

If you **elected to participate** in IMRF and wish to purchase service earned in your position before you decided to join IMRF, you would purchase Retroactive service credit.

Elected officials and city hospital employees are the only IMRF members who **have the option** of participating in IMRF, with the exception of a very limited number of chiefs of police. All other municipal employees are **required** to participate in IMRF if they work in a qualifying position.

If you are an elected official, the amount of Retroactive service credit you may purchase is limited to 50 months unless your governing body **passed a resolution before December 31, 2001**, allowing the purchase of more than 50 months.

Eligibility requirements

- Your application must be received by IMRF while you are currently participating in IMRF or another Illinois reciprocal retirement system.

AND

- You earned the service after the date your employer joined IMRF.

AND

- You earned the service in a position that qualifies for IMRF participation. Your employer or governing body must adopt (or already have on file) a resolution stating that your position is eligible for IMRF participation based on your employer's hourly standard of either 600 or 1,000 hours a year.

What you must do

- You must fill out applicable member sections of IMRF Form 6.04, "Application for Retroactive Service Credit." Complete the top "name and address" section and then choose the IMRF plan type you wish to establish the service under, sign and date the form. You then give the form to your employer for certification and submission to IMRF.

Understanding IMRF-Qualified Positions and the Hourly Standard

You are **required** to participate in IMRF if you work in an IMRF-qualified position. An IMRF-qualified position is one that will equal or exceed your employer's annual hourly standard. This standard is either 600 or 1,000 hours.

All school and special education districts are under an annual hourly standard of 600 hours.

All other IMRF employers have the option of choosing an annual hourly standard of either 600 or 1,000 hours a year. If your employer decides to change its hourly standard from 600 to 1,000 hours a year, only employees hired after that time would be under the 1,000-hour standard.

"Full time" and "part time" do not mean anything in relation to the hourly standard. If the hours you work in a year are expected to meet or exceed your employer's chosen hourly standard (either 600 or 1,000 hours a year) you must participate in IMRF, regardless of full time or part time designation.

Your position is considered for participation in IMRF based on its **expected** hourly requirement. The actual hours you work may be more or less than the hours your position is expected to work.

Retroactive Service Credit

What your employer must do

- Your employer's governing body must adopt a resolution confirming that your elected official position qualified for IMRF coverage ((IMRF Form 6.64, "A Resolution Relating to Participation by Elected Officials in the Illinois Municipal Retirement Fund").
- Your employer's Authorized Agent complete's the middle section of IMRF Form 6.04, "Application for Retroactive Service Credit," verifying that your position qualified for IMRF participation and certifying your wages and the months of Retroactive service.

How much Retroactive service credit can you purchase?

Purchasing any amount of service is optional to you. You may purchase all, none, or a portion of your Retroactive service credit. The total amount of Retroactive service credit you may purchase is limited to 50 months.

In most cases, you cannot choose the specific months of service you wish to purchase (see exception below). You purchase Retroactive service beginning with your most recent month of service. For example, if you are purchasing Retroactive service for the months of October, November, and December 2000 and January and February 2001, you would purchase February 2001, then January 2001, then December 2000, etc.

In some cases, purchasing your Retroactive service credit will give you concurrent service credit. This means that you have service under more than one IMRF employer for the same month, but you can only earn one month of service credit for that time.

Under most circumstances, IMRF does not allow you to choose the specific months of service you will purchase. However, in some situations you can bypass purchasing the most recent 50 months of service credit in order to avoid purchasing overlapping, or concurrent, service credit.

For example, you already have IMRF service and contributions established from January 1998 to the present Under County A. You have 72 months of Retroactive service credit, earned from January 1993 until December 1998 under Township B. If you were to purchase the most recent 50 months of service credit, you would purchase the service between November 1994 and December 1998. This would give you concurrent service credit for January 1998 through December 1998.

However, since you have more than 50 months of Retroactive service credit available, you may purchase the 50 month period covering November 1993 through December 1997, avoiding concurrent service.

Retroactive Service Credit

How costs are calculated

Your cost is calculated using your actual earnings during the Retroactive period and calculating the amount of IMRF member contributions you would have paid on those wages.

Interest is calculated from the end of the Retroactive period through December 31 of the year prior to the year you purchase the service.

Example: You have 12 months of qualifying service as an elected official for Tulip County, from November 1991 until November 1992. Your salary during this time was \$1,000 a month, and you plan to purchase your service credit under the Regular IMRF plan.

Total salary paid during this time: $\$1,000 \times 12 \text{ months} = \$12,000$

Total contributions for this Retroactive period: $\$12,000 \times 4.5\% = \540

Interest is then calculated on the contributions from November 30, 1992 (the end date of the Retroactive period) through December 31st of the year prior to receipt of your application. The interest is then added to the Retroactive contribution amount to make your lump sum amount for the current calendar year.

$\$540 + \text{interest} = \text{Total lump sum cost to purchase your Retroactive service credit}$

Employer contribution costs are paid through future employer contribution rates.

Can you purchase Retroactive service credit under the Sheriff's Law Enforcement Personnel (SLEP) or Elected County Officials (ECO) Plans?

Retroactive SLEP service can be established only for elected county sheriffs.

Retroactive ECO service can be purchased if you are **currently participating in IMRF under the ECO plan**, or you previously participated in the ECO plan and did not sign and submit IMRF Form 6.28, "Revocation of Election to Participate in Elected County Official Plan."