

FUNDAMENTALS

IMRF

ACTIVE MEMBER OVER 40 EDITION

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“You are the difference” in 2015 and beyond

IMRF is partnering with Generations Serving Generations (GSG) to support and promote “2015: The Year of the Volunteer.” Led by GSG, “The Year of the Volunteer” is a statewide initiative that will celebrate the accomplishments of Illinois volunteers, challenge Illinois residents to get involved in their communities, and educate those who rise to meet that challenge about the volunteer opportunities that are available to them.

In giving, we receive

Generativity, the term that scientists use to describe the capacity to give of oneself, is one of the most studied traits in science, according to *Why Good Things Happen to Good People* by Stephen Post, Ph.D. and Jill Neimark. The book’s examination of existing research in this area found that across income levels, neighborhoods with the highest levels of volunteerism had less crime and happier residents. Their research also showed surprising benefits to the individual volunteer, including increased longevity and better health, along with less tangible but very real benefits to the spirit.

“Volunteering gives you a perspective on the needs of others. It helps you develop respect and empathy. It helps you develop courage. These are tools we can use throughout our lives.”

“Volunteering gives you a perspective on the needs of others. It helps you develop respect and empathy. It helps you develop courage. These are tools we can use throughout our lives,” said Louis Kosiba, Executive Director of IMRF and a member of GSG’s Leadership Team.

Despite the benefits to both the individual and the community, the recently published *Volunteering in America* report for 2014 shows that volunteerism is on the decline nationally. In Illinois, only 26.7% of the population, or 2.57 million people, volunteered their time in 2013, ranking Illinois 26th among the 50 states and Washington DC.

However, those relative few made a big difference. “Just 2.57 million people gave \$7.2 billion in service, so if we can increase that number only a few percentage points, we’re talking about hundreds of millions if not billions of dollars of impact,” observed Scott McFarland, Executive Director of the Serve Illinois Commission. GSG, a project led by the Illinois Department on Aging and the Serve

Illinois Commission, has taken on the task of communicating the importance of civic engagement to retirees, educators, employers, and the public. “IMRF learned about Generations Serving Generations several years ago, and it occurred to us that it would be a natural partnership,” Kosiba said. “The young can help the old, and the old can help the young. Retirees can help young people learn how to read, how to start businesses, how to work in a professional environment. Young people can help older people learn about social media and the Internet and using current technology.”

The broader initiative

Jane Angelis, director of GSG, envisions “The Year of the Volunteer” as a time to celebrate current volunteers and encourage new ones, but also as a time to build infrastructure for better communication between service organizations.

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From the Executive Director:

Knock me over with a feather!

How IMRF's Voluntary Additional Contributions program can contribute to your future

I thought I knew, but I didn't understand. I knew about IMRF's Voluntary Additional Contributions plan, but did not connect the dots and did not give it careful consideration. There are a number of ways to build financial security and this is one—a powerful tool available only to IMRF members.



Louis Kosiba
IMRF Executive Director

As an active participant in IMRF, you may elect to have up to 10% of your monthly wages deposited with IMRF (an after-tax deduction). It earns the same rate IMRF assumes it will make on its investments: currently 7.5%. Interest is posted at the end of the year based on the opening balance. You receive that interest whether or not IMRF investments actually earn 7.5%, so it is guaranteed. Moreover, your interest compounds at that rate. Your contributions can be withdrawn at any time, but current federal tax law prevents payment of the interest until you terminate employment.

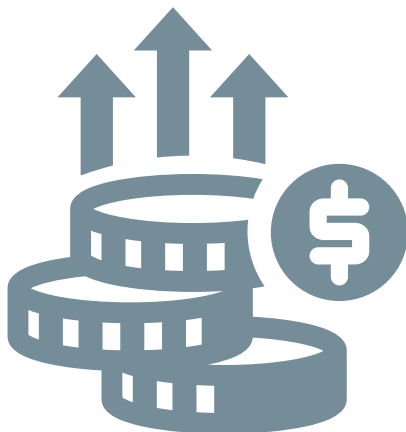
How a small percentage of your salary can grow

An example illustrates the benefit of the program. Assume a member starts contributing 2% of salary a year in 1992 when they were earning \$21,800. They contribute that 2% each year and retire in 2013 with a salary of \$68,053. During that period, they will have contributed \$19,000 and earned \$19,110 in interest for a total nest egg of \$38,117.

At retirement, they have the option to take a lump sum or annuitize it so that they can receive a monthly payment for life. When they convert to a monthly payment, the amount of their monthly payment is calculated on the assumption that the amount they contributed will continue to

earn that 7.5% compounded interest. That assumption enables IMRF to annually increase the monthly payment by 3% of the original amount. Therefore, at age 60, their monthly payment is \$228.14 or \$2,737.68 per year. If they live to age 85 (not unheard of), the payment is \$399.14 or \$4,789 per year—for a total payout of \$97,855!

Two percent is a modest amount. You can increase/decrease contributions between 0% and 10%. If our hypothetical member contributed 10% annually, the amount would be five times more. Similarly, if you earn more over your working years—or work longer than the hypothetical 22 years—the payout will be greater. ■



“Interest is posted at the end of the year based on the opening balance. You receive that interest whether or not IMRF investments actually earn 7.5%, so it is guaranteed. Moreover, your interest compounds at that rate.”

99th General Assembly

99th General Assembly sworn in; 2015 IMRF Legislative Agenda

99th General Assembly begins

The 99th General Assembly officially began on January 14, when the legislators elected this past November were sworn in. Governor Bruce Rauner was sworn in Monday, January 12. Each GA session spans two years.

The 98th General Assembly has adjourned. All bills introduced but not signed into law during this GA session are considered “dead” and must be reintroduced with new bill numbers in order to be considered.

IMRF introduces 2015 Legislative Agenda

Each year, the IMRF Board decides which legislative proposals it will pursue through the Illinois General Assembly over the course of the coming year. These agenda

items must be introduced by a legislator as a House or Senate bill and do not yet have a sponsor.

In 2015, IMRF will put forward the following proposals:

- Correct a reference in Section 7-141.1 of the Illinois Pension Code.
- Allow Board decisions to be made at the committee level, rather than requiring a formal Board meeting. This would not change the number of votes required for passage.
- Reduce from 90 to 60 days the time required before IMRF can go to the county treasurer or state comptroller to recoup money owed by a delinquent employer. ■



For more about IMRF-related legislation, go to www.imrf.org, click “About IMRF,” then click “Illinois Pension Legislation.”

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Forgot Username Forgot Password Register

MY ACCOUNT MEMBERS RETIREES EMPLOYERS INVESTMENTS ABOUT IMRF FORMS AND PUBLICATIONS ARCHIVE

New look. Same commitment to excellence.

What do you think of our new look?
Do you have thoughts on the new look and feel of the *Fundamentals* newsletter or www.imrf.org? Share them with Communications Manager John Krupa at johnkrupa-communications@imrf.org.



A few ways you can lend a helping hand

“This can be a ‘do it yourself’ program. You can make a difference in your community; you can make a difference to yourself. There are mutual rewards here,” said IMRF Executive Director Louis Kosiba.

- 1. Join a charity or service organization.** “There are many, many people who have joined service organizations while they’re actively employed,” Kosiba said. “Lions International, Rotary Clubs and Kiwanis come to mind. There is a place for you within your community to help.”
- 2. Pass on your professional knowledge.** Seasoned professionals can do younger workers a great service in helping them learn how to start businesses or how to work in a professional environment.
- 3. Be sensitive to the needs of your environment.** “Is there an older couple who lives in your building? Is there an older couple who lives down the street? You can offer to shovel snow for them. If you’re a member of a church, is there someone who needs a ride to church? Is there someone who needs a ride home? Do you have nieces or nephews or grandchildren that you can spend some time with?”
- 4. Help a child—or an adult—learn to read.** “Illinois has a significant problem with people not graduating from high school, and in today’s society, if you can’t read well and at a level technical enough to find a good-paying job, you’re almost doomed to be lower income and always struggling.”

“Right now there’s a lot of people doing the same thing in parallel, right next to each other. The big goal is to do a better job of connecting volunteer efforts throughout the state,” Angelis said.

She hopes that serve.illinois.gov and its volunteer search engine will play an increasing role in bringing volunteers and service projects together. GSG will continue working with the Illinois General Assembly to develop public policy that supports the organization’s overall efforts. That may take the form of a Senate Forum, or “we may have a bunch of different hearings and projects all over the state to emphasize the lessons that we’re learning,” Angelis said.

How IMRF will contribute

The theme of “The Year of the Volunteer” is “You are the difference.” Over the course of 2015, IMRF will celebrate the ways you make a difference by asking IMRF members and retirees to share their stories of how they have served in their communities. Seven volunteers will be profiled, with one winning spotlight story to be unveiled in December. We will share their stories on social media, in this newsletter, and the “Year of the Volunteer” subsection of our website at www.imrf.org/volunteer-stories. For the spotlight story, the winning volunteer’s service organization will receive a \$1,000 donation from an anonymous IMRF staff member.

You can find Kosiba’s video message kicking off IMRF’s participation in “The Year of the Volunteer” at www.imrf.org. Additionally, you can help IMRF learn more about volunteerism among its membership by filling out an initial survey at www.imrf.org/volunteering.

To tell us how your volunteer work has made an impact in your community, write to us at volunteer@imrf.org. We look forward to hearing how you have made a difference.

How you can join in

Aspiring volunteers can begin their journey of service by visiting the volunteer search portal at serve.illinois.gov. There you can search for your location and area of interest, and the search engine will return local volunteer opportunities that have registered with serve.illinois.gov.

“Any survey that comes out, you’ll see that the two top reasons why somebody does not volunteer is either because they did not know where to go to volunteer, or no one asked them to volunteer,” McFarland said. “Well, we’re asking everyone to volunteer, because right now in Illinois there are at least 10,000 open volunteer opportunities at any given time: 10,000 organizations, 10,000 projects that are looking for volunteers and don’t have enough to fill what they’re trying to do. It’s a matter of people searching out those organizations, finding one that fits them, and volunteering their time.” ■

Share your story of service



Tell us how you make a difference!

- IMRF will highlight the volunteer efforts of seven members or retirees on social media and the “Year of the Volunteer” subsection of our website at www.imrf.org/volunteer-stories, with one winning volunteer spotlight story to be unveiled in December.
- The volunteer featured in our spotlight story will **win a \$1,000 staff donation for their service organization!**

Tell us your story! Write to us at volunteer@imrf.org!

Take 15 minutes and be confident in your future

When you receive your 2014 Personal Statement of Benefits, take a moment to look it over. The accuracy of your account is important to your future—resolving a problem now may save you time and aggravation when you’re ready to retire. Please make especially sure to review the front and back pages of your statement for accuracy. Also make a point of reviewing your beneficiary information (found inside) to make sure it is up to date and reflects your wishes.

New! Your Member ID

Your Personal Statement of Benefits also includes your new Member Identification Number. To protect your information, you can use this number in place of your Social

Security Number when completing paperwork for IMRF.

When are statements sent?

IMRF generally starts mailing member statements in February and continues through the end of March. You should generally receive your 2014 member statement at some point during those two months. If you already received your statement but didn’t have a chance to look at it then, you can find it in your Member Access account under the “Documents” tab.

What’s on your statement?

Your annual Personal Statement of Benefits provides detailed information about the benefits available to you as an active IMRF



member—retirement, disability, and survivor benefits. This statement includes your IMRF account activity for 2014 as well as an overview of past earnings, contributions, and employers. ■

Need more of a plan than just saving your pennies? Attend a free IMRF retirement planning workshop!



We now have an updated schedule for our 2015 retirement planning workshops! Keep in mind that these workshops can benefit you no matter how close you are to retirement. We recommend attending a workshop as soon as you're vested, then a second time five years before your earliest possible retirement date, and once more when you're ready to retire. But the closer you are to retirement, the more important it is that you register today and reap the rewards! Openings fill quickly, and most of our attendees learn so much that they wish they'd taken the time to attend one sooner.

Workshop topics include:

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

Who should attend?

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

2015 Pre-Retirement Workshop Dates and Locations

March

DATE	LOCATION	START TIME
(Tues) 3/03	Rockford	9 AM
(Thurs) 3/05	Joliet	9 AM
(Sat) 3/07	Collinsville	9 AM
(Tues) 3/10	Burr Ridge	1 PM
(Tues) 3/24	O'Fallon	1 PM
(Tues) 3/24	Yorkville	1 PM
(Sat) 3/28	Peoria	9 AM
(Sat) 3/28	Bloomington	9 AM
(Tues) 3/31	Moline	9 AM

April

DATE	LOCATION	START TIME
(Tues) 4/07	Jerseyville	5 PM
(Wed) 4/08	Libertyville	1 PM
(Sat) 4/11	Mundelein	9 AM
(Tues) 4/14	Effingham	5:30 PM
(Wed) 4/15	Geneva	9 AM
(Fri) 4/17	Palatine	5 PM
(Sat) 4/18	Peoria	9 AM
(Tues) 4/21	Moline	9 AM
(Wed) 4/21	Zion	1 PM
(Tues) 4/21	Danville	5 PM
(Thurs) 4/23	Galena	9 AM
(Tues) 4/28	Utica	

May

DATE	LOCATION	START TIME
(Wed) 5/06	Rend Lake	5 PM
(Thurs) 5/07	Freeport	10 AM
(Thurs) 5/07	Springfield	5:30 PM
(Thurs) 5/07	Tinley Park	9 AM
(Mon) 5/11	Mt Prospect	5 PM
(Tues) 5/12	Carol Stream	1 PM
(Thurs) 5/14	Oregon	9 AM
(Tues) 5/26	Palos Hills	1 PM
(Wed) 5/27	Centralia	5 PM
(Wed) 5/27	Elk Grove Village	9 AM

June

DATE	LOCATION	START TIME
(Wed) 6/03	O'Fallon	1 PM
(Wed) 6/03	Quincy	9 AM
(Thurs) 6/04	Rockfalls	9 AM
(Sat) 6/06	Oak Lawn	10 AM
(Sat) 6/06	Galesburg	10 AM
(Tues) 6/09	Joliet	1 PM
(Sat) 6/13	Collinsville	9 AM
(Mon) 6/15	Charleston	5 PM
(Tues) 6/16	Bartlett	5 PM
(Wed) 6/17	Rockford	9 AM
(Wed) 6/17	Northbrook	1 PM

(Sat) 6/20	Kankakee	9 AM
(Tues) 6/23	Champaign	5:30 PM
(Wed) 6/24	Ullin	1 PM
(Wed) 6/24	Skokie	1 PM
(Wed) 6/24	Oak Lawn	9 AM
(Thurs) 6/25	Geneva	9 AM
(Tues) 6/30	Rockford	TBA

July

DATE	LOCATION	START TIME
(Wed) 7/01	Decatur	5 PM
(Wed) 7/08	Moline	1 PM
(Wed) 7/08	Tinley Park	5 PM
(Tues) 7/14	Utica	5 PM
(Wed) 7/15	Grayslake	1 PM
(Sat) 7/18	Bloomington	9 AM
(Mon) 7/20	Olney	1 PM
(Tues) 7/21	Homewood	1 PM
(Tues) 7/21	Naperville	5 PM
(Wed) 7/22	Freeport	1 PM

More workshops will be added throughout the year. Check www.imrf.org for additional dates and locations.

Is an optional Personal Benefit Review right for you?

Do you have a particular issue about your account that wasn't covered at the retirement planning workshop you attended? A Personal Benefit Review is an optional, one-on-one, 15-minute meeting with an IMRF Field Representative to discuss specific account issues. **Remember: before you schedule a Personal Benefit Review, you should already have attended a retirement planning workshop.**

Do you need a Personal Benefit Review?

- Have you already attended a retirement planning workshop?
- Are you close to retirement and have specific account questions that weren't answered in the workshop?

If you answered yes, a Personal Benefit Review might help you answer your remaining retirement questions.

What to bring to a Personal Benefit Review

- Bring a pension estimate—available through your Member Access account or by calling 1-800-ASK-IMRF (275-4673).
- Bring the questions you have that are specific to your IMRF account.

Personal Benefit Review time is limited; make sure you are on time and prepared!

**Does a Personal Benefit Review sound right for you?
Dates, locations, and registration information are available at www.imrf.org**

2015 Personal Benefit Review Dates and Locations

March

DATE	LOCATION	START TIME
(Wed) 3/04	Fairfield	11 AM
(Tues) 3/10	Harrisburg	10 AM
(Wed) 3/11	Peoria	10 AM
(Wed) 3/11	Naperville	10 AM
(Fri) 3/13	Oak Brook	10 AM
(Tues) 3/24	Zion	1 PM
(Thurs) 3/26	Oswego	2 PM
(Tues) 3/31	Joliet	10 AM
(Tues) 3/31	Bloomingtondale	10 AM

April

DATE	LOCATION	START TIME
(Wed) 4/01	Moline	9 AM
(Thurs) 4/02	Normal	10 AM
(Tues) 4/07	Rockford	9 AM
(Wed) 4/08	Peoria	10 AM
(Wed) 4/08	Darien	3 PM
(Thurs) 4/09	Collinsville	11 AM
(Tues) 4/14	Libertyville	10 AM
(Mon) 4/20	Mundelein	10 AM
(Tues) 4/21	Naperville	10 AM
(Wed) 4/22	Moline	9 AM
(Wed) 4/22	Tinley Park	10 AM
(Thurs) 4/23	Fairview Heights	10 AM

(Tues) 4/28	Palatine	10 AM
(Tues) 4/28	Oak Lawn	4 PM
(Wed) 4/29	Peoria	10 AM

May

DATE	LOCATION	START TIME
(Mon) 5/04	Effingham	11 AM
(Wed) 5/06	Geneva	9 AM
(Thurs) 5/07	Nashville	10:30 AM
(Tues) 5/12	Freeport	10 AM
(Wed) 5/13	Tinley Park	9 AM
(Thurs) 5/14	Danville	11 AM
(Tues) 5/19	Oregon	9 AM
(Tues) 5/19	Mt Prospect	10 AM
(Wed) 5/27	Springfield	5 PM
(Thurs) 5/28	Tinley Park	1 PM

June

DATE	LOCATION	START TIME
(Tues) 6/02	Benton	10 AM
(Tues) 6/02	Elk Grove Village	1 AM
(Tues) 6/02	Bloomington	10 AM
(Thurs) 6/04	Oak Brook	10 AM
(Tues) 6/09	Ottawa	10 AM
(Wed) 6/10	Moline	9 AM
(Tues) 6/16	Quincy	4:30 PM

(Thurs) 6/18	Salem	10 AM
(Thurs) 6/18	Bloomingtondale	10 AM
(Tues) 6/23	Northbrook	1 PM
(Tues) 6/23	Bartlett	10 AM
(Wed) 6/24	Rockford	9 AM
(Wed) 6/24	Galesburg	10 AM
(Thurs) 6/25	Oak Brook	10 AM
(Fri) 6/26	Skokie	1 PM
(Tues) 6/30	Collinsville	11 AM
(Tues) 6/30	Bradley	10 AM

July

DATE	LOCATION	START TIME
(Wed) 7/01	Geneva	9 AM
(Thurs) 7/02	Nashville	10:30 AM
(Tues) 7/07	Charleston	5 PM
(Tues) 7/07	Homewood	10 AM
(Thurs) 7/09	Moline	9 AM
(Thurs) 7/09	Champaign	11 AM
(Tues) 7/14	Rockfalls	9 AM
(Wed) 7/15	Tinley Park	10 AM
(Thurs) 7/16	Decatur	11 AM
(Thurs) 7/16	Peru	10 AM
(Tues) 7/21	Grayslake	1 PM
(Thurs) 7/30	Freeport	10 AM



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Erin Cochran, editor, ecochran@imrf.org
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**Defending the IMRF pension
model on *Chicago Tonight***

IMRF Executive
Director Louis Kosiba
recently joined a
panel discussion on
Illinois pensions on
Chicago Tonight, a
news program that airs
on local PBS affiliate
WTTW. The episode
in which the discussion
appeared broadcast on
January 8.



Dubbed “The Great Pension Debate,” the segment addressed the underfunding of the Illinois pension systems and explored possible strategies for reducing their unfunded liabilities. Kosiba described why IMRF’s pension model has been so successful and sustainable while other systems have struggled. He also explained why switching from pensions to 401(k)s would not solve the problem. ■