

Conversion to ECO Service Credit

If you are currently participating in IMRF's Elected County Official (ECO) plan you may be able to convert all or a part of any service credit you earned under the IMRF Regular or Sheriff's Law Enforcement Personnel (SLEP) plans to the ECO plan. Depending on which ECO plan you participate in, the requirements and eligible service vary.

If you **joined ECO on or before January 25, 2000, you participate in the *Original ECO plan***. See below for requirements and limitations.

If you **joined ECO on or after January 26, 2000, you participate in the *Revised ECO plan***. See the next page for requirements and limitations.

Eligibility requirements if you participate in the *Original ECO plan*

If you joined ECO on or before January 25, 2000, you participate in the *Original ECO plan*. Under this plan, you can convert **any** earnings and service which you previously earned under the Regular or SLEP plans into ECO service credit.

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

AND

- Your earnings and contributions for the service were reported to IMRF under either the Regular IMRF plan or the SLEP Plan.

AND

- Your contributions are on deposit with IMRF—you did not take a refund of your contributions. If you did take a refund of your contributions, your service can be reinstated and converted to ECO at the same time.

Conversion to ECO Service Credit

Eligibility requirements if you participate in the *Revised ECO plan*

If you joined ECO on or after January 26, 2000, you participate in the ***Revised ECO plan***. Under this plan, you can convert **only those earnings and contributions you earned as an elected county official which were previously reported under the Regular or SLEP plans**.

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.

- Your application must be received by IMRF while you are currently participating in IMRF under the ECO plan.

AND

- You must have earned the service in an **elected county official position** that qualified for IMRF participation. This means that the position is eligible for IMRF participation based on your employer's hourly standard of either 600 or 1,000 hours a year. (See shaded box at right.)

AND

- Your earnings and contributions for the service were reported to IMRF under either the Regular IMRF Plan or the SLEP Plan.

AND

- Your contributions are currently on deposit with IMRF—you did not take a refund of your contributions. If you took a refund of your contributions, your service can be reinstated and converted to ECO at the same time. This would then be considered Reinstated service credit.

What you must do

You must complete and return IMRF Form 6.06, "Conversion of Regular or SLEP service credit to Elected County Official (ECO) service credit for earnings previously reported to IMRF."

Conversion to ECO Service Credit

What your employer must do

Nothing. You do not need to get approval from any former or current employer(s) to purchase this type of service. However, your employer must have already adopted the ECO plan and reported you as an ECO plan participant on the monthly payroll.

How much previously earned service can you convert to ECO?

The amount of service you can convert is limited by:

- The amount of service credit you previously earned and that was reported to IMRF; and
- The ECO plan you participate in.
 - If you participate in the **Original** ECO plan, you can convert any service previously reported to IMRF for any position.
 - If you participate in the **Revised** ECO plan, you may only convert service that you previously earned in an elected county official position.

Converting any amount of service is optional to you. You may convert all, none, or a portion of your service credit; however, you cannot choose the specific months of service. You convert the service beginning with your most recent month of service. For example, if you have service for the months of October, November, and December 2000 and January and February 2001, you would convert February 2001, then January 2001, then December 2000, etc.

How costs are calculated

Your cost is based on the actual earnings reported for you during the period you wish to convert. Currently, Regular IMRF plan members contribute 4.5% of salary and SLEP plan members contribute 7.5% of salary. ECO members contribute 7.5% of salary, therefore, for each month of service converted to ECO, you would pay an additional:

- 3% of contributions plus interest on Regular IMRF earnings; or
- 1% or 2% of contributions plus interest on SLEP service earned before June 1, 2006. Contribution rate depends upon your original SLEP contribution amount.

SLEP Contribution Rates

From July 1973 to June 1988, SLEP plan participants contributed 5.5%. Between July 1988 and May 2006, SLEP plan participants contributed 6.5%. After June 1, 2006, they contributed 7.5%.

The additional contributions you would pay to convert your service to ECO is based on the difference between the 7.5% of salary ECO participants contribute and the percentage you originally contributed.

Conversion to ECO Service Credit

Example: It is now 2007, and you want to convert your prior term of office as an elected county official. Your term of office was for 48 months, covering the period from January 1994 to December 1997. You originally earned this service under the Regular IMRF plan. Your monthly salary during this time was \$2,000 a month.

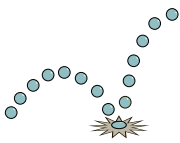
Additional contributions required to convert this service to ECO:

$\$2,000 \times 3\%^* = \$60 \text{ per month} \times 48 \text{ months} = \$2,880 \text{ ECO contributions}$

* the difference between Regular and ECO contribution rates

Interest is then calculated from January 1994 through December 31st of the year prior to receipt of your application.

Employer contribution costs are paid through future employer contribution rates.



Your employer may pass a resolution that requires you to pay both the member and employer cost for converting this service credit to ECO.