

Comparing Tier 1 and Tier 2 – IMRF Regular Plan

	Regular Tier 1 – RG01	Regular Tier 2 – RG03
What makes you eligible?	<ul style="list-style-type: none"> You are currently participating in Regular IMRF You were enrolled in IMRF before January 1, 2011. You previously participated in IMRF as an active member or in a reciprocal system and return to participation. 	<p>You are first enrolled in IMRF's Regular Plan on or after January 1, 2011.</p> <p>But there's an EXCEPTION:</p> <p>You participate in Tier 1 if you have current or previous IMRF or reciprocal retirement system participation (with the exception of the Judges' Retirement System and the General Assembly Retirement System) and are enrolled in IMRF after January 1, 2011.</p>
How much service do you need to vest?	8 years	10 years
What is your normal retirement age?	60	67
What is your earliest retirement age (pension is reduced)?	55	62
How is your pension reduced?	<ul style="list-style-type: none"> If you retire between age 55 and 60 with less than 30 years of service credit: your pension is reduced 1/4% for each month under age 60. If you retire between age 55 and 60 with at least 30 but less than 35 years of service credit, your pension is reduced by lesser of 1/4% for each month <ul style="list-style-type: none"> Under age 60 or Of service credit less than 35 years. If you retire with 35 or more years of service credit and are at least age 55, there is no reduction. 	<ul style="list-style-type: none"> If you retire between age 62 and 67 with less than 30 years of service credit: your pension is reduced 1/2% for each month under age 67. If you retire between age 62 and 67 with at least 30 but less than 35 years of service credit, your pension is reduced by the lesser of 1/2% for each month <ul style="list-style-type: none"> Under age 67 or Of service credit less than 35 years. If you retire with 35 or more years of service credit and are at least age 62, there is no reduction.
What is included in your Final Rate of Earnings (FRE)?	<p>Your FRE is the average of the highest 48 months in your last 10 years of service</p> <p>The 125% rule applies: Wages for each of the last three months cannot be more than 25% greater than the highest earnings in any of the first 45 months.</p>	<p>Your FRE is the average of the highest 96 months in your last 10 years of service</p> <p>For members who began on or after 1/1/2011 but before 1/1/2012: The 125% rule applies: Wages for each of the last three months cannot be more than 25% greater than the highest earnings in any of the first 93 months.</p> <p>For members who began on or after 1/1/2012: Wages for each of the last 24 months of the FRE cannot be more than 25% greater than any of the first 72 months in the 96 month FRE period.</p>

What is your cap on reportable wages?	None for members first participating before January 1, 1996. \$305,000 annually (in 2022) for all others.	The cap for 2022 is \$119,892.41; this amount automatically increases annually by the lesser of 3% or by one-half of the increase in the Consumer Price Index (urban) for the preceding year.
What is the amount of your Annual Pension Increase?	3% of the original amount	The lower of 3% or one-half of the increase in the Consumer Price Index (urban) for the preceding year of the original amount. If the CPI decreases or is zero, no increase is paid.
When are you eligible for an Annual Pension Increase?	The first January following your retirement effective date. For the first year the increase is prorated for an effective date other than January 1.	Your first increase is not paid until the later of age 67 or after one year of receiving your pension.
What is the amount of the Surviving Spouse Pension?	50% of the pension you had earned at the date of death.	66-2/3% of the pension you had earned at the date of death.
What is the amount of the Surviving Spouse Pension Annual Increase?	3% of the original amount, which is payable each year on January 1.	The lower of 3% or one-half of the increase in the Consumer Price Index (urban) for the preceding year of the original amount. If the CPI decreases or is zero, no increase is paid. The increase is payable each year on January 1.
How can you qualify for an Early Retirement Incentive?	<ul style="list-style-type: none"> Your employer's governing body must pass an ERI resolution. You must be at least age 50 and have 20 years of service. You can purchase between one month and five years of service. This increases your age and service for retirement calculation purposes. 	<ul style="list-style-type: none"> Your employer's governing body must pass an ERI resolution. You must be at least age 57 and have 20 years of service. You can purchase between one month and five years of service. This increases your age and service for retirement calculation purposes.
What About Voluntary Additional Contributions?	You may contribute up to an additional 10% of your salary.	You may contribute up to an additional 10% of your salary (up to the wage cap).
What is the Lump Sum Death Benefit (active member)?	One year's salary plus any balance in the member's account.	One year's salary (up to the wage cap) plus any balance in the member's account.
What stays the same?	<ul style="list-style-type: none"> Member contribution rate Pension formula 13th Payment Disability Benefits (salary used to calculate benefit subject to wage cap) Survivor benefits (except as noted above) Money Purchase formula 	

Comparing Tier 1 and Tier 2 – IMRF SLEP Plan

	SLEP Tier 1 – SL01	SLEP Tier 2 – SL03
What makes you eligible?	<ul style="list-style-type: none"> You are participating in the IMRF Sheriff's Law Enforcement Personnel (SLEP) plan before January 1, 2011. You previously participated in SLEP before January 1, 2011 and returned to SLEP participation at any time (either before or after January 1, 2011). 	<p>You are first enrolled in the IMRF Sheriff's Law Enforcement Personnel (SLEP) plan on or after January 1, 2011.</p> <p>Note this Exception! Prior participation in Regular IMRF or in a reciprocal retirement system before January 1, 2011, will NOT make you eligible for SLEP Tier 1.</p>
How much service do you need to vest?	20 years	10 years
What is your normal retirement age?	50	55
What is your earliest retirement age?	N/A	50
Is your SLEP pension reduced?	Your SLEP pension is not subject to reduction	Your SLEP pension is reduced 1/2% for each month under age 55.
What is included in your Final Rate of Earnings (FRE)?	<p>Your FRE is the average of the highest 48 months in your last 10 years of service.</p> <p>125% rule applies: Wages for each of the last three months cannot be more than 25% greater than the highest earnings in any of the first 45 months.</p>	Your FRE is the average of the highest 96 months in your last 10 years of service
What is your maximum pension payable?	80% of final rate of earnings.	75% of final rate of earnings.
What is your cap on Reportable Wages?	<p>None for members first participating before January 1, 1996.</p> <p>\$305,000 annually (in 2022) for all others.</p>	<p>The 2022 cap is \$119,892.41; this amount automatically increases annually by the lesser of</p> <ul style="list-style-type: none"> 3% <p style="text-align: center;">~OR~</p> <ul style="list-style-type: none"> by one-half of the annual increase in the Consumer Price Index (urban) for the 12 months ending in September of the preceding year <p>If the CPI decreases or is zero, the wage cap is not increased.</p>
What is the limit on your Reportable Wages?	None.	Compensation for overtime is not included in reportable wages.

What is the amount of your Annual Pension Increase?	3% of the original amount	<p>The original amount is increased by the lower of</p> <ul style="list-style-type: none"> • 3% ~OR~ • one-half of the annual increase in the Consumer Price Index (urban) for the 12 months ending in September of the preceding year <p>If the CPI decreases or is zero, no increase is paid.</p>
When are you eligible for an Annual Pension Increase?	The first January following your retirement effective date. For the first year the increase is prorated for an effective date other than January 1.	<p>Your increase is not paid until January 1 on or after the later of :</p> <ul style="list-style-type: none"> • age 60 ~OR~ • one year of receiving your pension
What is the amount of the Surviving Spouse Pension?	50% of the pension you had earned at the date of death.	66-2/3% of the pension you had earned at the date of death.
What is the amount of the Surviving Spouse Pension Annual Increase?	3% of the original amount, which is payable each year on January 1.	<p>The original amount is increased by the lower of</p> <ul style="list-style-type: none"> • 3% ~OR~ • one-half of the annual increase in the Consumer Price Index (urban) for the 12 months ending in September of the preceding year <p>If the CPI decreases or is zero, no increase is paid.</p> <p>The increase is payable each year on January 1 on or after the spouse reaches age 60.</p>
How can you qualify for an Early Retirement Incentive?	<ul style="list-style-type: none"> • Your employer's governing body must pass an ERI resolution. • You must be at least age 50 and have 20 years of service. • You can purchase between one month and five years of service. This increases your age and service for retirement calculation purposes. 	<ul style="list-style-type: none"> • Your employer's governing body must pass an ERI resolution. • You must be at least age 50 and have 20 years of service. • You can purchase between one month and five years of service. This increases your age and service for retirement calculation purposes.
What is the Lump Sum Death Benefit (active member)?	One year's salary plus any balance in the member's account.	One year's salary (up to the wage cap) plus any balance in the member's account.
What stays the same?	<ul style="list-style-type: none"> • Member contribution rate (not charged for wages in excess of the wage cap or for overtime wages) • Pension formula • 13th Payment • Disability Benefits (salary used to calculate benefit subject to wage cap) • Survivor benefits (except as noted above) • Money Purchase formula 	