

# FUNDAMENTALS

IMRF

ACTIVE MEMBER OVER 40 EDITION

SPRING / SUMMER 2021

## Reviewing Your Member Statement is Important

Member Statements are available online in Member Access. Please take a few moments to make sure your Member Statement is accurate. If there are any problems, it will be much easier to resolve them now than when you are ready to retire! Please be sure to review all pages of your statement, including your beneficiary information.

### What Information is in Your Statement?

Your annual Member Statement provides detailed information about the benefits available to you as an active IMRF member—retirement, disability, and survivor benefits. It includes your IMRF account activity for 2020 as well as an overview of past service, contributions, and employers.

Your Member Statement also includes your Member Identification Number. To protect your information, please use this number in place of your Social Security Number when calling or completing paperwork for IMRF. ■



The screenshot shows a web interface with a large blue header that says "MEMBER STATEMENTS". Below this, there is a "Member Access" button with a mouse cursor pointing to it. The main content area displays the IMRF logo with the tagline "Locally funded, financially sound." Below the logo, it says "Personal Statement of Benefits for Mary A. Member" and "IMRF Member ID: 000-1234". At the bottom of the screenshot, there is a dark blue banner with white text that reads: "To view your Member Statement in Member Access, login and click on **Member Statements** under **Quick Links** in the right column."

**Please note: Member Statements are available online only and will no longer be mailed. A Member Access account is required for viewing online Member Statements. If you do not have a Member Access account, go to [www.imrf.org/register](http://www.imrf.org/register).**



EMAIL NEWSLETTERS See page 8



## Newly Elected and Re-elected IMRF Trustees

This fall, IMRF conducted elections for one Executive Trustee, one Annuitant Trustee, and two Employee Trustees. The IMRF Board of Trustees certified the election results at its meeting on December 18, 2020. Each of the four elected Trustees will serve a 5-year term, January 1, 2021 - December 31, 2025.

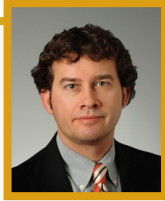
### 4 ELECTED BY EMPLOYERS



**Sue Stanish**  
Director of Finance  
Naperville  
Park District



**Tom Kuehne**  
Finance  
Director/Treasurer  
Village of  
Arlington Heights



**David Miller**  
Executive Director  
North Shore Water  
Reclamation District



**Gwen Henry**  
Treasurer  
DuPage  
County

### Executive Trustee

Gwen Henry has been re-elected Executive Trustee. She has served on the IMRF Board since 2009 and is the DuPage County Treasurer.

### Employee Trustees

Tracie Mitchell has been elected Employee Trustee. She is an Emergency Communications Specialist for the Central IL Regional Dispatch Center.

Peter Stefan has been elected Employee Trustee. He is Finance Director/Treasurer for the Village of Lake in the Hills.

### Annuitant Trustee

Louis Kosiba has been elected Annuitant Trustee. He was formerly Executive Director for IMRF.

### 3 ELECTED BY MEMBERS



**Tracie Mitchell**  
Communications  
Specialist  
Central IL Regional  
Dispatch Center



**Peter Stefan**  
Finance Director/  
Treasurer  
Village of  
Lake in the Hills



**Natalie Copper**  
School-age Child Care  
Site-coordinator  
Dawes School  
in Evanston



**Louis Kosiba**  
Annuitant Trustee  
IMRF

### 1 ELECTED BY RETIRED MEMBERS

## Board of Trustees Elects 2021 Board Officers

At IMRF's Board of Trustees meeting held December 18, 2020, the Board elected 2021 Board Officers.

Executive Trustee Gwen Henry has served on the Board since 2009. She is DuPage County Treasurer.

Employee Trustee Natalie Copper has served on the Board since 2010 and is School-age Child Care Site Coordinator for Dawes School, Evanston School District 65.

Executive Trustee Sue Stanish has served on the Board since 2014 and is Director of Finance for the Naperville Park District. ■

### 2021 Board Officers



**Gwen Henry**  
President



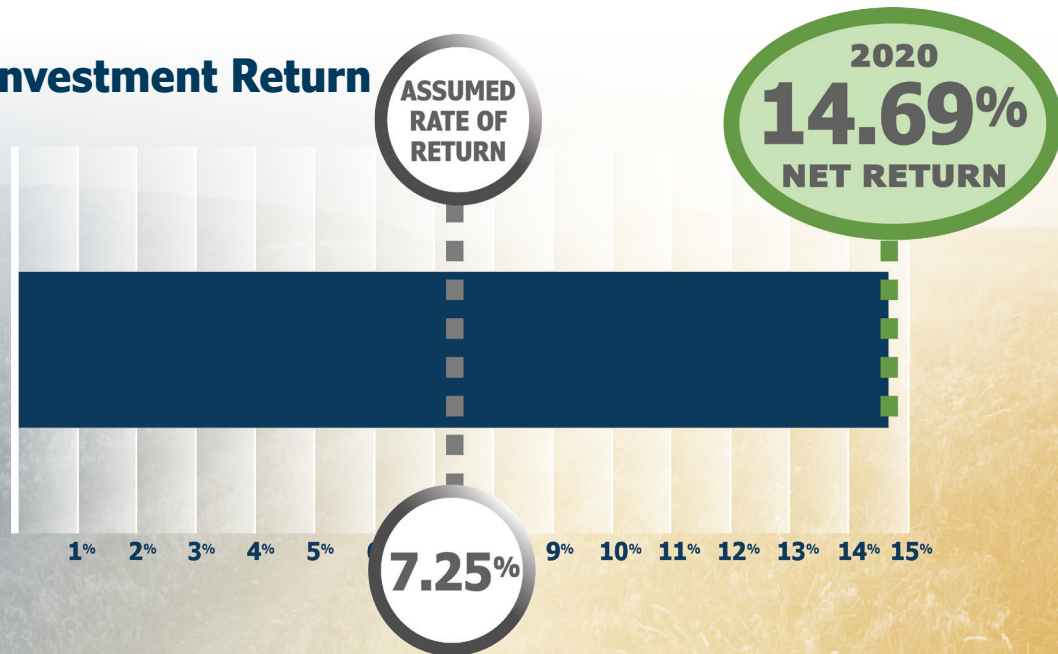
**Natalie Copper**  
Vice President



**Sue Stanish**  
Secretary

# IMRF Investment Return Exceeds Expectations

## IMRF 2020 Investment Return

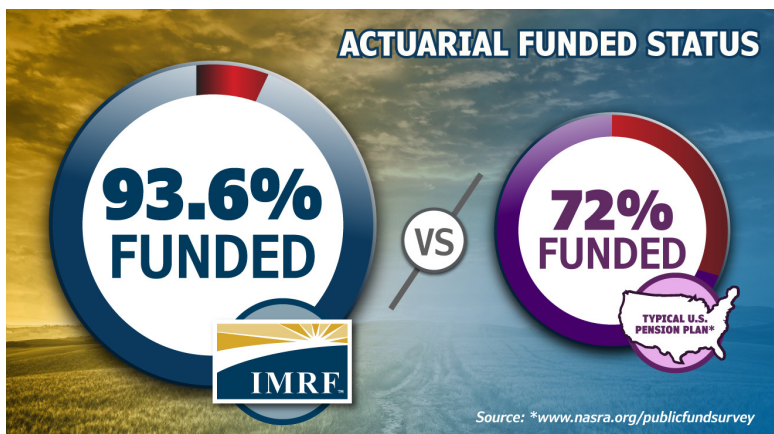
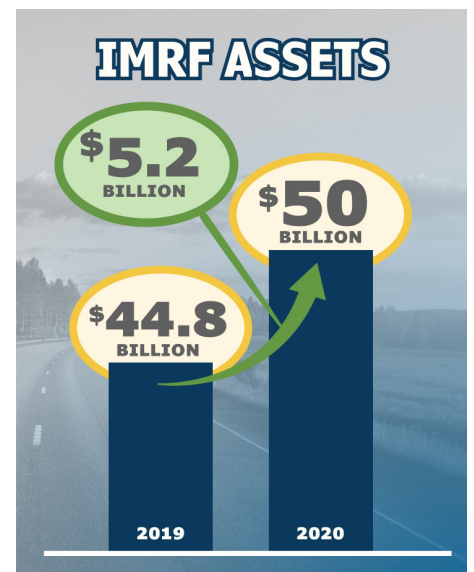


## IMRF 2020 Investment Return Doubled Assumption

### Financial Highlights:

- IMRF earned a 2020 investment return of 14.69%, after portfolio management fees, doubling its assumed rate of return of 7.25% for the year.
- IMRF assets grew from \$44.8 billion at the beginning of 2020 to about \$50 billion at the end of 2020, a gain of about \$5.2 billion for the year.
- IMRF's funded status grew from 90.7% to 93.6% on an actuarial basis.

\* All figures are preliminary and unaudited.



Source: \*www.nasra.org/publicfundsurvey

Earning a strong investment return is important. First, it strengthens IMRF's ability to fulfill its pension promises to current and future IMRF retirees. Second, the more money IMRF makes in the markets, the lower the cost of the IMRF benefits program for local government and taxpayers.

To read more and watch the video of IMRF Executive Director Brian Collins discussing the 2020 investment return and funded status, go to [www.imrf.org/2021update](http://www.imrf.org/2021update).

# What is my FRE and How Does it Affect the Amount of my Pension Payments?

Your FRE is an acronym for your Final Rate of Earnings. Your FRE and your Service Credit will be used in a formula to calculate the amount of your IMRF pension.

## Final Rate of Earnings (FRE)

Your highest average earnings will most likely come later in your IMRF career. If this is the case, the FRE used to calculate your pension will be:

**Tier 1 Regular and SLEP Plans** - Your highest total earnings during any 48 consecutive months within your last 10 years of IMRF service, divided by 48. Usually, this is the average of the last 48 months of service.

**Tier 2 Regular Plan** - Your highest total earnings during any 96 consecutive months within your last 10 years of IMRF service, divided by 96. Usually, this is the average of the last 96 months of service.

## Final Rate of Earnings



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



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

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

## Alternative FRE formula: Lifetime FRE

If you have higher earnings at the beginning of your career, an alternate FRE is used.

The Lifetime FRE is an average of all your earnings (up to the wage cap, for Tier 2) reported by all your IMRF employer(s) over your entire IMRF career.

When you retire, IMRF will calculate your FRE using both methods and will use the FRE that provides you with the larger pension.

## Service Credit

Service credit is your total time under IMRF, stated in years and months.

## How Much Will Your Pension Be?

The amount of your pension is based on your earnings and your service credit. To calculate the amount of your pension, IMRF uses a formula that includes:

- Your FRE
- The total amount of your service credit

## The formula for a Tier 1 or Tier 2 Regular Plan pension is:

- 1-2/3% of your FRE (up to the wage cap, for Tier 2) for each of the first 15 years of service credit, plus
- 2% of your FRE (up to the wage cap, for Tier 2) for each additional year of service credit over 15 years.

Your total pension at retirement cannot exceed 75% of your FRE. ■

# Member Access is the Best Way to Find What You Need



Once you log into your account, you are taken to your Member Access home page, shown here.

Click here to **change your address or other contact information** so IMRF can reach you.

Click here to **review your beneficiaries** and change them if you need to.

Here you can **view your contributions** for each year you've been a member of IMRF.

For many popular actions, just use these **Quick Links!**

**Looking for your VAC?**  
Your Voluntary Additional Contributions information can be found here. You will need to log into your Member Access account to view it.

IMRF's **Pension Calculator** helps you estimate what your pension will be.

Schedule a **Phone Personal Benefits Review (PBR)** here (more on page 7).

If you have specific questions or concerns, and you are not able to find the answers in Member Access, sending a **Secure Message** through your Member Access account is the best way to reach IMRF's Member Services department.



# 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 2021 dates once they become available, go to [www.imrf.org/member-workshops](http://www.imrf.org/member-workshops).

### 2021 Pre-Retirement Workshop Webinar Dates

#### April

DATE	TIME
(Thu) 4/15	11 AM - noon (central)
(Sat) 4/17	9 AM - 10 AM (central)

#### May

DATE	TIME
(Tue) 5/4	1 PM - 2 PM (central)
(Sat) 5/15	9 AM - 10 AM (central)
(Thu) 5/20	5 PM - 6 PM (central)

#### June

DATE	TIME
(Tue) 6/1	11 AM - noon (central)
(Thu) 6/17	1 PM - 2 PM (central)
(Sat) 6/19	9 AM - 10 AM (central)

#### July

Dates will be posted online once they become available

## Changes in Return to Work Rules Effective January 1

### 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 you must not return to work for an IMRF employer or 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 first pension payment. This includes returning or making plans to return as a part-time employee, an independent contractor, or a leased employee for 60 days after your pension start date.

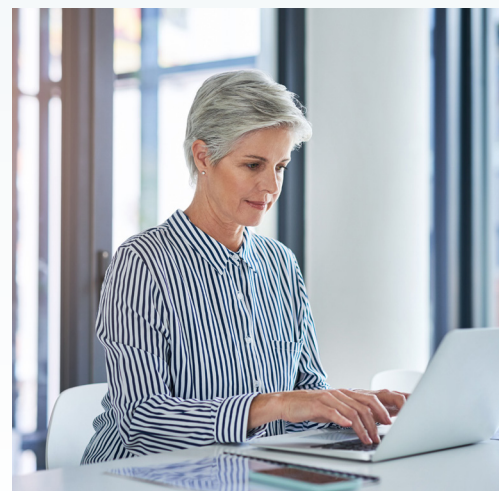
### Change in Return to Work Policy *(became effective January 1, 2021)*

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 hourly standard.

Once the retiree has worked enough hours to reach the 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 Return to Work policies, go to [www.imrf.org/return-to-work](http://www.imrf.org/return-to-work). ■



# Personal Benefits Reviews are Available by Phone

A Personal Benefits Review (PBR) by phone is an optional, one-on-one, 25-minute phone call with an IMRF Field Representative to discuss specific questions about your account. We know your time is precious—if you don't have particular concerns, there's no need to schedule one of these sessions. **Remember: Before you schedule a PBR, you should already have attended a Pre-Retirement Workshop webinar.** Try to book your PBR several months before you need it; appointments fill up fast! If you are unable to make your PBR appointment, please let us know in advance, so the spot can go to someone else who needs it.

## Is a Personal Benefits Review Right for You?

- Have you already attended a Pre-Retirement Workshop webinar?
- Do you have specific account questions that weren't answered in the webinar?
- After a call to 1-800-ASK-IMRF (275-4673), has a representative referred you to a PBR?

If you answered yes to all of these questions, a PBR might help you answer your remaining questions.

## What Will You Need for Your PBR?

- A pension estimate or your Personal Statement of Benefits—available through your Member Access account.
- Questions you have that are specific to your IMRF account.

PBR time is limited; make sure you are on time and prepared!

## How to Schedule a Phone Personal Benefits Review

You can schedule a phone PBR with an IMRF Field Representative by logging into your Member Access account and going to the green Workshop and PBR Registration box in the right column of your Member Access home page or by calling 1-800-ASK-IMRF (1-800-275-4673).

If you don't have a Member Access account, you can go online and create one. You will need a Registration Key to do so. You can request a new Registration Key at [www.imrf.org/register](http://www.imrf.org/register). ■

## New Members Welcome to IMRF!

Your IMRF membership is a major financial asset, so it is important to understand your account.

### Your IMRF benefits include:

- **Retirement benefits**  
With enough time and service credit, you can become eligible for an IMRF pension. You never outlive your IMRF pension—it is payable for life.
- **Disability benefits**  
Your IMRF benefits include disability protection. If you become disabled, IMRF provides two types of disability benefits: temporary, and total and permanent.
- **Death benefits**  
IMRF provides certain benefits to your beneficiaries if you pass away.



To learn more about your benefits and get started on some important first steps, go to [www.imrf.org/new-member](http://www.imrf.org/new-member). ■



PRESORTED STANDARD  
U.S. POSTAGE PAID  
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RETIREMENT FUND

**IMRF**  
Suite 500  
2211 York Road  
Oak Brook, IL 60523-2337

*Locally funded, financially sound.*

### IMRF 2021 Board of Trustees

#### BOARD OFFICERS

Gwen Henry  
**President**  
*Executive Trustee*  
DuPage County

Natalie Copper  
**Vice President**  
*Employee Trustee*  
Evanston School  
District 65

Sue Stanish  
**Secretary**  
*Executive Trustee*  
Naperville Park District

Louis Kosiba  
*Annuitant Trustee*  
(Formerly) IMRF  
  
Tom Kuehne  
*Executive Trustee*  
Village of Arlington Heights

David Miller  
*Executive Trustee*  
North Shore Water  
Reclamation District

Tracie Mitchell  
*Employee Trustee*  
Central IL Regional  
Dispatch Center

Peter Stefan  
*Employee Trustee*  
Village of Lake in the Hills

## FUNDAMENTALS

is published for active members of IMRF over age 40.

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1-800-ASK-IMRF (275-4673) • [www.imrf.org](http://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.

Go to [www.imrf.org/register](http://www.imrf.org/register) to request that a new Registration key be mailed to you. Registration keys from previous Member Statements are no longer active. ■