

FUNDAMENTALS

IMRF

ACTIVE MEMBER OVER 40 EDITION

FALL / WINTER 2021

Common Retirement Saving Mistakes to Avoid

The 2021 Retirement Confidence Survey by the Employee Benefit Research Institute (EBRI) found only 30% of workers surveyed are "very confident" they have enough saved for a comfortable retirement. Twenty-five percent say they have less than \$25,000 saved for retirement (excluding the value of their primary home), and 30% said the COVID-19 pandemic has negatively impacted their ability to save for retirement, due to reduced hours, lower income, or job changes.

Your IMRF pension is a great start toward building the secure retirement you want. However, if you are like most IMRF members, your future pension alone will not be enough to meet all your retirement needs. You will likely need additional savings. To boost your retirement savings, avoid these seven common retirement planning mistakes:

Not Saving Now

Are you planning to save more for retirement after your kids finish college, after weddings are paid for, or after you complete home improvement projects? Prioritizing retirement saving now is key to ensuring you have adequate retirement savings to live comfortably.

Not Taking Advantage of Retirement Savings Plans

Many IMRF retirees say they regret not taking advantage of IMRF's Voluntary Additional Contributions Plan (VAC). The VAC program is a highly effective savings tool that offers higher interest rates than many other retirement savings options, and it is low risk. You can elect to save between 1% - 10% of your reported earnings in an account that currently earns 7.25% interest. For details: www.imrf.org/VAC.



If you or your spouse have the option of a tax-deferred retirement savings plan with an employer match such as a 403(b) or 401(k), it is beneficial to contribute to this plan up to the full employer match amount. Otherwise you are declining money your employer is willing to give you towards your retirement savings.

Borrowing from Your Retirement Savings

Look for loan options with lower financial penalties rather than borrowing from your retirement account.

Driving up Debt Before Retirement

If at all possible, find a way to pay off or at least pay down debt before you retire, but do not stop saving for retirement while paying off your debt.

Planning to Work Indefinitely Instead of Saving

The EBRI survey showed nearly half of retirees retired earlier than expected. Saving sooner will help you be prepared if your retirement timeline does not go exactly as planned.

Not Planning for Healthcare Costs

Thirty percent of retirees surveyed said healthcare expenses in retirement are higher than they expected. Keep in mind that Medicare only covers about 80% of retirement healthcare costs. Plan to purchase supplemental insurance or be prepared to pay the difference out of pocket.

Taking Social Security Early

The longer you wait to file for Social Security the higher your benefit will be (up to age 70). Unless you are in poor health, it is best to wait to file, in order to receive maximum benefits.

No matter how close you are to retirement, you may have made some mistakes along the way.

If you do not have enough saved, start now to save more. ■



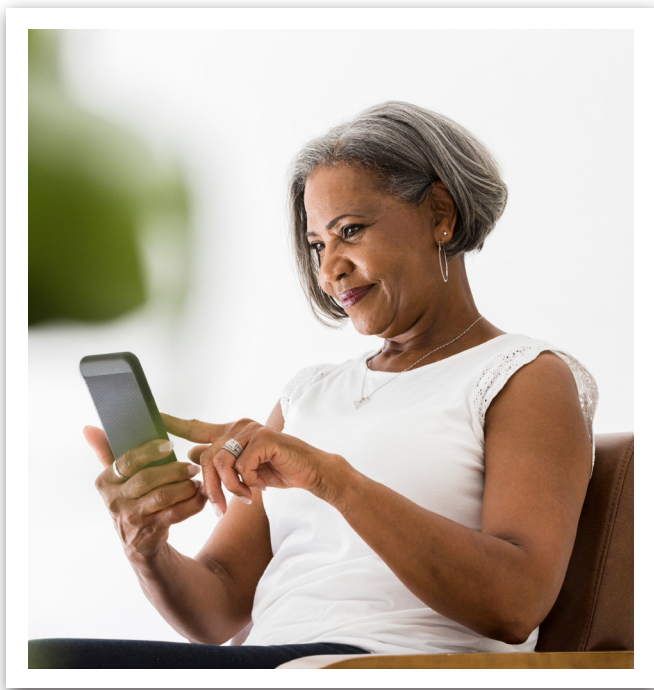
Protect Your Personal & Financial Information



The Internet allows us to stay connected, informed, and involved with family and friends. As with any public environment, it also requires awareness and caution. Just as you use locks to keep criminals out of your home, you also need safeguards to secure your computer, cell phone, or tablet. Follow these tips to help you make safe and smart decisions online:

Passwords and Locking Your Devices

- Choose a password that means something to you and only you; use strong passwords with eight characters or more that use a combination of numbers, letters, and symbols.
- Change any default passwords on your mobile device to ones that would be difficult for someone to guess. Use different passwords for different programs and devices.



- Keep your mobile devices in your possession at all times and always be aware of your surroundings. In order to prevent theft and unauthorized access, never leave your mobile device unattended in a public place, and lock your device when it is not in use.

Social Media Safety

- If you use social networking sites such as Facebook, be sure to limit the amount of personal information you post online and use privacy settings to avoid sharing information widely.
- Be careful what you post and when. Wait to post pictures from trips and events so that people do not know where to find you. Posting where you are also reminds others that your house is empty.
- It is important to add only people you know on social media sites and programs like Skype; adding strangers could expose you and your personal information to scammers.

Personal Information, Attachments, and Public Wi-Fi

- Most businesses or organizations do not ask for your personal information over email. Beware of any requests to update or confirm your personal information.

- Avoid opening attachments, clicking on links, or responding to email messages from unknown senders or companies that ask for your personal information.
- Beware of “free” gifts or prizes. If you think something is too good to be true, then it probably is.
- Don’t access your personal or banking accounts online from a public computer, such as a library computer.
- Think Before You Connect. Before you connect to any public Wi-Fi hotspot—like on an airplane or in an airport, hotel, train/bus station or café—be sure to confirm the name of the network and exact login procedures with appropriate staff to ensure that the network is legitimate. Using your mobile network connection is generally more secure than using a public Wi-Fi network.

Antivirus Programs and Keeping Apps Up to Date

- Install and regularly update the security programs on your computer, such as antivirus, and anti-spyware. These programs can help to protect the information on your computer, and can easily be purchased from software companies on the web or at your local office supply store.
- Know your apps. Be sure to review and understand the details of an app before downloading and installing it. Be aware that apps may request access to your location and personal information. Delete any apps that you do not use regularly to increase your security.
- Keep software up-to-date. Install updates for apps and your device’s operating system as soon as they are available. Keeping the software on your mobile device up-to-date will prevent attackers from being able to take advantage of known vulnerabilities. ■

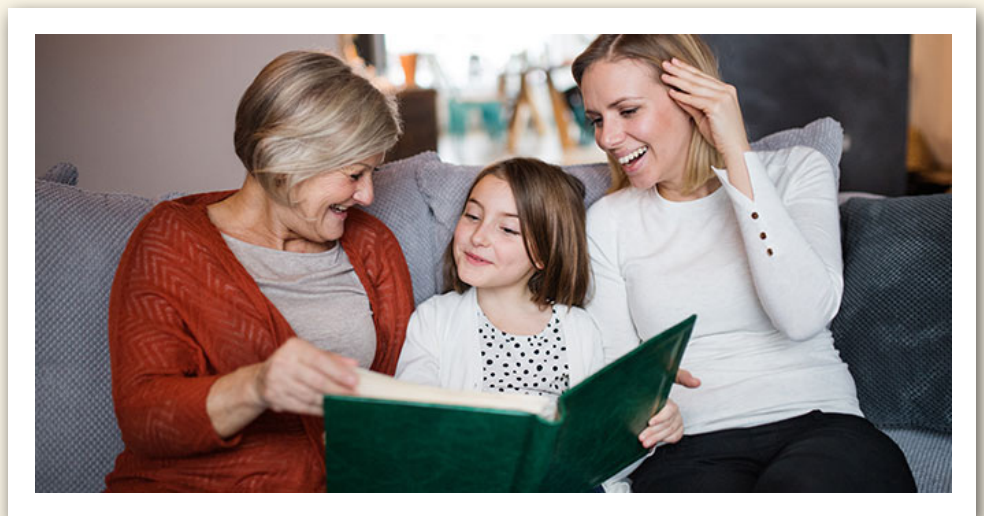
Is Your IMRF Beneficiary Information Up-to-Date?

Have you reviewed and updated your IMRF Designation of Beneficiary form recently? Do you know who is listed as your beneficiary?

If you do not have a beneficiary form on file, the default beneficiary is your estate. If you have a form on file that names a beneficiary you no longer wish to receive your death benefit, IMRF must follow the directions on the form.

It is important that you regularly review your Designation of Beneficiary form and keep it up-to-date, to ensure your death benefit goes to the beneficiary you intend it to. You can name any person, trust, charity, or organization as a beneficiary.

The fastest and easiest way to complete this form is in Member Access. To view your beneficiary information at any time, log into Member Access and click on **Change Beneficiaries** under *Quick Links* in the right column. For more information on beneficiaries, go to www.imrf.org/beneficiaries. ■



IMRF Experiences Record High Asset Growth

Prior to the Covid-19 pandemic, IMRF's assets were around \$44.8 billion. A year and a half later, despite market volatility at the beginning of the pandemic, IMRF has seen record high asset growth. At the end of July, IMRF's investment assets are around \$54.8 billion. ■



You can count on IMRF to fulfill its pension promises.

**Locally Funded,
Financially Sound.**

IMRF Hires Award-Winning Chief Investment Officer



Angela Miller-May is IMRF's new Chief Investment Officer (CIO). She joins IMRF from the Chicago Teachers' Pension Fund (CTPF), where she served as CIO.

Miller-May is a nationally recognized pension industry leader. She has received Women Investment Professionals' "Distinguished Woman Investment Professional of the Year" Trailblazer Award and Institutional Investor's "Change Maker of the Year" Award.

"Angela is well-respected and recognized across the state and the nation as a very keen financial mind, with a great track record of investing success over the last decade," said IMRF Executive Director Brian Collins. "Our members, employers, and taxpayers should be excited about someone who is going to be an outstanding steward of their money."

To learn more about Miller-May's professional background, go to www.imrf.org/CIO. ■

Separation of Service Requirement and Return to Work Policy

Separation of Service Requirement

(applies to Retirees who terminate from IMRF participation January 1, 2021 or after)

In order to qualify to begin receiving pension payments, you must:

- Stop working for any IMRF employer in any capacity, **and**
- Not return to work for an IMRF employer for at least 60 days after your pension start date, **and**
- Not enter into an agreement or pre-arrangement to return to employment in any capacity with any IMRF employer prior to retirement or for at least 60 days after your pension start date. This includes returning or making plans to return as a part-time employee, independent contractor, or leased employee.



Change in Return to Work Policy

(became effective January 1, 2021)

A retiree who returns to work in an IMRF-qualifying position will no longer immediately be re-enrolled in IMRF and have his or her pension stopped. Instead the retiree will become re-enrolled in IMRF once he or she has reached the employer's hourly standard. The hourly standard is either 1,000 or 600 hours worked per year—check with IMRF before returning.

Once the retiree has worked enough hours to reach the employer's hourly standard, he or she must either:

- Be re-enrolled in IMRF (and his or her pension will be suspended), or
- Stop working for his or her IMRF employer for the remainder of the 12-month period

For more information on IMRFs Separation of Service and Return to Work policies, go to www.imrf.org/return-to-work. ■



PRE-RETIREMENT WORKSHOP WEBINARS

Attend for free! Sign up today!

Who Should Attend?

- Vested members who want to learn about benefits.
- Members within five years of retirement.
- Spouses, partners, or others who assist with your retirement planning.

Workshop Topics Include:

- How and when to file for retirement.
- How earnings and service affect your retirement benefit calculations.
- How to purchase past service credit.

We recommend attending a workshop five years before your earliest possible retirement date and once more when you are ready to retire. To register for the webinars, and to view 2022 dates once they become available, go to www.imrf.org/member-workshops.

2021 Pre-Retirement Workshop Webinar Dates

November

DATE	TIME
(Sat) 11/13	9 - 10 AM (central)
(Wed) 11/17	noon - 1 PM (central)

December

DATE	TIME
(Thu) 12/2	noon - 1 PM (central)
(Sat) 12/11	9 - 10 AM (central)

Board of Trustees

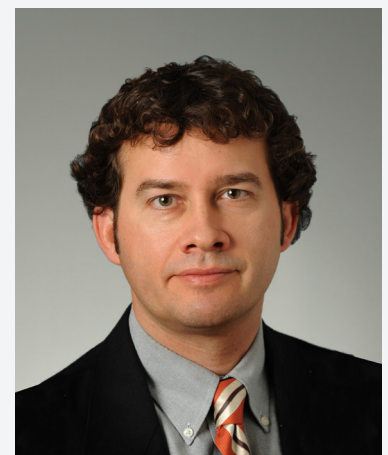
David Miller to Return as Executive Trustee

Current IMRF Executive Trustee David Miller is unopposed in seeking a new five-year term of office. Miller's new term as Executive Trustee will run January 1, 2022 through December 31, 2026.

Miller has served on the IMRF Board since 2015. He was Board President in 2020. He currently chairs the Investment Committee and serves on the Benefit Review Committee. He is the Executive Director of the North Shore Water Reclamation District.

“I’m honored to return for a second term as an Executive Trustee,” Miller said. “I look forward to continuing to support the organization in accomplishing its vision of providing the highest quality retirement services to our members and employers.”

IMRF is governed by an eight-member Board of Trustees elected by the people and institutions IMRF serves. Four Executive Trustees are elected by participating units of government, three Employee Trustees are elected by active members, and one Annuitant Trustee is elected by Retirees. The IMRF Board has many responsibilities including authorizing IMRF investments, approving the administrative budget, and setting employer contribution rates. ■



How to Register for a Member Access Account



Step 1

Click "Register" in the green box at the top right of www.imrf.org.

A green rectangular box containing login options. At the top, there are two radio buttons: "Member Access" (selected) and "Employer Access". Below this, there are two input fields: "User Name: Username" and "Password: Password". To the right of the password field is a dark blue button labeled "SIGN IN". Below the input fields are three links: "Forgot Username", "Forgot Password", and "Register". The "Register" link is circled in red.

Register For An Account

Have you received a letter containing a Registration Key?

Click the Yes button to redeem your Registration Key.

Note: You may already have a Registration Key if:

- You are a retiree, surviving spouse, or beneficiary annuitant who began receiving pension payments in 2019 or earlier.
- You became an IMRF member in December 2020 or earlier.

Call IMRF Member Services for assistance at 1-800-ASK-IMRF (275-4673).

Yes

No

Step 2

Either call 1-800-ASK-IMRF (275-4673) to request your registration key from your current statement, or click "No" to request that a registration key be mailed to you.

Step 3

Once you have received your registration key, return to this screen and click "Yes" to enter your new registration key.

Welcome to IMRF Member Access

Enter the Registration Key from the letter sent to you by IMRF.

Registration Key:

IMPORTANT:

If you have misplaced your letter containing the Registration Key or never received one, [Click Here to Register](#).

Continue

Cancel

Step 4

Follow the prompts and answer the questions to create your Member Access account.

To see a video that takes you through the steps of creating a Member Access Account, go to www.imrf.org/member-access.



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1-800-ASK-IMRF (275-4673) • www.imrf.org



IMRF Email Newsletters - Don't Miss Out!

If you have not been receiving the IMRF email Fundamentals newsletters, you are missing out on timely news, important how-to articles, and links to useful IMRF online tools.

If you are not receiving the email newsletters, please register for a Member Access account on the IMRF website, and provide your email address.

You will need a registration key to register. To get your registration key, either call 1-800-ASK-IMRF (275-4673) and ask for the key from your current Statement of Benefits or go to www.imrf.org/register to request that a key be mailed to you. ■