

New look, same commitment to excellence IMRF to launch new website, corporate brand in 2015

At IMRF, we understand how important it is to have convenient access to the information that affects your retirement and your future. In light of this, IMRF is launching a new and improved version of www.imrf.org in February 2015.

A website tailored to your needs

Drawing from customer surveys and focus groups, we have been working to completely redesign our website with an eye toward your needs and preferences as an IMRF member.

A few of these improvements will include:

- **Simpler navigation** to help you find what you need as quickly as possible.
- **Content written in plain language** to make our benefits and policies understandable and clear.
- **A mobile version of the website**, making every part of www.imrf.org easy to read on your phone or tablet.
- **A more robust search function** to help you more accurately pinpoint articles that answer your questions.
- **The ability to change text size** for improved readability, customized to your needs.
- **A mega menu** that will allow you to reach almost any page on the website from the main navigation bar.

- **Spanish translation** of critical content to reach a wider portion of our members and retirees as well as their beneficiaries.
- **Changes to the workshop pages** to make workshops easier to find.



You'll see the new logo on communications from IMRF beginning early in 2015.

No matter what you're looking for, the new www.imrf.org will make it easier than ever for you to find what you need and understand what you read—at any time and from anywhere!

A visually pleasing experience

The website will also feature an attractive,

modern look and feel—including a new logo and color scheme—that reflect IMRF's status as a national leader in the public pension industry.

Beginning early next year, this same logo and color scheme will appear on letters and publications you receive from IMRF. That includes the next issue of this newsletter, which will sport a beautiful new redesign. Keep an eye out for our trademark sunrise, whether in blue and gold or in black and white.

Tell us what you think!

IMRF is with you on every step of your journey toward retirement. With the new www.imrf.org, we are doing our best to serve you better. If you have questions or thoughts on IMRF's plans for its new website and corporate brand, please share them with IMRF Communications Manager John Krupa at johnkrupa-communications@imrf.org. ❖



Louis W. Kosiba
IMRF Executive Director

Article 7 of the Illinois Pension Code establishes IMRF to implement a powerful series of pension laws.

Change is in the air

“Powerful” in that these governing laws create responsibilities and entitlements for several key IMRF stakeholders: participating employers, members, retirees, and IMRF itself as the administrator of a very complex body of laws.

Local administration

Article 7 consists of 225 major sections covering 52 pages of the Illinois Compiled Statutes. The IMRF section is augmented by Article 1 which sets forth fiduciary and investment duties—and Article 20 which establishes your reciprocal rights. With over 2,900 participating employers, IMRF relies on a local representative to properly implement these laws.

The liaison between IMRF and your employer is the “Authorized Agent” who administers the IMRF benefit program at the local level. It is their responsibility to ensure that people are enrolled (and disenrolled), wages are reported, member and employer contributions are properly transmitted to IMRF, and important communications from IMRF are forwarded on to decision makers and finance officers preparing your employers’ budgets.

Accounting changes

Over the next several years, the accounting of IMRF employer costs will undergo a significant change. The Governmental Accounting Standards Board (GASB) will require a change in how pension costs are disclosed in the financial statements for hundreds of IMRF employers. Not every employer is affected, but the majority of our members will be working for employers who are.

Since 2007, IMRF has been auditing employers to ensure the IMRF program is properly administered at the local level. Now with GASB, there is a new emphasis on accurate reporting of employer liabilities. This is a key concept. IMRF is not liable to fund your retirement benefit, your employer is. Yes, IMRF administers the program and invests the monies according to the Illinois Pension Code, but in the end, it is your employer’s responsibility to fund your benefit.

Possible confusion

I anticipate confusion as these GASB requirements are implemented, especially from the press and individuals and groups which oppose a guaranteed pension such as IMRF.

The good news is that employer rates and funding levels will not change—the bad news is that change often leads to misunderstanding.

We will work through this together. For more information, please visit the IMRF website (www.imrf.org). ❖

I'm leaving my IMRF job; should I apply for a refund?

Q At the end of the year, I'm leaving my IMRF position at the local school district to be a stay-at-home parent. I have thought about applying for a refund of my member contributions. However, when my children are school-aged I may consider going back to work for the school district. What should I do?

A If you leave your IMRF position, you have three basic options regarding your IMRF contributions: roll them over into an individual retirement account (IRA) or similar plan, leave them on file, or take them as a refund. Which option is best for you depends on your personal circumstances, including whether you are vested and how likely it is that you'll be working in another IMRF position.

Option 1: Transfer the money to a retirement plan

For most members who are not vested, taking a rollover is a more prudent choice than taking a refund. When you leave your IMRF employer, you can roll your member contributions into:

- A traditional IRA or other qualified retirement plan. Your money stays tax-deferred and can grow tax-deferred. An IRA offers a great way to consolidate assets, because you can combine your retirement savings from different jobs into one place—and you are usually able to move these IRA assets into a new workplace account later on. Best of all, if you do ever return to work for an IMRF employer or with one of IMRF's reciprocal systems, you can even use these contributions to repurchase your service credit!
- A Roth IRA. Your money is taxed now, but can grow and be taken out tax-free at retirement.

Option 2: Leave your contributions on file with IMRF

If you are vested with IMRF, once you reach retirement age you are eligible to receive a pension that will be paid for the rest of your life. This is an excellent reason to leave your contributions on file! In fact, if you are of retirement age and eligible to receive a monthly pension of at least \$30, you

cannot take a refund of your contributions unless you are rolling over your contributions into another defined benefit plan.

Leaving your money on file with IMRF can give you time to decide what to do with it. If you end up working for another IMRF or reciprocal employer in the future, your service credit and contributions will be combined toward a future pension. You won't have to start from scratch or buy back service credit in order to become eligible for a pension.

There is no charge or penalty for leaving your contributions on file. However, keep in mind that IMRF does not pay interest on refunds. No matter how much time goes by, the amount of your refund (before taxes) will remain the same.

Option 3: Take a refund of your IMRF contributions

If you aren't vested, it might make sense for you to take a refund of your IMRF contributions. Even if you are vested, this may be an option. However, by doing so you forfeit your right to any future IMRF benefits, including a pension or survivor benefits. You also lose the opportunity to grow your money by rolling it over into a tax-deferred account.

In addition, you would have to pay income tax on the full amount of your refund. Depending on your age, you may also have to pay an additional 10% early withdrawal tax.

If in the future you end up working for an IMRF or reciprocal employer again, and you work for that employer for at least two years, you can pay back your refund (with interest) and reinstate your service credit. Many people do—in 2013, 1,300 IMRF members applied to buy back refunded service. ❖

Board certifies new 2015 Trustees

The IMRF Board of Trustees certified two new Trustees at a special meeting held September 25, 2014:

- **Natalie Copper as an Employee Trustee** for the term of January 1, 2015, through December 31, 2019.
- **David C. Miller as an Executive Trustee** for the term of January 1, 2015, through December 31, 2016.



The effects of new legislation

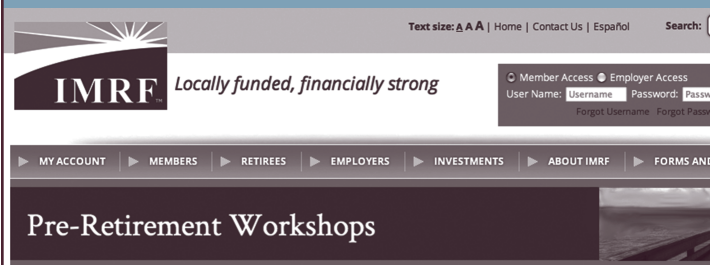
This year, IMRF was scheduled to hold two elections for its Board of Trustees: one for an Employee Trustee, elected by active members of IMRF, and one for an Executive Trustee, elected by employers.

This past year, however, the Illinois General Assembly passed Public Act 98-0932. This law provides that if there is only one candidate for an IMRF Trustee position, no election need be held for that position.

Only Natalie Copper and David Miller submitted the required number of signatures and met the statutory requirements to be a candidate for each of their respective positions. Therefore, no elections were held.

This also means that no cost was incurred for administering two elections with only one candidate each, saving IMRF and Illinois taxpayers money. ❖

Get the most out of the new www.imrf.org! Register for Member Access!



With a Member Access account, you can easily sign up for retirement planning workshops!

Member Access also lets you view your 2015 Member Statement earlier so you can review your IMRF account.

See estimates or details about your:

- Retirement benefits
- Survivor benefits
- Disability benefits
- Beneficiaries

Register today!

Retirement Planning Workshops feature a speaker from IMRF who will address the steps you must take before and during the IMRF retirement application process.

Register Now

List View | Calendar View



Wednesday, October 22
5:00 pm to 7:30 pm
Charleston (Central Illinois Territory)



Wednesday, October 29
1:00 pm to 3:30 pm
Libertyville (Metro North Territory)



Wednesday, October 29
5:00 pm to 7:30 pm
Danville (Central Illinois Territory)



Tuesday, November 4
5:00 pm to 7:30 pm
DECATUR (Central Illinois Territory)



Tuesday, November 4
5:00 pm to 7:30 pm
Joliet (Metro South Territory)

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Natalie Copper

*Employee Trustee**

- 2014 Board President
- 2013 Board Vice President
- 2012 Board Secretary
- Employee Trustee since January 2010

Present position:

School-age Child Care Site-coordinator for Dawes School in Evanston School District 65.

Length of service:

With this employer since 1982; in this position since 1993 to present.

Duties:

I am the Site-coordinator of a school-age childcare program within School District 65. The program is host to children from kindergarten through fifth grade. I supervise a staff of seven; it is my responsibility to ensure that all agency (DCFS and USDA) regulations are followed. My supervisor is Charlotte Carter, School-age Childcare Assistant Coordinator.

I am also a Dawes School lunchroom supervisor. It is my responsibility to ensure that sanitation requirements are being followed, and all children have received a lunch. My supervisor is Karen Bradley, Dawes School Principal. Most importantly within both programs are that the children are in a safe and happy environment.

Other pertinent information:

I have been invested in IMRF for over 25 years. Someday I will join the ranks of the retired and IMRF will be my primary source of income. I am committed to seeing that IMRF remains a viable pension system for over 80,000+ public school employees. I also want to ensure that IMRF benefits are protected, enhanced, and remain the same level of benefits for all, present and future, who rely on them. I am devoted to preserving the funding mechanism of the system and its political independence. I believe IMRF provides first class service and always attempts to stay relevant and sensitive to the needs of active participants and annuitants. ❖

David C. Miller

*Executive Trustee**

- Certified as Executive Trustee in 2014
- Begins term in January 2015

Present position:

Deputy Treasurer & Asst. GM for the North Shore Sanitary District.

Length of service:

Chief financial and administrative officer for past 12 years; 19 years total with this employer.

Duties:

Direct all financial and administrative functions for the second largest sanitary district in Illinois. Responsible for finance, accounting, budgeting, HR, employee benefits, insurance, customer billing, purchasing and inventory.

Other pertinent information:

The IMRF is a pension program that works, with both employers and employees honoring their respective funding obligations. This has enabled an effective recovery from the great recession and a funding status of 87% (and 97% on a market basis), far above the national average. On the other hand, the State of Illinois' pension plans are broken and only 40% funded.

My primary objective as Trustee will be to protect the significant investments made in IMRF by local governments, participants and taxpayers by ensuring that those investments are not compromised during negotiations in Springfield to address the failure of the State's pension systems after many years of mismanagement and funding abuse.

Education:

- University of Wisconsin
- BBA (Finance, Investment & Banking) and MBA (Risk Management). ❖

* *The position of Employee Trustee is chosen by active IMRF employees; the position of Executive Trustee is chosen by IMRF employers.*

Start 2015 off right by attending a free IMRF retirement planning workshop

It's never too soon to plan for your retirement. Attending a free IMRF retirement planning workshop is a great way to explore your options! 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, the more important it is that you register today! 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

2014 Retirement Planning Workshop schedule

(Refreshments will be served)

Workshops for 2014 are full.

The 2015 schedule for Retirement Planning Workshops is being finalized.

Check back at our website at...

www.imrf.org/field_services/member_workshops.htm

...in mid-December for a complete list of 2015 dates and locations!

To register for a workshop, sign into your account at

www.imrf.org/myimrf

All times reflect the start time; workshops last 2-1/2 hours.

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. If you have questions but don't wish to attend a Personal Benefit Review, you can also contact Member Services at 1-800-ASK-IMRF (275-4673).

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

- A pension estimate—available through your Member Access account or by calling 1-800-ASK-IMRF (275-4673).
- Questions you have 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? Our full list of dates, locations, and registration information is available at www.imrf.org—click on “Member Workshops.”

2014 Personal Benefit Reviews (through December)

(Refreshments will not be served)

November		
Date	Location	Time
18 (Tues.)	Decatur	morning
25 (Tues.)	Aurora	morning
December		
Date	Location	Time
4 (Thurs.)	Danville	morning
9 (Tues.)	Rockford	morning
16 (Tues.)	Springfield	afternoon

Check back at our website at...

www.imrf.org/field_services/member_workshops.htm

...in mid-December
for a complete list of 2015
dates and locations!



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 IMRF Main Office & Mail Address
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 Oak Brook, IL 60523-2337

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Sharon U. Thompson
 Annuitant Trustee
 (Formerly) Lee County

Fundamentals

is published four times a year for active IMRF members over 40.
 John Krupa, communications manager, jkrupa@imrf.org
 Erin Cochran, editor, ecochran@imrf.org
 1-800-ASK-IMRF (275-4673), www.imrf.org

Tenemos representantes que hablan español. 1-800-ASK-IMRF (275-4673)

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