

Fundamentals

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Illinois Municipal Retirement Fund

Fall 2000

RETIRED MEMBER EDITION



IMRF assets grow to \$15.8 billion in 1999

1999 Annual Financial Report

Each year, IMRF compiles information for its Comprehensive Annual Financial Report. The process of reviewing the previous year allows IMRF to share how IMRF's Board of Trustees, staff, and consultants work together to protect your future benefits and ensure that you will receive lifetime benefits as promised by the Illinois Pension Code.

The following article summarizes information from the IMRF 1999 Annual Financial Report.

Strong investment returns

Revenues needed to fund benefits are accumulated through employer and member contributions and returns on investments. Contributions and net investment returns for 1999 totaled \$3,260.6 million, an increase of approximately 65 percent from 1998.

IMRF's financial position improved as the result of strong investment returns. In 1999, net investment return provided 82 percent of total additions to the net assets. Employers contributed 12 percent and members contributed 6 percent. Refer to the pie chart below called "1999 Revenues by Source."

Investing contributions

As these figures show, one of the Board's most important responsibilities is the investment of member and employer

contributions. In 1999, the total rate of return for the portfolio was 20.93 percent compared to 12.63 percent in 1998. These returns reflect IMRF's investment plan of continued growth and diversity. IMRF's plan is to diversify fund assets in order to minimize the risk of large losses.

Growth in IMRF net assets

In 1999, additions to net assets of \$3,260.6 million exceeded deductions of \$540.7 million by \$2,719.9 million. This addition brought the Plan's net asset base to \$15.8 billion.

Rise in benefit payments

Expenses paid by IMRF include benefit payments, refunds, and administrative expenses. Benefits continue to account for 97 percent of IMRF expenditures.

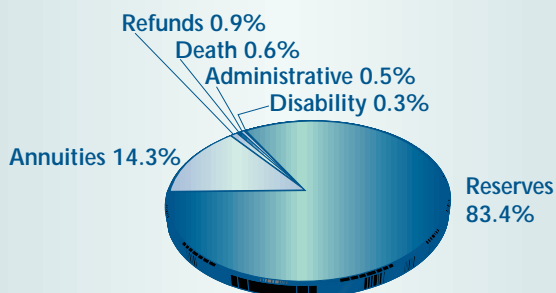
In 1999, these benefits increased from \$451.5 million to \$496.4 million. The increase in benefit payments to members and beneficiaries resulted primarily from growth in the number of retired members to 69,716.

Despite the increase in the number of retirees, you can be assured that IMRF's net asset base is irrevocably committed to the payment of your pension.

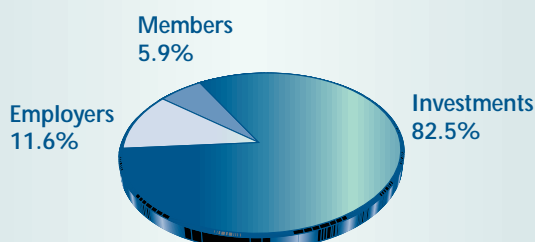
Visit *IMRF Online* (www.imrf.org/pubs/annualrpt.pdf) to view IMRF's Annual Financial Report.

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Revenues exceed expenses by \$2.7 billion



1999 Revenues by Application



1999 Revenues by Source

Moving? Don't forget to notify us of address changes.

**Questions?
1-800-ASK-IMRF
(1-800-275-4673)**

Changes in IMRF Net Assets (in millions)

	1999	1998
ADDITIONS		
Member IMRF contributions	\$ 192.3	\$ 190.3
Employer IMRF contributions	379.2	364.2
Income from Investments	2,689.1	1,416.2
Total additions	<u>\$ 3,260.6</u>	<u>\$ 1,970.7</u>
DEDUCTIONS		
Benefits	\$ 496.4	\$ 451.5
Refunds	28.1	27.1
Administrative expenses	16.2	16.5
Total deductions	<u>540.7</u>	<u>495.1</u>
Net increase	<u>\$ 2,719.9</u>	<u>\$ 1,475.6</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
Beginning of year	13,085.6	11,610.0
End of year	\$15,805.5	\$13,085.6

IMRF Net Assets as of December 31, 1999 (in millions)

ASSETS	Millions	RESERVES	Millions
Cash	\$ 6.7	Member (contributions and interest)	\$ 2,258.6
Receivables	141.7	Annuitant (amount required to pay pensions granted)	4,915.5
Investments (Fair Value)	15,955.4	Employer (amount accumulated to pay benefits to be awarded in the future)	<u>8,631.4</u>
Prepaid Expenses	27.6	Total Reserves	<u>\$ 15,805.5</u>
Equipment and Fixtures	1.1		
Total Assets	<u>16,132.5</u>		
Less Payables	<u>327.0</u>		
Net Assets	<u>\$ 15,805.5</u>		

Candidate petitions due in IMRF by September 15, 2000

Retirees to elect IMRF Trustee

In November, IMRF retired members will elect one **Annuitant (Retiree) Trustee** to serve a five-year term beginning on January 1, 2001. At the same time, IMRF employers will elect one Executive Trustee and IMRF members will elect two Employee Trustees.

Who can be a candidate?

To run for the office of Annuitant Trustee, a person must be receiving an IMRF pension in January 2001, and file petitions signed by at least 100 eligible retirees (individuals receiving a pension in July 2000). IMRF members who are currently active but plan to retire by December 31, 2000, may run for this office.

Nominating petitions

Nominating petitions will be

accepted in the IMRF office in Oak Brook until September 15, 2000. Petitions received after 4:30 p.m. on September 15 will not be accepted.

Election ballot mailing

Ballots, along with candidates' biographies, for the annuitant trustee election will be mailed to retired members' homes on November 3, 2000. IMRF retirees who receive a benefit payment in September will receive a ballot in November.

Voted ballots must be signed and returned to IMRF by the close of business at 4:30 p.m. on December 5, 2000.

For detailed election instructions and nominating procedures, visit IMRF *Online* (<http://www.imrf.org/about/elections/2000election.htm>) or call 1-800-ASK-IMRF (1-800-275-4673). ▲

**IMRF 2000
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From what we get, we can make a living;
what we give, however, makes a life — *Arthur Ashe*