



SUGGESTED FORM OF RESOLUTION TO ADOPT EARLY RETIREMENT INCENTIVE IMRF Form 6.77 (Rev. 04/2015)

Exhibit
6MM

PLEASE ENTER
Employer IMRF I.D. Number

See next page for additional ERI information.

RESOLUTION Number _____

WHEREAS, Section 7-141.1 of the Illinois Pension Code provides that a participating employer may elect to adopt an early retirement incentive program offered by the Illinois Municipal Retirement Fund by adopting a resolution or ordinance; and

WHEREAS, the goal of adopting an early retirement program is to realize a substantial savings in personnel costs by offering early retirement incentives to employees who have accumulated many years of service credit; and

WHEREAS, IMRF has prepared an actuarial estimate of the cost of an early retirement incentive program for _____ and the additional liability created by the early retirement incentive

EMPLOYER NAME
is estimated to be \$ _____; and the 10-year amortization cost is estimated to be \$ _____.

WHEREAS, the _____ has reviewed the cost estimate and determined that the adoption of an early
BOARD, COUNCIL, ETC.
retirement incentive is in the best interests of the _____; therefore be it
EMPLOYER NAME

RESOLVED by the _____ of _____ that:
BOARD, COUNCIL, ETC. EMPLOYER NAME

(1) The _____ does hereby adopt the Illinois Municipal Retirement Fund
EMPLOYER NAME
early retirement incentive program as provided in Section 7-141.1 of the Illinois Pension Code. The early retirement incentive program shall
take effect on _____.
DATE

(2) In order to help achieve a true cost savings, an employee who retires under the early retirement incentive program shall lose those incentives if he or she later accepts employment with any IMRF employer in any position. (Exception: employee can hold an elected position if he/she chooses to not participate in IMRF and the pension is not based on any service earned in that position during any term of office.)

(3) In order to utilize an early retirement incentive as a budgeting tool, the _____
EMPLOYER NAME
will use its best efforts either to limit the number of retiring employees replaced or to limit the salaries paid to the replacement employees.

(4) The effective date of each employee's retirement under this early retirement incentive program shall be set by
EMPLOYER NAME
and shall be no earlier than the effective date of the program and no later than one year after
that effective date; except that the employee may require that the retirement date set by the employer be no later than the June 30 next
occurring after the effective date of the program and no earlier than the date upon which the employee qualifies for retirement.

(5) To be eligible for the early retirement incentive under this Section, the employee must have attained age 50 and have at least 20 years of creditable service by his or her retirement date; and

(6) As of the date of the adoption of this Resolution, the _____ is () is not () aware of the
BOARD, COUNCIL, ETC.
pending dissolution of _____.
EMPLOYER NAME

(Note: Failure to disclose a potential dissolution shall void this Resolution. If the Board, Council, etc. is aware of the pending dissolution of the IMRF employer, then the successor unit(s) of local government must approve the adoption of the early retirement incentive in order for this Resolution to be effective. If there is no successor, submit your resolution for approval from the IMRF Board of Trustees.)

(7) The _____ shall promptly file a certified copy of this resolution (ordinance) with the
CLERK OR SECRETARY
Board of Trustees of the Illinois Municipal Retirement Fund.

CERTIFICATION

I, _____ the _____ of the
NAME CLERK OR SECRETARY
_____ of the County of _____, State of Illinois, do hereby
EMPLOYER NAME COUNTY
certify that I am the keeper of the books and records of the _____ and that the foregoing is a true and
EMPLOYER NAME
correct copy of a resolution (ordinance) _____ duly adopted by the _____ at a meeting
ORDINANCE BOARD, COUNCIL, ETC.
duly convened and held on the _____ day of _____, 20_____.

If applicable, I further certify that this Resolution has been submitted to the successor unit(s) of local government and that said unit(s) of local government has/have adopted a resolution approving the adoption of the early retirement incentive for

EMPLOYER NAME
A copy of the approval resolution is attached hereto.

SEAL

CLERK OR SECRETARY OF THE BOARD

IMRF

2211 York Road Suite 500 Oak Brook, IL 60523-2337
Employer Services Representatives 1-800-728-7971 Fax: (630) 706-4289

ADDITIONAL EMPLOYER ERI INFORMATION AVAILABLE

Before Passing an ERI Resolution:

Employers should review the “**IMRF Early Retirement Information Incentive (ERI) Booklet - Employer Information**” for a more complete explanation of the ERI program and employer responsibilities before passing an ERI resolution. The booklet can be found at www.imrf.org.

You may request a copy of this booklet from IMRF by calling our Employer Services Representatives at 1-800-728-7971.

Limitation on Frequency

- Employers may not adopt an Early Retirement Incentive (ERI) more frequently than once every five years after the close of a prior ERI.
- An ERI resolution adopting a program earlier than five years after the close of a prior ERI shall not be given effect by IMRF.

ERI cost estimates

- When an employer submits the ERI resolution to IMRF, it should include a copy of the cost estimate for the period of the adopted ERI.
- Contact your IMRF Field Representative to request a cost estimate. Your local Field Representative will be able to calculate the annual increased pension costs. The cost estimate will be completed at no charge to the employer.
- If an employer submits the ERI resolution without a cost estimate:
 - IMRF will not implement the program, and
 - The employer will need to both conduct the cost estimate and adopt a second resolution.

Dissolutions

- If an employer is dissolving and its IMRF assets and liabilities will be transferred to:

One successor unit of government—the dissolving employer must provide the ERI Cost Study to the successor, and the successor must also approve the ERI. A copy of the successor unit's resolution approving the ERI must be available to IMRF upon request.

More than one successor unit of government—the dissolving employer must provide the ERI Cost Study to each successor, and a majority of the successors must approve the ERI. Copies of the successor units' resolutions approving the ERI must be available to IMRF upon request.

No successor unit of government and the law does not specify responsibility for the IMRF assets and obligations—the IMRF Board of Trustees must approve the ERI.

- If a dissolving employer submits the ERI resolution without approval by successor unit(s) of local government or without a request for IMRF Board of Trustees approval when no successors exist, IMRF will not implement the ERI program.
- If IMRF is unaware that these requirements were not met and pays an ERI enhanced pension to a member who:
 - Retired at age 55 or older under Regular Tier 1 (age 50 for SLEP and SLEP ECO) or at age 62 or older under Regular Tier 2, the member will lose the ERI enhancements and be required to pay IMRF the difference between the ERI enhanced pension and the pension he or she would have received without the ERI—less the amount he or she paid for the ERI.
 - Retired at less than age 55 under Regular Tier 1 or less than age 62 under Regular Tier 2, the member will be required to repay IMRF for all pension payments received—less the amount paid for the ERI.

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