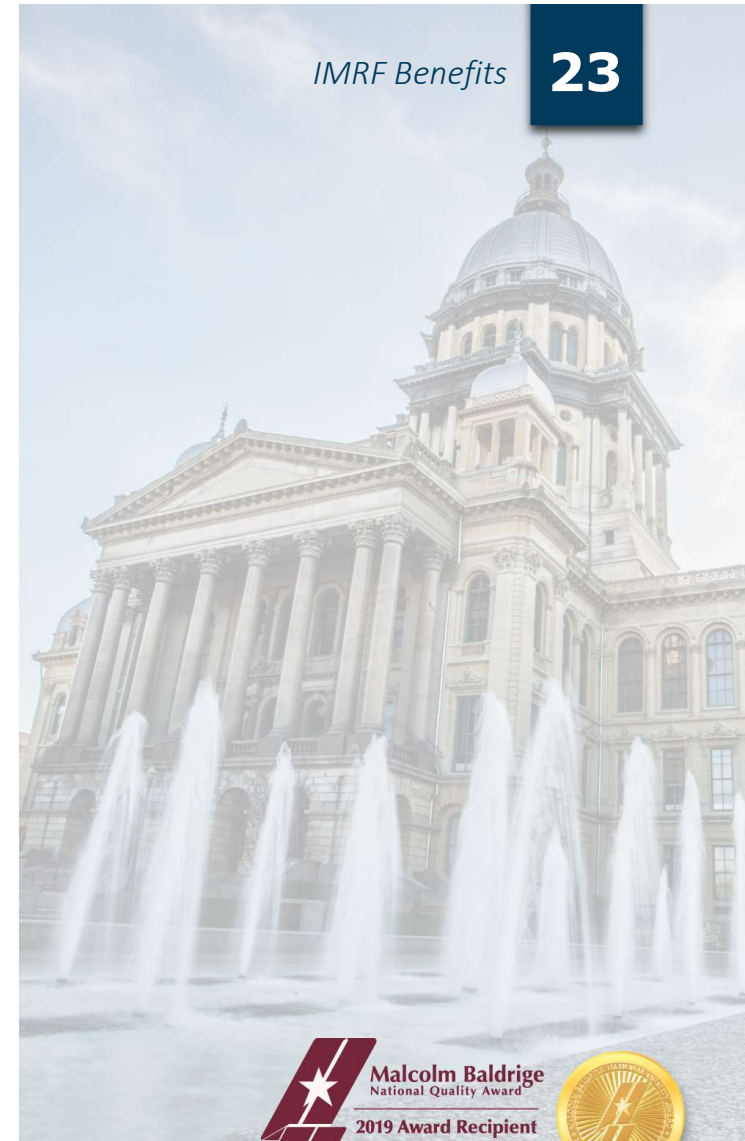
# Earn Service Credit through Reciprocity

Have you worked for an employer with another Illinois pension system?

- Cook County Employees
- Cook County Forest Preserve
- General Assembly
- Judges
- Laborers' Annuity & Benefit Fund of Chicago
- Chicago Teachers'
- Chicago Park Employees'
- Municipal Employees of Chicago
- Metropolitan Water Reclamation
- State Employees'
- State Teachers'
- State Universities



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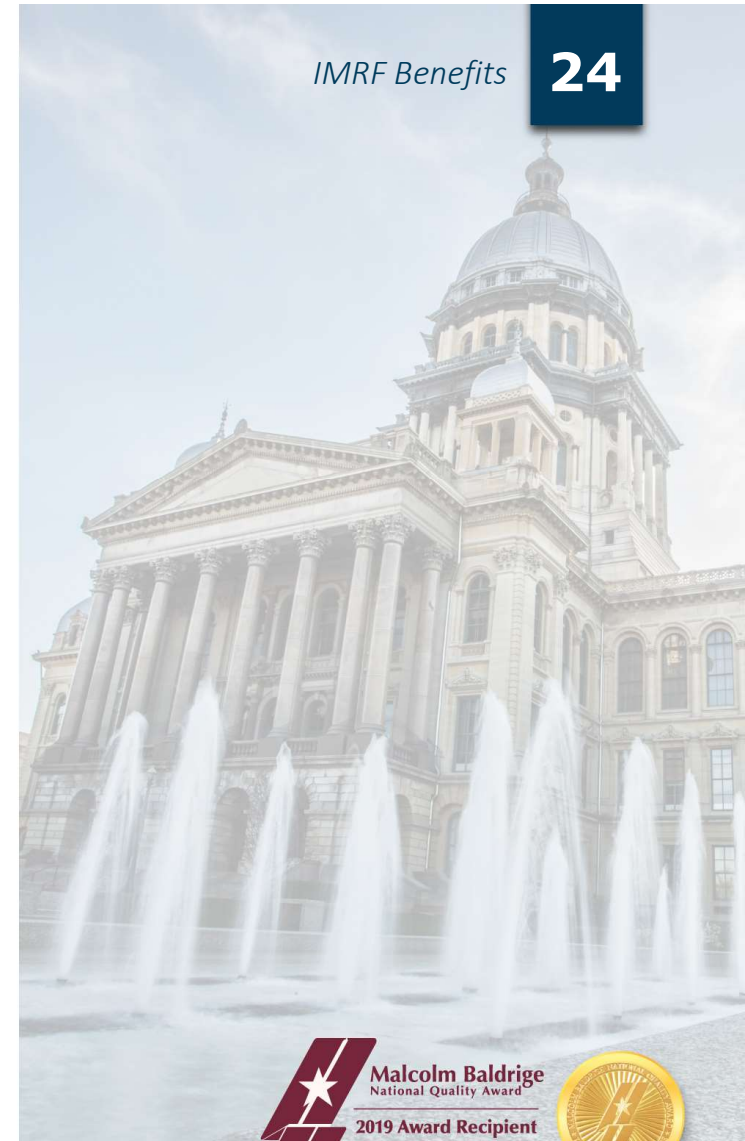


# How Reciprocity Works

- **Minimum of one year service per system**
  - Exception for teaching assistants exists
- **Combined service meets vesting of all systems**
- **Each system pays its prorated share**
- **Submit application with each system**
- **Request pension estimates from last system**



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# Earnings

- **Reported monthly, and they include:**
  - Regular wages
  - Overtime and vacation pay
  - Back pay and sick pay
  - Bonuses and awards
  - 403(b), 457 Plan do not reduce contributions to IMRF
- **Reportable up to 1 month after your participation terminates**
- **Wage cap**
  - Tier 1 –\$350,000 in 2025 if enrolled after January 1, 1996
  - Tier 2 –\$127,283.01 max in 2025



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## Final Rate of Earnings

VS



*Average of your highest consecutive*  
**\*48 months**

*Average of your highest consecutive*  
**\*96 months**

**\*\* Over the last 10 years of earnings**



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# How Your Pension is Calculated



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## Service Determines How Much of Your FRE is Replaced

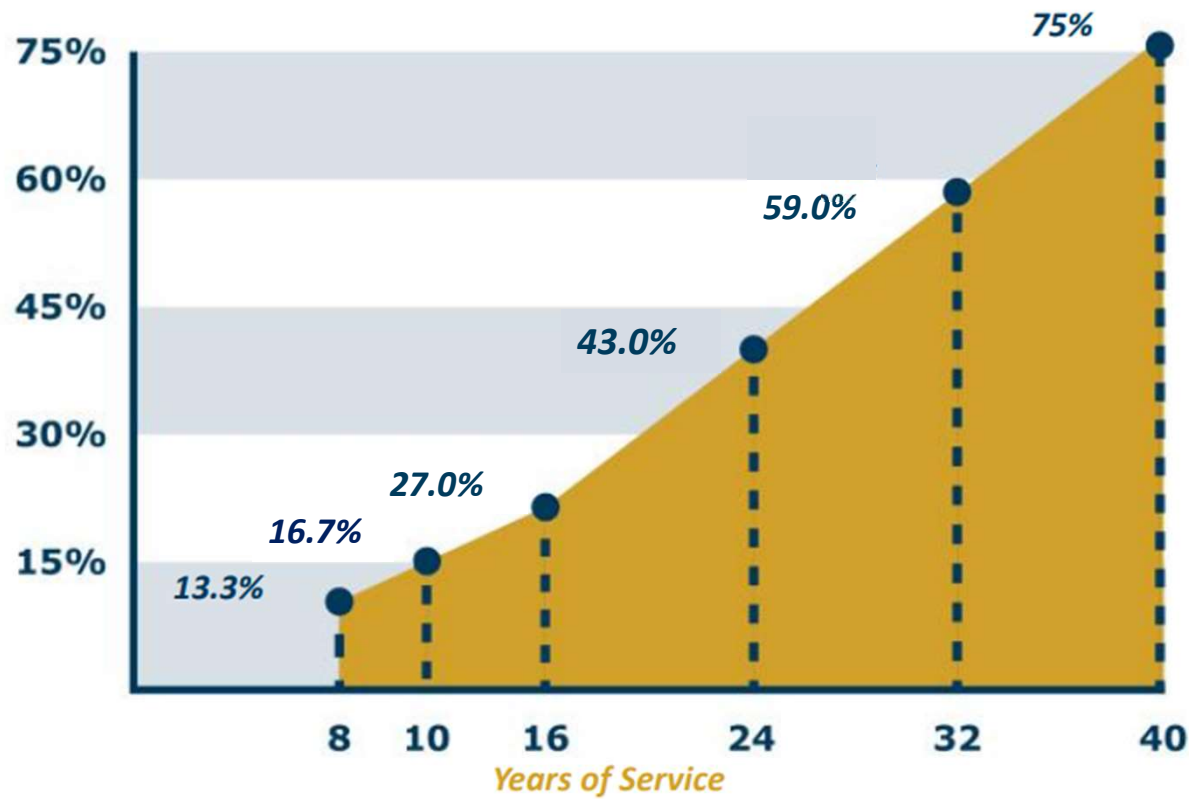
Each year and month of service is used in the calculation of your pension.



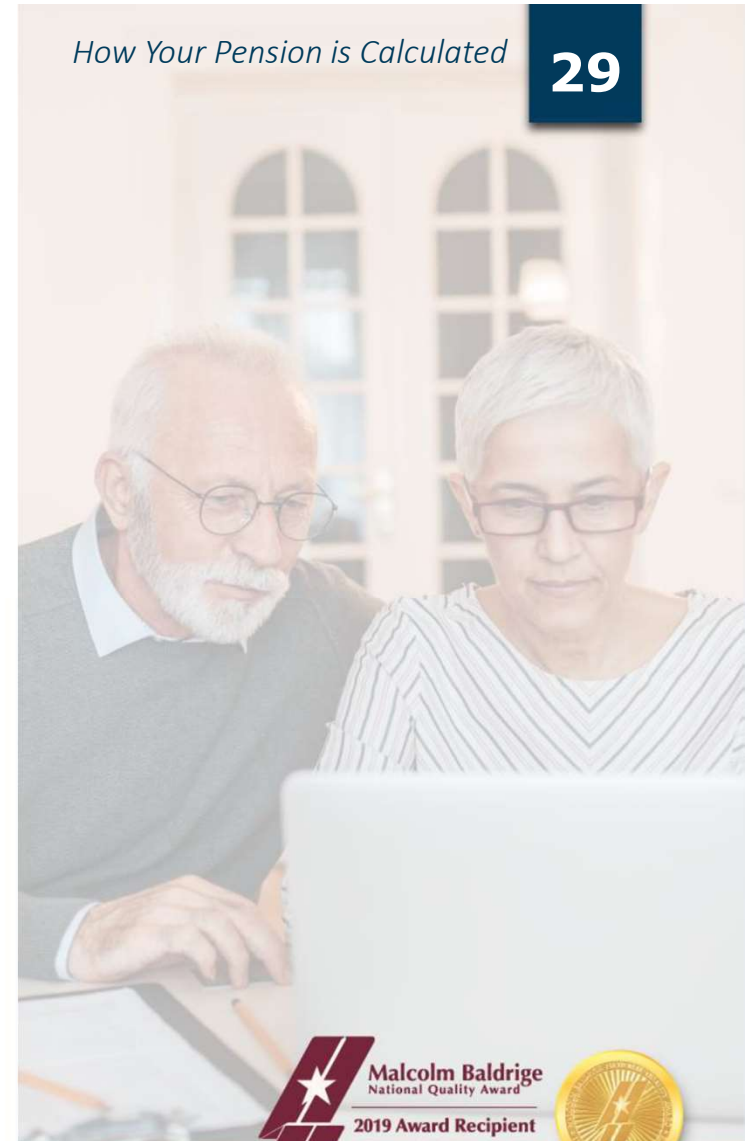
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# Service and FRE % Comparison



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# Voluntary Additional Contributions



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# Is the Voluntary Additional Contribution (VAC) Plan Right for You?

## Optional Contributions

- Up to 10% of IMRF earnings
- These contributions are after-tax
- Currently earn interest at the rate of 7.25%
- Credited annually based on previous January 1 balance
- IMRF Form 6.30

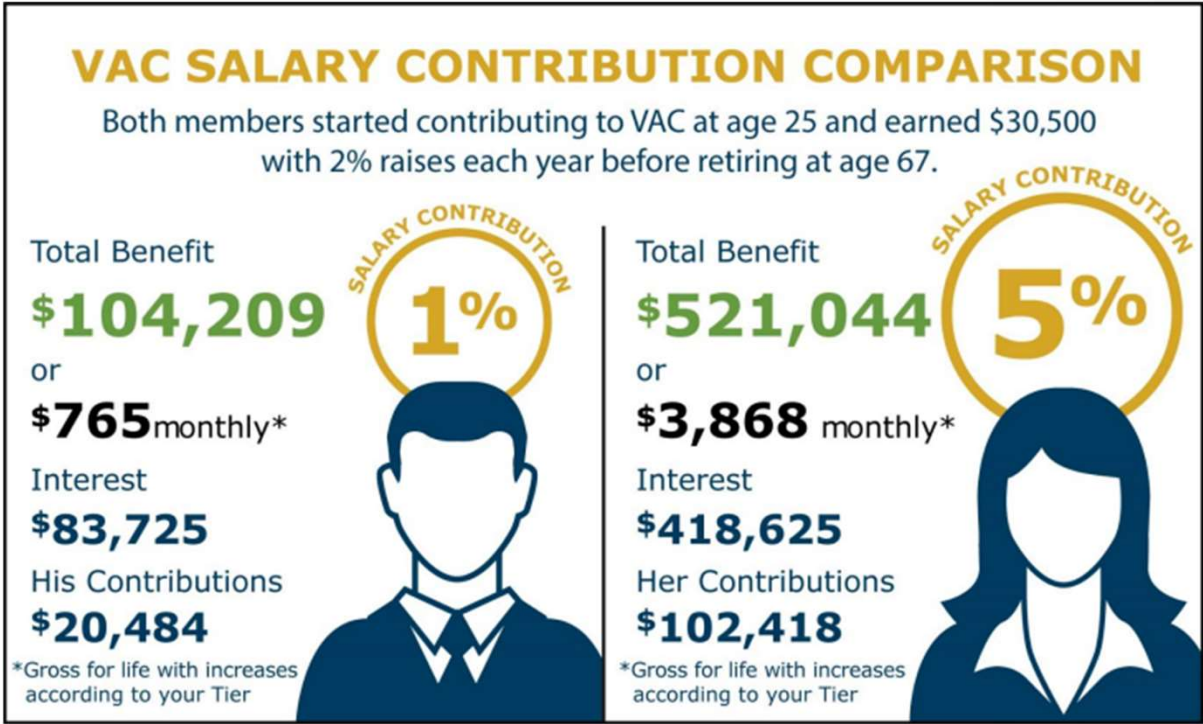
Voluntary Additional Contribution Interest Example	
<b>Year 1 January 1 Opening Balance</b>	<b>\$0.00</b>
VA Contributions made during Year 1	\$400.00
Interest credited on Year 1 December 31 based upon January 1 opening balance of \$0 x 7.25%	\$0.00
<b>Year 2 January 1 Opening Balance</b>	<b>\$400.00</b>
VA Contributions made during Year 2	\$500.00
Interest credited on Year 2 December 31, based upon January 1 opening balance of \$400 x 7.25%	\$29.00
<b>Year 3 January 1 Opening Balance</b>	<b>\$929.00</b>
VA contributions made during Year 3	\$600.00
Interest credited on Year 3 December 31, based upon January 1 opening balance of \$929 x 7.25%	\$67.35
<b>Year 4 January 1 Opening Balance</b>	<b>\$1,596.35</b>



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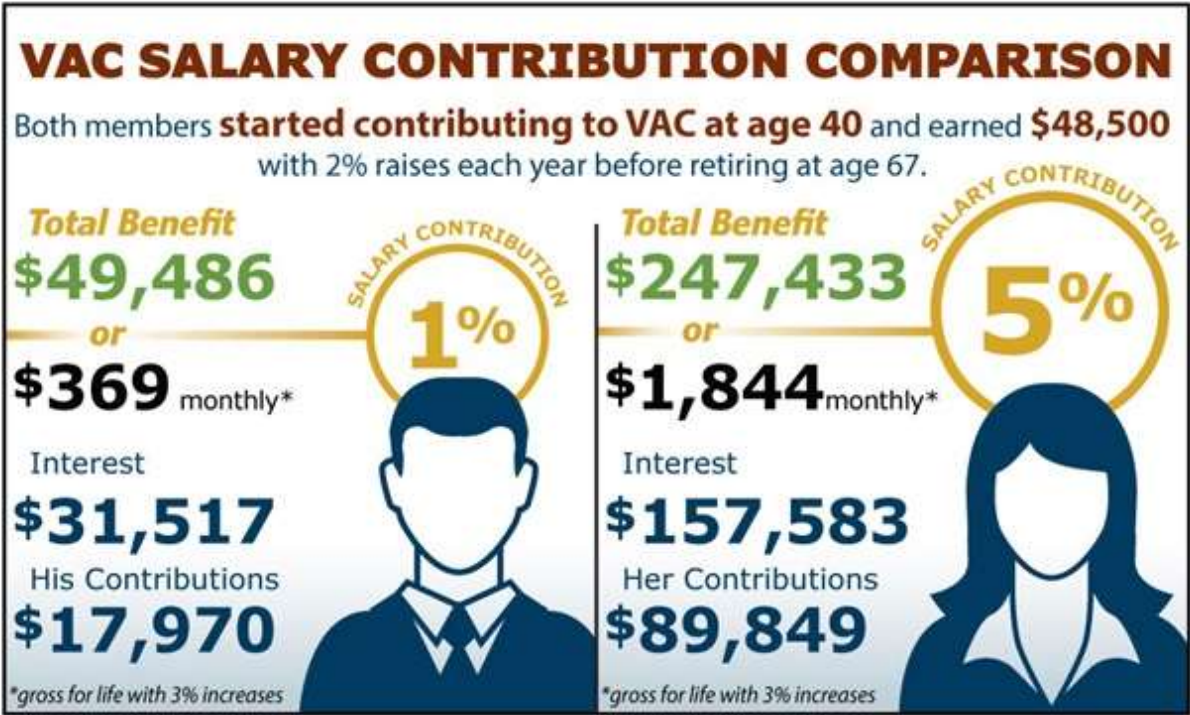
# Voluntary Additional Contribution Example



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# Voluntary Additional Contribution Example



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# VAC Options

- **You can withdraw your contributions anytime.**
  - If taken before retirement you can only withdraw your contributions, none of the interest accrued.
  - No partial refunds while working

**If you contribute to VAC program, here are your options when you retire...**

- **Lifetime monthly annuity payments**
  - requires minimum of \$4,500 balance at retirement
- **Lump sum payment (if selected)**
  - there will be a tax liability on the "taxable" portion unless that portion is rolled over.
- **Rollover to a qualified retirement account**



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# Taking an IMRF Refund

If you stop working for your IMRF employer, you can have 100% of your IMRF contributions returned to you.

- Rollover to other plans
- Paid directly to you
- Taxes and additional tax if under 59-1/2
- Or leave your contributions in IMRF
- Many other IMRF employers



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# Resources



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## New Self-Service Options

### Interactive Voice Response...

Self-Service Options Available Through Our Phone System:

- Verify a recent payment
- Confirm a form has been received
- Request a Form or Financial Verification Letter
- Several other available options



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# Offered Insurance Plans



**Doyle Rowe, Ltd.**

- **1-800-564-7227**



**National Conference  
on Public Employee  
Retirement Systems  
(NCPERS) Life Insurance**

- **1-800-525-8056**



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# What We've Covered Today

- Introduction to IMRF
- Understanding Your Benefits
- How is Your Pension Calculated?
- Voluntary Additional Contributions
- Additional Resources for Members



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# Thank you for joining us!

Any other questions?

Member Services Contact Center

7:30am – 5:30pm, Monday – Friday

1-800-ASK-IMRF (275-4673)

[www.imrf.org](http://www.imrf.org)



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