



ILLINOIS MUNICIPAL RETIREMENT FUND ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the years ended December 31, 2023 and December 31, 2022

Offices in Oak Brook and Springfield Illinois



**FOR THE YEARS ENDED
DECEMBER 31, 2023 & DECEMBER 31, 2022**

PREPARED BY

The Finance Department of the
Illinois Municipal Retirement Fund

OAK BROOK OFFICE

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www.imrf.org

Brian Collins

Executive Director

IMRF MISSION STATEMENT

To efficiently and impartially develop, implement, and administer programs that provide income protection to members and their beneficiaries on behalf of participating employers, in a prudent manner.

IMRF VALUES

These values guide IMRF to REAACH for our mission and achieve our goals

R RESPECT **E** EMPATHY **A** ACCOUNTABILITY **A** ACCURACY **C** COURAGE **H** HONESTY



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IMRF BOARD OF TRUSTEES

The IMRF Board of Trustees is responsible for the prudent management of IMRF’s retirement assets, and for making sure the money is there to pay the benefits earned by every IMRF member and beneficiary, now and for years to come. The Board carries the responsibility to ensure that IMRF continues to be a well-run, successful pension fund. An eight-member Board of Trustees governs IMRF:

- Four Executive Trustees elected by participating units of government
- Three Employee Trustees elected by participating IMRF members
- One Annuitant Trustee elected by IMRF annuitants

The Board meets at least four times a year and may meet monthly as needed. Trustees are elected to five-year terms and serve without compensation. In their five-year term, each Trustee will have the opportunity to hold each officer position at least one time. Trustees are not subject to term limits.



PETER STEFAN
2024 PRESIDENT
EMPLOYEE TRUSTEE
Current term ending Dec. 31, 2025
Village of Lake in the Hills



DOUGLAS CYCHOLL
EMPLOYEE TRUSTEE
Current term ending Dec. 31, 2025
City of Springfield



LOUIS KOSIBA
2024 VICE PRESIDENT
ANNUITANT TRUSTEE
Current term ending Dec. 31, 2025
Formerly IMRF



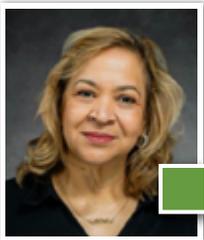
GWEN HENRY
EXECUTIVE TRUSTEE
Current term ending Dec. 31, 2025
DuPage County



SUE STANISH
2024 SECRETARY
EXECUTIVE TRUSTEE
Current term ending Dec. 31, 2028
Naperville Park District



TOM KUEHNE
EXECUTIVE TRUSTEE
Current term ending Dec. 31, 2027
Village of Arlington Heights



NATALIE COPPER
EMPLOYEE TRUSTEE
Current term ending Dec. 31, 2024
Dawes School in Evanston



DAVID MILLER
EXECUTIVE TRUSTEE
Current term ending Dec. 31, 2026
North Shore Water Reclamation District

IMRF DIRECTORS



BRIAN COLLINS
Executive Director



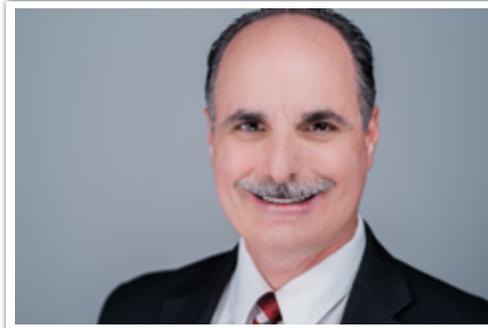
CARA BANNON
Director of Human Resources



VLADIMIR SHULIGA
General Counsel



ANGELA MILLER-MAY
Chief Investment Officer



MARK NANNINI
Chief Financial Officer

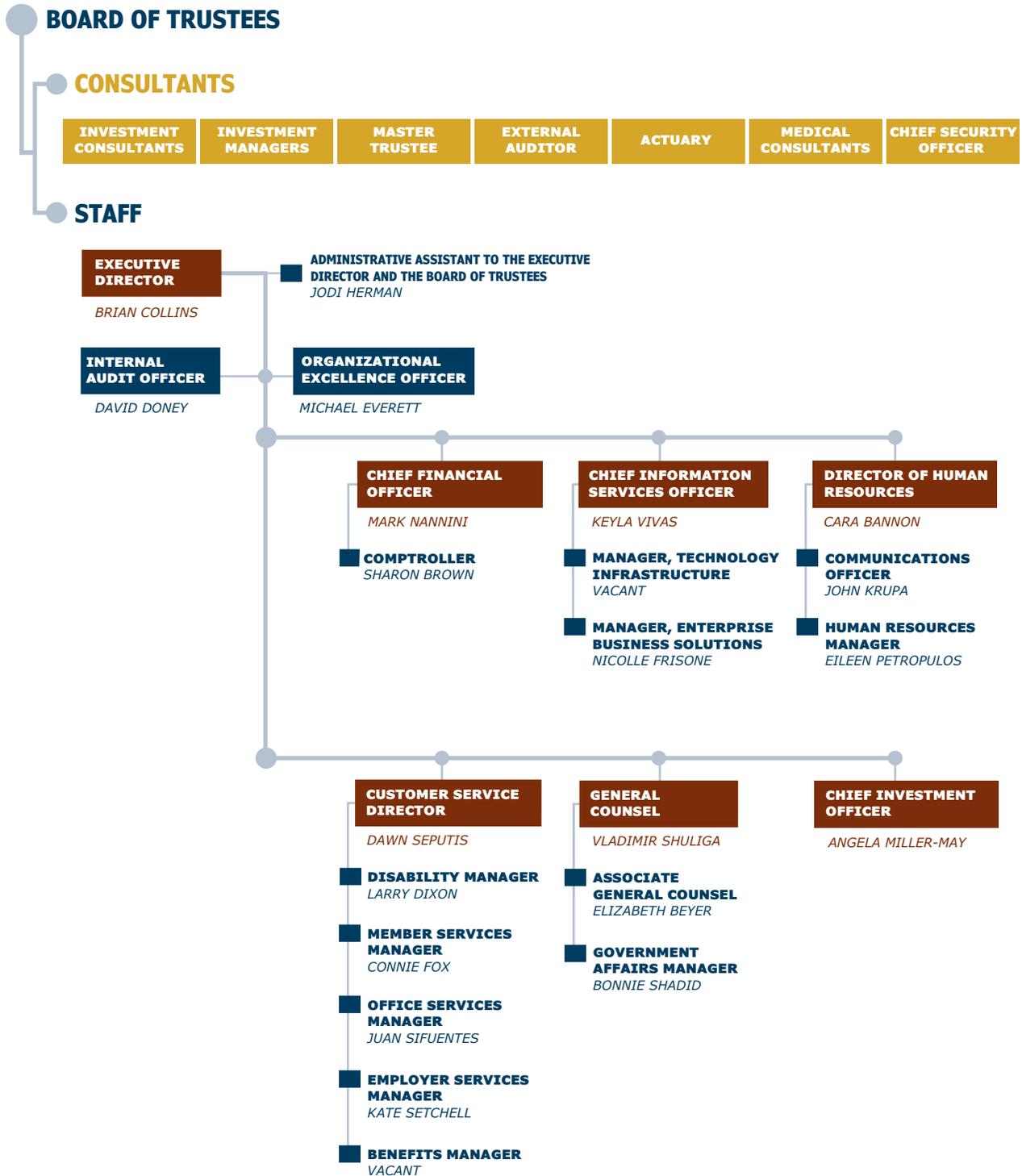


DAWN SEPUTIS
Customer Service Director



KEYLA VIVAS
Chief Information Services Officer

ORGANIZATION CHART



Consultants – Investment Consultants are listed on pages 70 and 71, investment commissions and fees are listed on pages 80 through 82.

ACTUARY

Gabriel, Roeder,
Smith & Company
Mark Buis, F.S.A.
Francois Pieterse, A.S.A.
Bonita Wurst
Southfield, Michigan

EXTERNAL AUDITOR

Plante Moran
Michelle Watterworth
Kristin Hunt
Southfield, Michigan

MASTER TRUSTEE

The Northern Trust
John D. Mele
Senior Vice President
Chicago, Illinois

MEDICAL CONSULTANT

MMRO, Inc.
Novi, Michigan

HEARING OFFICERS

Ottosen DiNolfo Hasenbalg
& Castaldo, Ltd.

Susan Davis Brunner, LLC.

GFOA AWARDS

IMRF takes great pride in its reputation for transparency. To ensure this reputation continues, IMRF seeks feedback from the Government Finance Officers Association (GFOA) through its various award programs.

For 2022, IMRF received the Certificate of Achievement for Excellence in Financial Reporting for the 43rd consecutive year. To achieve the award, IMRF earned outstanding or proficient ratings across all award criteria. This honor showcases IMRF's ongoing commitment to the core values of accuracy and accountability, and to providing the resources required to support members and employers across Illinois.

IMRF will continue to participate in the GFOA awards programs in the future.





May 31, 2024
Board of Trustees
Illinois Municipal Retirement Fund
Oak Brook, Illinois 60523-2337

FORMAL TRANSMITTAL

We are pleased to submit the Annual Comprehensive Financial Report (Annual Report) of the Illinois Municipal Retirement Fund (IMRF) for the year ended December 31, 2023. IMRF's management is responsible for the compilation and accuracy of the financial, investment, actuarial, and statistical information contained in this report. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the fiduciary net position and changes in the fiduciary net position of IMRF.

In developing and evaluating IMRF's accounting system, we consider the adequacy of internal accounting controls. We design these controls to provide reasonable assurance regarding the safekeeping of assets and the reliability of financial records. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

IMRF's Internal Audit department is comprised of three full-time employees, including an Internal Audit Officer. The Internal Audit department uses a risk-based audit plan and detailed internal audit programs that encompass examination of internal controls and the Fund's financial transactions and records. IMRF engages an independent public accounting/technology consulting firm annually to review and test internal controls over our information systems.

The internal audit function reports directly to the Executive Director and the Board of Trustees. The Board of Trustees has established an Audit Committee, comprised of at least three Board members. Annually, the Internal Audit Officer presents a report to the Audit Committee covering the results of internal audit procedures performed. The Internal Audit Officer may also meet with the committee on an as-needed basis. Again, this year, the Internal Audit Officer reported that IMRF's system of internal controls appears adequate and is being adhered to in the areas tested.

Annually, IMRF completes a SOC 1 Type 2 (System and Organization Controls) attestation report for distribution to employers and their auditors to comply with GASB Statement No. 68, Accounting and Financial Reporting for Pensions. A SOC 1 Type 2 attestation engagement tests controls related to the accuracy of financial data and the information technology used to produce the financial data. The unmodified opinion in the report gives an employer's auditor confidence that the proper controls are in place and administered on a consistent basis each day of the year and that the financial information is accurate and can be relied upon.

The Illinois Pension Code requires an annual audit of the financial statements of the Fund by independent certified public accountants selected by the Board of Trustees. IMRF satisfied this requirement, and the independent auditor's unmodified audit report on IMRF's 2023 Financial Statements is included in this report. The independent auditors meet at least twice a year with the Audit Committee, once to report on the planned scope of their audit and a second time to report on its results.

The Management Discussion and Analysis (MD&A) begins on page 20 of this Annual Report and provides an overview and analysis of the operations of IMRF and the financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

PROFILE OF IMRF

IMRF is the administrator of an agent multiple-employer public employee retirement system. The Illinois State Legislature established IMRF in 1939. It began operations in 1941 to provide retirement, death, and disability benefits to employees of local units of government in Illinois. Members, employers, and annuitants elect eight trustees who govern IMRF. IMRF is separate and apart from the Illinois state government and is not included in the state’s financial statements. IMRF now serves 3,045 different employers, 181,205 participating members, 157,200 inactive (not receiving benefits), and 154,554 benefit recipients. The Illinois Pension Code requires IMRF to provide its financial statements to participating employers and to any participating member who requests them. These financial statements also appear on IMRF’s website, at www.imrf.org.

ECONOMIC CONDITIONS

SUMMARY OF FINANCIAL INFORMATION

The following table summarizes additions and deductions to the Fund’s fiduciary net position for 2023 and 2022.

	2023 (millions)	2022 (millions)	Dollar Change (millions)	Percent Change
Additions	\$ 7,549.9	\$ (6,557.0)	\$ 14,106.9	NM
Deductions	3,108.4	2,952.2	156.2	5.3%
Total assets	\$ 4,441.5	\$ (9,509.2)	\$ 13,950.7	NM

NM - not meaningful

The increase in Additions between 2023 and 2022 is primarily due to a \$14,223.0 million increase in investment income. The 2023 financial markets increased over 2022 markets impacted by inflation and the Federal Reserve’s response to it, unrest in the Middle East, the debt ceiling struggle causing a possible government shutdown, near steady unemployment, job growth, higher gasoline prices, and stronger consumer spending impacted the economy. The Federal Reserve’s raising of interest rates to combat inflation appeared to work to tamp down inflation from almost 9.0% to 3.4% for the year.

The increase in Deductions is primarily due to increased benefit payment amounts and an increase in the number of benefit recipients from 151,568 to 154,554, as well as an increase in refunds. For a full understanding of IMRF’s financial results, you are encouraged to review the “Financial” section of this report, which includes the Independent Auditor’s Report, Management’s Discussion and Analysis, Financial Statements, and other supplemental information. Management’s Discussion and Analysis provides a narrative introduction, overview, and analysis of the financial statements, and complements this transmittal letter.

FUNDING

The funding of IMRF is comprised of three components. The first is member contributions of either 4.5% (regular plan) or 7.5% (SLEP and ECO plans) of the covered wages established by the Illinois Pension Code. The second portion of the funding is employer contributions. These contributions are based on an individual rate calculated for each employer annually by our actuary. It is based on each employer’s member demographics, wages, and experience. The final and most important component of funding the plan is investment income. IMRF has advocated for a 100% funding goal as it, in the long run, is the most cost efficient for our employers. For additional information on investments, see the “Investments” section.

IMRF’s actuary uses a five-year smoothed fair value with a 20% corridor to determine the actuarial value of assets. The smoothing is intended to prevent extreme volatility in employer contribution rates due to short-term fluctuations in the investment markets. For the December 31, 2023, valuation, the aggregate actuarial value of assets was \$53.5 billion. The aggregate actuarial liability for all IMRF employers was \$55.4 billion. The aggregate actuarial funding ratio is currently 96.6% (a decrease from the 2022 ratio of 98.2%). If the market value of assets is used (i.e., no actuarial smoothing), the aggregate funding ratio is 95.0% as of December 31, 2023, an increase from 90.7% as of December 31, 2022.

The reason for the difference between the two ratios is due to the five-year smoothing of gains and losses in the actuarial funding ratio, while the fair value funding ratio reflects the immediate impact of investment gains and losses. As of December 31, 2023, IMRF’s fair value based funding value change was less than the actuarial funding value, since there were \$(770.7) million of unrecognized actuarial investment losses, which will be reflected in the 2024 through 2027 period, in keeping with the five-year actuarial smoothing technique discussed above.

The preceding ratios are for the Fund as a whole. Under the Illinois Pension Code, each employer funds the pensions for its own employees. Funding ratios for individual employers and individual plans vary widely. IMRF members can look with a sense of security to the net position base, since these assets are irrevocably committed to the payment of their pensions when they retire. The actuary has determined that the present net position base, expected future contributions, and investment earnings thereon are sufficient to provide for full payment of future benefits under the level payroll percentage method of funding. The “Actuarial” section of this report contains the actuary’s letter and further information on IMRF’s funding. The IMRF Board of Trustees last reviewed the funding policy in December 2023. The annual assumed investment rate of return is 7.25%.

INVESTMENTS

The investment portfolio is a major contributor to the Fund. Year 2023 investment returns resulted in a gain of \$6.3 billion or 13.2%. Looking at it from a long-term perspective of 3, 5, and 10 years, the rates of return are 4.8%, 9.6%, and 7.2%, respectively. The 2023 investment gain represented a positive 84.2% of the Plan Additions for the year. Plan additions include investment returns, as well as member and employer contributions for the year. In the past five years 2019 through 2023, investment income/losses represented the following percentage of additions/subtractions to fiduciary net position:

Year	Percentage of Additions/Subtractions
2023	84.2%
2022	(120.0)%
2021	85.4%
2020	83.0%
2019	85.9%

IMRF’s primary goal is to optimize the long-term total return of the Fund’s investments through a policy of diversification, within a parameter of prudent risk, as measured on the total portfolio. Currently, the public markets portfolio is managed by 31 professional investment management firms handling 41 mandates. These firms make investment decisions under the Prudent Person Rule authorized by Article 1 of the Illinois Pension Code and by investment policy guidelines adopted by the Board of Trustees. The private markets portfolio is invested with 76 investment firms across 237 separate funds. These firms make investment decisions under the Prudent Person Rule, authorized by Article 1 of the Illinois Pension Code and by investment policy guidelines adopted by the Board of Trustees.

Our Internal Equity Management team of three staff managed approximately \$5.9 billion in assets as of December 31, 2023.

The Board employs an Investment Consultant to assist staff in the development and evaluation of IMRF’s strategic asset allocation, asset liability modeling study, and investment policy statements. The Investment Consultant also assists with the selection of investment management firms and in the monitoring and evaluation of investment manager performance. The Board of Trustees selected Wilshire Associates as the investment consultant in January 2020; that contract continued throughout 2023.

The Investments section of this report contains a summary of IMRF’s investment portfolio, investment performance, the Investment Consultant’s report, the Master Trustee’s report, a summary of investment policies, and fees/commissions. These summaries are in the Investments Section on pages 67 through 82. Please refer to the Table of Contents for specific page numbers.

CURRENT AND FUTURE DEVELOPMENTS

A. BOARD OF TRUSTEES

Sue Stanish, who has served as Trustee since 2014, was elected to her third term as Executive Trustee. Her third term will run from January 1, 2024, through December 31, 2028.

Douglas Cycholl was elected as the Employee Trustee. His five-year term began January 1, 2024, through December 31, 2028.

B. LEGISLATIVE ACTIVITY APPLICABLE TO IMRF (PASSED IN 2023)

Two bills and One Federal Law that affect IMRF passed the General Assembly in 2023:

Public Act 103-0464

This act makes five changes to the Pension Code:

- Requires all new IMRF Authorized Agents to complete an IMRF-provided training course within three months of appointment. The training must be made available online no less than quarterly and must be at no cost.
- Allows trustees who change jobs within a Board term to remain on the Board as long as there is no break in service, and they continue to meet all eligibility requirements in the new job.
- Creates additional exemptions to what IMRF calls the Accelerated Payment, which requires employers to pay the employer portion of certain pension cost increases on a faster schedule than the remaining portion. It also allows exemptions for payments required by state or federal law or by court order and if the increase was due to a return to regular hours.
- Also makes two technical changes/corrections to the Pension Code. The change regarding the Authorized Agent training effective January 1, 2024, and all remaining provisions effective August 4, 2023.

Public Act 103-0110

Adds Regional Offices of Education to the list of employers for which members are not limited to the final employer for the use of unused, unpaid sick leave. Effective June 29, 2023.

C. SYSTEMS DEVELOPMENT

IMRF's major 2023 system development priorities focused on:

- Continued to work on the Horizon Project system implementation, final UAT, and two pilot executions.
- Continued to modify the Disaster Recovery (DR) work to improve our ability to meet our Disaster Recovery Time Objective goals. This included adding additional storage to accommodate a larger number of virtual machines.
- Updated software versions for software related to the Horizon Project.
- Upgraded the Boardroom's video conferencing system to enable IMRF the capability to live stream future IMRF Board of Trustees meetings to members, employers, public officials, media, and the public.
- Completed Horizon telephony components for Customer Service departments (call center).
- Implemented a new backup system.
- Implemented a new computer and storage systems to maximize Ariel Horizon performance.
- Onboarded a new security audit vendor.
- Retired Microsoft Server 2012 systems which reached end of life.
- Completed wireless infrastructure upgrades.
- Installed a new backup infrastructure to support Horizon data backups in Oak Brook and the DR site.
- Disaster Recovery computer and storage updates were implemented to support Horizon.

IMRF’s major 2024 system development priorities will focus on:

- Finalizing plans to prepare IMRF staff for go live of the Horizon solution during the first quarter of 2024. Finalize testing and fine-tuning of the year end closing process to ensure financial results are accurate and complete to work under Horizon for the closing of 2024. Start working on Horizon 1.1 activities after a period of stabilization of Horizon 1.0 implementation.
- Retiring the legacy systems after Horizon go-live.
- Retiring point-to-point circuit between Oak Brook and Springfield offices, establish site-to-site VPN with new Palo Alto firewall.
- Adding new networking hardware to support data replication.
- Upgrading the Network link to support server replication and backup replication.

D. INVESTMENT ACTIVITIES

On February 22, 2024, IMRF staff and its consultant presented the 2024 Asset Allocation Review to the Investment Committee of the IMRF Board of Trustees. Asset allocation targets were approved by the Board and became effective as of January 1, 2024. The 2024 and 2023 asset allocation targets are listed in the table below for comparison purposes:

Asset Class	2024 Target	2023 Target
U.S. Equity	33.5%	34.5%
International Equity	18.0%	18.0%
Fixed Income	24.5%	24.5%
Private Real Assets	10.5%	10.5%
Alternative Investments	12.5%	11.5%
Cash Equivalent	1.0%	1.0%

Major investment activities in 2023 through February 23, 2024, were as follows:

- The 2024 IMRF Investment Committee Charter and Statement of Investment Policy were revised by staff and approved by the Board.
- Commitments were approved for 8 Private Real Assets mandates totaling \$569 million.
- Commitments were approved for 20 Private Equity mandates totaling \$715 million.
- Commitments were approved for 14 Private Credit mandates totaling \$1,005 million.
- A Portfolio Rebalancing was implemented withdrawing approximately \$455 million from the Genesis Emerging Markets Strategy into the NTGI ACWI ex US Index Fund.
- The Capital Markets Assumptions and 2024 Annual Asset Allocation Review were presented by staff and the consultant, and were approved by the Board. This included changes to the strategic asset allocation targets and the policy benchmark to be phased in over a three-year period.

E. STRATEGIC PLAN

IMRF’s Strategic Plan provides the Fund with a road map for meeting the challenges and opportunities in achieving our Vision to provide the highest quality retirement services to our members, their beneficiaries, and employers in a cost-effective manner. The Plan guides our efforts to continuously improve customer service to our employers and members.

The 2023 - 2025 IMRF Strategic Plan includes elements of the Baldrige Criteria for Performance Excellence to ensure we align our objectives, processes, and resources with our Vision. IMRF staff began implementing a series of action plans that support our four Strategic Objectives during 2023. We include the following four key result areas on our leadership scorecard to measure our progress towards meeting our objectives:

- Financial Health
- Customer Engagement
- Workforce Engagement
- Operational Excellence

The 2023 - 2025 Strategic Plan was approved by the Board of Trustees at the February 11, 2022 board meeting.

F. THE PARTNERSHIP FOR EXCELLENCE

The Partnership for Excellence (TPE) is a regional non-profit organization serving Illinois, Indiana, Ohio, and West Virginia, dedicated to improving the performance of organizations by utilizing the Baldrige Criteria for Performance Excellence and aligning their processes to become more efficient and sustainable. Organizations that pursue the Baldrige management framework can demonstrate through the TPE award application that they have adopted proven performance practices, principles, and strategies that nurture excellence in all aspects of their operations. This can range from customer relations to workforce engagement to specific operational and financial results. The comprehensive feedback report received from TPE provides additional guidance on how IMRF can further leverage our strengths and pursue opportunities for improvement. In 2023, the state of Illinois formally joined the TPE regional Baldrige program, after disbanding of the Illinois Performance Excellence (ILPEX) program.

IMRF was proud to be the recipient of the ILPEX Gold Award (representing achievement of excellence) in 2017. Achieving the highest level of recognition at a state level (ILPEX Gold) qualified IMRF to apply at the national level via the Malcolm Baldrige National Quality Award (MBNQA).

Established by Congress in 1987, the MBNQA was designed to raise awareness of quality management and to recognize US organizations that have implemented successful quality-management systems. IMRF applied to MBNQA in April 2018, qualified for a site visit, and received a comprehensive feedback report. IMRF again applied for the 2019 evaluation cycle and was awarded a site visit for a second year in a row. Our application and participation in the Baldrige program demonstrate IMRF’s continued dedication to delivering excellent customer service to our members, annuitants, and employers.

In November 2019, IMRF staff received notice that IMRF was a proud recipient of the Malcolm Baldrige National Quality Award, the first public pension fund in the nation to receive this prestigious award. IMRF will continue to adopt the Baldrige Criteria for Performance Excellence framework and will be eligible to apply for the Malcolm Baldrige National Quality Award again in 2025.

G. DEFINED BENEFIT ADMINISTRATION BENCHMARKING ANALYSIS

CEM Benchmarking Inc. conducts an annual Defined Benefit Administration Benchmarking Analysis for public pension systems. IMRF has participated in this benchmarking program since 2001. This program provides insight into benefit administration costs, customer service levels, customer experience, and industry best practices. Our strategic objective is to provide the highest quality of service at a median cost. IMRF’s total service score placed in the top 20%, while our costs were slightly below the median, as compared to our

peer group of 38 public systems in the United States and Canada. IMRF will continue to participate in this benchmarking program, as it is an important part of our Continuous Process Improvement Program and allows us to gain valuable insights on trends and innovations occurring within the pension industry around the world.

REPORTS TO MEMBERSHIP

IMRF issued a variety of reports covering 2023 and 2022 activity. We provide Employer Statements every month. We issued annuitant statements in December 2023, Active Member Statements, and Inactive Member Statements in February 2024. We will include a summary of this Annual Report for members and annuitants in IMRF *Fundamentals* member newsletter. We will advise Authorized Agents in May 2024 that this report, as well as our Popular Annual Financial Report, is available on our website, www.imrf.org.

ADDITIONAL AWARDS AND ACKNOWLEDGMENTS

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to IMRF for its Annual Comprehensive Financial Report for the year ended December 31, 2022. IMRF has received a Certificate of Achievement from the GFOA for the last 43 consecutive years (fiscal years 1980-2022).

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will submit it to the GFOA. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

IMRF also received a Certificate of Achievement for Excellence in Financial Reporting for its Popular Annual Financial Report for the year ended December 31, 2022.

IMRF received the GFOA Distinguished Budget Award for its 2023 budget. GFOA awarded the Distinguished Budget Presentation Award for the tenth consecutive time to IMRF. The award is for a one-year period. IMRF has applied again for this prestigious award for the 2024 budget document.

In addition, GFOA awarded IMRF its prestigious "Triple Crown" Award for the fourth year in a row. This award recognizes governments that have received all three GFOA Certificate of Achievement for Excellence in Financial Reporting awards.

In 2023, in recognition of meeting professional standards for plan administration and funding as set forth in the Public Pension Standards, IMRF was awarded for plan funding and administration by the Public Pension Coordinating Council, a confederation of the National Association of Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement.



Malcolm Baldrige National Quality Award



ACKNOWLEDGEMENTS

The production of this report reflects the combined effort of the IMRF staff under the leadership of the Board of Trustees and the Executive Director, Brian Collins. The Finance department, under the direction of Mark Nannini, compiled the report. A special thank you to Finance staff who managed the demands of the Horizon project and were still able to produce this report for the Board of Trustees and the 3,045 employers that participate in IMRF.

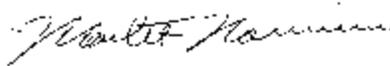
We believe this report provides complete and reliable information for making management decisions, for determining compliance with legal provisions, and for determining responsible stewardship for the assets contributed by our members and their employers.

We make this report available to the Authorized Agents for all participating units of government. The Authorized Agents form the link between IMRF and its membership. Their cooperation, for which we are thankful, contributes significantly to the success of IMRF. We hope they will find this report both informative and helpful.

Respectfully submitted,



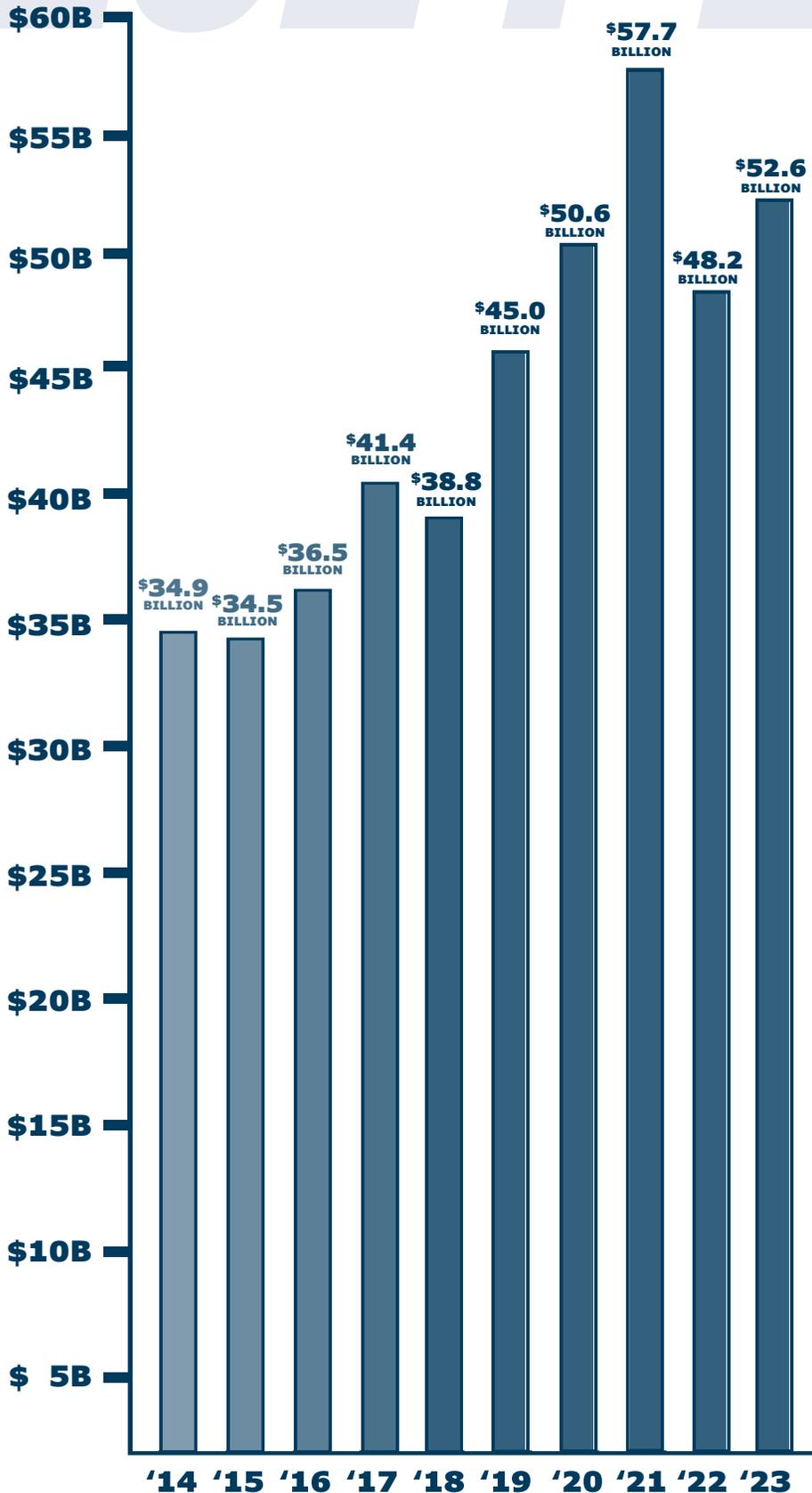
Brian Collins
Executive Director



Mark F. Nannini
Chief Financial Officer

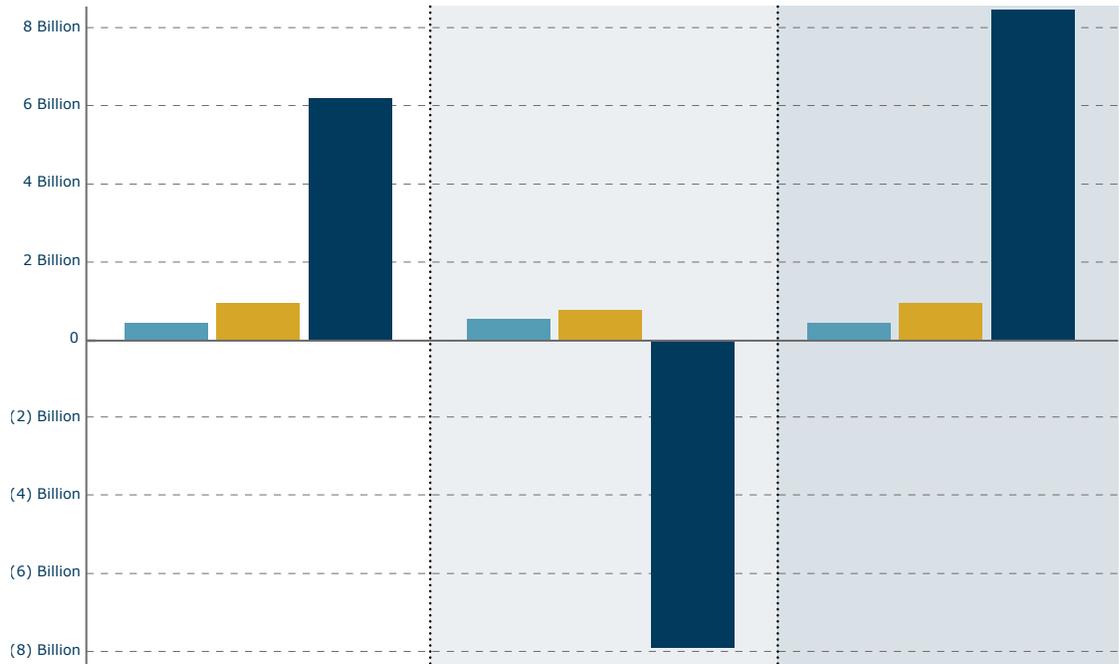
IMRF FIDUCIARY NET POSITION

2014-2023



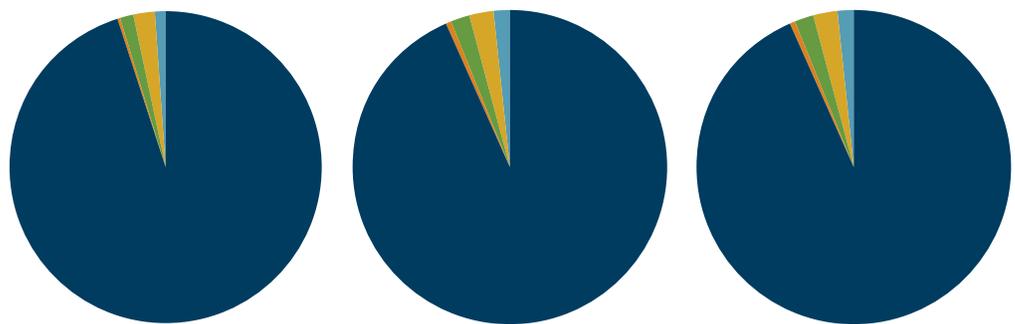
IMRF's financial position remains strong. With 50.7% growth from 2014 to 2023—an addition of \$17.7 billion—IMRF will continue to provide secure and stable retirements for thousands of public employees in Illinois while limiting employer costs long into the future.

REVENUES BY SOURCE



	2023	2022	2021
Members	\$ 540,661,005	\$ 501,784,408	\$ 471,392,017
Employers	653,081,876	808,087,538	969,420,117
Investments	6,356,172,679	(7,866,897,624)	8,449,159,554
Total	\$ 7,549,915,560	\$ (6,557,025,678)	\$ 9,889,971,688

EXPENSES BY TYPE



	2023	2022	2021
Annuities	\$ 2,954,908,958	\$ 2,791,927,834	\$ 2,624,826,197
Disability	7,555,712	8,090,078	9,334,722
Death	35,011,610	42,805,181	39,287,258
Refunds	76,872,729	73,175,000	60,073,886
Administrative	34,111,319	36,225,509	28,318,297
Total	\$ 3,108,460,328	\$ 2,952,223,602	\$ 2,761,840,360

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Independent Auditor's Report

To the Board of Trustees
Illinois Municipal Retirement Fund

Opinion

We have audited the financial statements of Illinois Municipal Retirement Fund (IMRF) as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements, which collectively comprise IMRF's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of Illinois Municipal Retirement Fund as of December 31, 2023 and 2022 and the changes in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of IMRF and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about IMRF's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of IMRF's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about IMRF's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Illinois Municipal Retirement Fund's basic financial statements. The the schedule of administrative expenses, the schedule of payments for professional services, and the schedule of investment expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the the schedule of administrative expenses, the schedule of payments for professional services, and the schedule of investment expenses are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introduction, investments, actuarial, statistical, and strategic plan sections, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Plante & Moran, PLLC



MANAGEMENT’S DISCUSSION AND ANALYSIS

The following Management’s Discussion and Analysis (MD&A) of the Illinois Municipal Retirement Fund’s (IMRF or the “Fund”) financial performance provides an introduction to the financial statements of IMRF for the years ended December 31, 2023, and December 31, 2022. Since the MD&A is designed to focus on current activities, resulting changes, and current known facts, please read it in conjunction with the formal transmittal letter (pages 7-14), the financial statements and notes, required supplementary information, and supplementary information.

REQUIRED FINANCIAL STATEMENTS

IMRF, an agent multiple-employer public employee retirement system, prepares its financial statements on an accrual basis in accordance with Generally Accepted Accounting Principles promulgated by the Governmental Accounting Standards Board (GASB). The Statements of Fiduciary Net Position include all of IMRF’s assets, liabilities, deferred outflows of resources, and deferred inflows of resources and provides information about the nature and amount of investments available to satisfy the pension benefits of the Fund. All additions to and deductions from the net position held in trust for pension benefits are accounted for in the Statements of Changes in Fiduciary Net Position. These statements measure IMRF’s success over the past year in increasing the fiduciary net position available for pension benefits.

FINANCIAL ANALYSIS OF IMRF

In 2023, contributions of \$1,193 million, investment gains of \$6,356 million, and deductions to fiduciary net position of \$3,108 million resulted in a net increase of \$4,441 million. This net increase brought the Fund’s fiduciary net position to \$52.6 billion.

FIDUCIARY NET POSITION

To begin the financial analysis, summarized comparisons of IMRF’s Fiduciary Net Position for 2023 versus 2022 and 2022 versus 2021 are presented below.

CONDENSED STATEMENTS OF FIDUCIARY NET POSITION (IN MILLIONS)

	2023	2022	Dollar Change	Percent Change
Cash and cash equivalents	\$ (5.9)	\$ (7.0)	\$ 1.1	NM
Receivables and prepaids	517.0	472.4	44.6	9.4%
Investments	52,114.0	47,776.4	4,337.6	9.1%
Invested securities lending cash collateral	278.8	315.5	(36.7)	(11.6)%
Capital assets, net	77.0	67.8	9.2	13.6%
Total assets	52,980.9	48,625.1	4,355.8	9.0%
Deferred outflow of resources	8.8	10.7	(1.9)	(17.8)%
Liabilities	356.7	444.0	(87.3)	(19.7)%
Deferred inflow of resources	0.7	1.0	(0.3)	(30.0)%
Fiduciary net position	\$ 52,632.3	\$ 48,190.8	\$ 4,441.5	9.2%

NM - not meaningful

As the table shows, fiduciary net position increased by \$4,442 million, or 9.2% in 2023.

This increase reflects the increase in investment returns in 2023. The increase in receivables and prepaids in 2023 is largely due to the increase in the receivables from brokers for unsettled trades at year-end due to a larger number of trades outstanding at year-end 2023 compared to 2022. The decrease in liabilities in 2023 is due primarily to the decrease in the payables to brokers for unsettled trades at year-end 2023.

The following table presents the investment allocation as of year-end 2023 and 2022, as compared to IMRF's target allocation as of December 31, 2023

	2023	2023 Target	2022
U.S. equities	34.5%	34.5%	34.5%
International equities	20.5	18.0	18.9
Fixed income	23.5	24.5	24.8
Real estate	8.9	10.5	9.6
Alternative investments	11.4	11.5	11.0
Short-term	1.2	1.0	1.2

IMRF is evaluating decreasing its allocation to real estate strategies as part of its annual rebalancing program. The current target allocations were reconfirmed during Investment Committee meetings in 2023. IMRF continuously monitors its actual investment allocations in relation to its targets and rebalances as appropriate.

CONDENSED STATEMENTS OF FIDUCIARY NET POSITION *(IN MILLIONS)*

	2022	2021	Dollar Change	Percent Change
Cash and cash equivalents	\$ (7.0)	\$ (5.3)	\$ (1.7)	(32.1)%
Receivables and prepaids	472.4	516.0	(43.6)	(8.4)%
Investments	47,776.4	57,286.4	(9,510.0)	(16.6)%
Invested securities lending cash collateral	315.5	327.3	(11.8)	(3.6)%
Capital assets, net	67.8	57.3	10.5	18.3%
Total assets	48,625.1	58,181.7	(9,556.6)	(16.4)%
Deferred outflow of resources	10.7	3.1	7.6	245.2%
Liabilities	444.0	471.1	(27.1)	(5.8)%
Deferred inflow of resources	1.0	13.7	(12.7)	(92.7)%
Fiduciary net position	\$ 48,190.8	\$ 57,700.0	\$ (9,509.2)	(16.5)%

As the table shows, fiduciary net position decreased by \$9,509 million, or (16.5)% in 2022.

This decrease reflects the decrease in investment returns in 2022. The decrease in receivables and prepaids in 2022 is largely due to the decrease in the receivables from brokers for unsettled trades at year-end due to a smaller number of trades outstanding at year-end 2022 compared to 2021. The decrease in liabilities in 2022 is due primarily to the decrease in the payables to brokers for unsettled trades at year-end 2022.



CHANGES IN FIDUCIARY NET POSITION

Summarized comparisons of IMRF's Changes in Fiduciary Net Position for 2023 versus 2022 and 2022 versus 2021 are presented below.

CONDENSED STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION (IN MILLIONS)

	2023	2022	Dollar Change	Percent Change
Additions				
Member contributions	\$ 540.7	\$ 501.8	\$ 38.9	7.8%
Employer contributions	653.1	808.1	(155.0)	(19.2)%
Net investment (loss)/gain	6,356.0	(7,867.0)	14,223.0	NM
Other	0.1	0.1	-	0.0%
Total Additions	7,549.9	(6,557.0)	14,106.9	NM
Deductions				
Benefits	2,997.5	2,842.8	154.7	5.4%
Refunds	76.9	73.2	3.7	5.1%
Administrative expenses	34.0	36.2	(2.2)	(6.1)%
Total Deductions	3,108.4	2,952.2	156.2	5.3%
Net (decrease)/increase in fiduciary net position	\$ 4,441.5	\$ (9,509.2)	\$ 13,950.7	NM

NM - not meaningful

ADDITIONS

Additions needed to fund benefits are accumulated through contributions and returns on invested funds. Contributions for 2023 totaled \$1,193 million, which was 8.9% less than 2022. The decrease reflects the decrease in the average employer contribution rate from 8.6% in 2022 to 6.6% in 2023. The member contribution rate remained at 4.5% of earnings for Regular members and 7.5% for Sheriff's Law Enforcement Personnel (SLEP) and the optional Elected County Official (ECO) members. For rate-setting purposes, there is a two-year lag between the date that data is used to compute employer contribution rates and the effective date of those rates.

The time-weighted investment return for 2023 was 13.5%. The \$6,356 million investment gain in 2023 represents a \$14,223 million change from the \$(7,867) million loss in 2022. IMRF's 2023 total investment portfolio was up due to decreasing inflation and optimism of lower interest rates.

In 2023, IMRF had net appreciation in the value of investments of \$5,307 million, a \$14,011 million change from the \$(8,704) million of depreciation recorded in 2022. Interest, dividends, and equity fund income totaled \$1,255 million, an increase from \$1,026 million in 2022. Securities lending income net of related expenses was \$9.2 million for 2023, an increase from \$5.7 million in 2022. Direct investment expenses increased to \$215 million in 2023 from \$195 million in 2022.

The total rate of return for the portfolio in 2023 was 13.2% compared to negative 12.9% in 2022. IMRF's U.S. stock portfolio returned 23.1% compared to 24.2% custom benchmark. The fixed income portfolio returned 7.5% compared to 7.3% for the custom benchmark. The international stock portfolio returned 19.2% compared to 15.6% for the MSCI All-Country World Index ex-US. The real estate portfolio returned a negative 4.2% compared to a negative 12.7% for the custom benchmark. The alternative investment portfolio returned 2.6%.

DEDUCTIONS

The expenses paid by IMRF include benefit payments, refunds, and administrative expenses. Expenses for 2023 totaled \$3,108 million, \$156 million over 2022. The increase in benefit payments to members and beneficiaries resulted primarily from growth in the number of annuitants to 154,554 in 2023 from 151,568 in 2022.

CONDENSED STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION (IN MILLIONS)

	2022	2021	Dollar Change	Percent Change
Additions				
Member contributions	\$ 501.8	\$ 471.4	\$ 30.4	6.4%
Employer contributions	808.1	969.4	(161.3)	(16.6)
Net investment (loss)/gain	(7,867.0)	8,449.2	(16,316.2)	(193.1)
Other	0.1	-	0.1	NM
Total Additions	(6,557.0)	9,890.0	(16,447.0)	(166.3)
Deductions				
Benefits	2,842.8	2,673.5	169.3	6.3
Refunds	73.2	60.1	13.1	21.8
Administrative expenses	36.2	28.3	7.9	27.9
Total Deductions	2,952.2	2,761.9	190.3	6.9
Net (decrease)/increase in fiduciary net position	\$ (9,509.2)	\$ 7,128.1	\$(16,637.3)	(233.4)%

NM - not meaningful

ADDITIONS

Additions needed to fund benefits are accumulated through contributions and returns on invested funds. Contributions for 2022 totaled \$1,310 million, which was 9.1% less than 2021. The decrease reflects the decrease in the average employer contribution rate from 10.6% in 2021 to 8.6% in 2022. The member contribution rate remained at 4.5% of earnings for Regular members and 7.5% for Sheriff's Law Enforcement Personnel (SLEP) and the optional Elected County Official (ECO) members. For rate-setting purposes, there is a two-year lag between the date that data is used to compute employer contribution rates and the effective date of those rates.

The time-weighted investment return for 2022 was (12.9)%. The \$(7,867) million investment loss in 2022 represents a \$(16,316) million change from the \$8,449 million gain in 2021. IMRF's 2022 total investment portfolio was down due to the war in Ukraine and continued inflation despite rising interest rates.

In 2022, IMRF had net depreciation in the value of investments of \$(8,704) million, a \$(16,378) million change from the \$7,674 million of appreciation recorded in 2021. Interest, dividends, and equity fund income totaled \$1,026 million, an increase from \$956 million in 2021. Securities lending income net of related expenses was \$5.7 million for 2022 and 2021. Direct investment expenses increased to \$195 million in 2022 from \$187 million in 2021.

DEDUCTIONS

The expenses paid by IMRF include benefit payments, refunds, and administrative expenses. Expenses for 2022 totaled \$2,952 million, \$190 million over 2021. The increase in benefit payments to members and beneficiaries resulted primarily from growth in the number of annuitants to 151,568 in 2022 from 147,134 in 2021.

MONEY-WEIGHTED RATE OF RETURN

When comparing returns, it is important to remember that as a pension fund, IMRF's investment program has a very long time horizon. See the "Investments" section for details of some of the longer term results. IMRF's money-weighted rate of return of the periods ending:

For the year ended	Return
December 31, 2023	13.55%
December 31, 2022	(13.93)%
December 31, 2021	17.02%



STATEMENTS OF FIDUCIARY NET POSITION

As of December 31	2023	2022
Assets		
Cash and cash equivalents	\$ (5,908,011)	\$ (7,040,239)
Receivables and prepaid expenses		
Contributions	81,491,136	91,678,604
Investment income	147,294,864	132,184,461
Receivables from brokers for unsettled trades	59,630,802	32,148,719
Prepaid expenses	228,557,160	216,432,202
Total receivables and prepaid expenses	516,973,962	472,443,986
Investments, at fair value		
Fixed income	12,246,680,701	11,866,835,887
Stocks	28,644,792,205	25,498,663,405
Short term investments	632,634,407	564,837,565
Real estate	4,643,736,260	4,586,045,681
Alternative investments	5,946,155,080	5,260,057,434
Total investments	52,113,998,653	47,776,439,972
Invested securities lending cash collateral	278,828,883	315,478,383
Capital assets		
Equipment, at cost	100,781,617	90,387,442
Accumulated depreciation	(28,143,186)	(25,908,295)
Right to use assets - buildings	4,497,614	4,497,614
Accumulated amortization	(2,304,727)	(1,152,363)
Right to use assets subscriptions	2,943,798	-
Accumulated amortization	(783,282)	-
Total capital assets	76,991,834	67,824,398
Total assets	52,980,885,321	48,625,146,500
Total deferred outflow of resources	8,828,860	10,733,455
Liabilities		
Securities lending cash collateral	278,828,883	315,478,383
Payables to brokers for unsettled trades	22,861,258	76,042,572
Accrued expenses and benefits payable	52,768,341	49,221,145
Lease liability	2,139,960	3,313,279
Subscription liability	93,010	-
Total liabilities	356,691,452	444,055,379
Total deferred inflow of resources	763,002	1,020,081
Net position restricted for pensions	\$ 52,632,259,727	\$ 48,190,804,495

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

For the Years Ended December 31	2023	2022
Additions		
Contributions		
Members for retirement coverage	\$ 540,661,005	\$ 501,784,408
Employers for benefit plan coverage	653,081,876	808,087,538
Total contributions	1,193,742,881	1,309,871,946
Investment income		
From investing activities		
Interest	534,520,264	307,847,920
Dividends	467,712,731	467,440,738
Equity fund income, net	253,043,936	250,222,760
Net appreciation/(depreciation) in fair value of investments	5,306,999,735	(8,703,577,375)
Investment activity gain/(loss)	6,562,276,666	(7,678,065,957)
Less: Direct investment expense	(215,411,959)	(194,704,122)
Net investment activity gain/(loss)	6,346,864,707	(7,872,770,079)
From security lending activity		
Securities lending income	22,443,942	11,241,985
Net securities lending management fees and borrower rebates	(13,284,762)	(5,494,743)
Net security lending activity income	9,159,180	5,747,242
Total investment gain/(loss)	6,356,023,887	(7,867,022,837)
Other	148,792	125,213
Total additions	7,549,915,560	(6,557,025,678)
Deductions		
Annuities	2,954,908,958	2,791,927,834
Disability benefits	7,555,712	8,090,078
Death benefits	35,011,610	42,805,181
Refunds	76,872,729	73,175,000
Administrative expenses	34,111,319	36,225,509
Total deductions	3,108,460,328	2,952,223,602
Net increase/(decrease)	4,441,455,232	(9,509,249,280)
Net position restricted for pensions		
Beginning of year	48,190,804,495	57,700,053,775
End of year	\$ 52,632,259,727	\$ 48,190,804,495

The accompanying notes are an integral part of the financial statements.



NOTES TO BASIC FINANCIAL STATEMENTS (December 31, 2023 and 2022)

A. PLAN DESCRIPTION

The Illinois Municipal Retirement Fund (IMRF or the “Fund”) is the administrator of an agent multiple-employer public employee retirement system. The Illinois State Legislature established IMRF to provide employees of local governments and school districts a sound and efficient retirement system. Members, employers, and annuitants elect eight trustees who govern IMRF. Four Executive Trustees are elected by employers, three Employee Trustees are elected by members, and one Annuitant Trustee is elected by annuitants. Any IMRF member who has eight years of service credit as of December 31 of the election year is eligible to be nominated to serve as a trustee. State law authorizes the Board to make investments, pay benefits, set employer contribution rates, hire staff and consultants, and perform all necessary functions to carry out the provisions of the Illinois Pension Code. Benefit and contribution provisions are established by state law and may be amended only by the Illinois General Assembly. IMRF is administered in accordance with Illinois statutes. The statutes do not provide for termination of the plan under any circumstances. IMRF is separate and apart from the Illinois state government and is not included in the state’s financial statements.

1. EMPLOYERS

	2023	2022
Participating employers	3,045	3,027

The Illinois Pension Code specifies the units of government required to participate in IMRF and the units that may elect to join. Participation by the following units of government is mandatory:

- All counties except Cook,
- All school districts except Chicago and,
- All cities, villages, and incorporated towns with a population over 5,000, other than Chicago, which do not provide Social Security or equivalent coverage for their employees before they reach a population of 5,000.

Other units of government with general taxing powers, such as townships and special districts, may elect to join. Participating instrumentalities, which include units of government without general taxing powers and not-for-profit organizations, associations, or cooperatives authorized by state statute, may participate. They must meet financial stability requirements. Units that elect to join the system may not, under any circumstances, terminate their participating employer status as long as they are in existence.

2. MEMBERS

	2023	2022
Inactive members		
Retirees and beneficiaries currently receiving benefits	154,554	151,568
Terminated members entitled to benefits but not yet receiving them	16,633	16,243
Terminated members—non-vested	140,567	131,885
Total inactive members	311,754	299,696
Active members		
Non-vested	104,100	97,727
Vested	77,105	77,497
Total active members	181,205	175,224
Grand total	492,959	474,920

Employers must enroll employees in IMRF if the positions meet the qualifications for IMRF membership.

There are some exceptions. City hospital employees and elected officials have the option to participate. IMRF does not cover individuals in certificated teaching positions covered by the Illinois Teachers' Retirement System. Also, IMRF does not generally cover individuals performing police or fire protection duties for employers with local police and fire pension funds. Certain police chiefs may choose to participate as Sheriff's Law Enforcement Personnel (SLEP) members.

3. CONTRIBUTIONS

The member contribution rates, 4.5% for Regular members, 7.5% for SLEP members and Elected County Official (ECO) plan members, are set by statute. The statutes require each participating employer to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. Employer contributions for disability benefits, death benefits, and the supplemental retirement benefits are pooled. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute. Costs of administering the plan are financed by investment income. Contributions are based on employer payrolls and are due on the tenth of the month following the month of payment, pursuant to the authority vested in the IMRF Board by the Illinois Pension Code.

4. BENEFIT PROVISIONS

Benefits are established by statute and may only be changed by the General Assembly. The benefit provisions in effect on the member's date of participation determine a member's minimum benefit, while the benefit provisions in effect on the member's date of termination determine a member's maximum benefit. The following is a summary of the IMRF benefit provisions as of December 31, 2023, and December 31, 2022. The ECO plan was created by statute in 1997 and was revised in 2000. In 2010, the General Assembly passed legislation which became Public Acts 96-0889 and 96-1495. These acts created a second tier within the Regular, SLEP, and ECO plans for members joining IMRF after December 31, 2010, with no prior qualifying service. On August 8, 2011, Public Act 97-0273 closed the ECO plan to new participants. A more extensive description of the plan can be found in the "Actuarial" section.

Plan	Regular Tier 1	Regular Tier 2	SLEP Tier 1	SLEP Tier 2	Original ECO	Revised ECO Tier 1	Revised ECO Tier 2
Vesting	8 years	10 years	20 years	10 years	8 years	8 years in each elected position	8 years in each elected position; 10 years in total
Minimum Age For Unreduced Benefit	35+ years of service: 55, otherwise 60	35+ years of service: 62, otherwise 67	50 with 20+ years of service	55 with 10+ years of service	Sheriffs with 20 years of SLEP service: 50, otherwise 55	Sheriffs with 20 years of SLEP service: 50, otherwise 55	Sheriffs with 10 years of SLEP service: 62, otherwise 67
Final Rate Of Earnings	Highest consecutive 48 months in the last 10 years	Highest consecutive 96 months in the last 10 years; pensionable earnings currently capped at \$123,489.18 for 2023 increasing annually by 3% or 1/2 of CPI, whichever is less	Highest consecutive 48 months in the last 10 years	Highest consecutive 96 months in the last 10 years; pensionable earnings currently capped at \$123,489.18 for 2023 increasing annually by 3% or 1/2 of CPI, whichever is less	Annual salary on the last day of ECO participation	Highest consecutive 48 months in the last 10 years for each elected position	Highest consecutive 96 months in the last 10 years; pensionable earnings currently capped at \$123,489.18 for 2023 increasing annually by 3% or 1/2 of CPI, whichever is less
Survivor Benefits	Annuity for eligible spouse	Annuity for eligible spouse	Annuity for eligible spouse	Annuity for eligible spouse	Annuity for eligible spouse and unmarried children under 18	Annuity for eligible spouse and unmarried children under 18	Annuity for eligible spouse and unmarried children under 18
Post-Retirement Increase	3% of original amount	3% or 1/2 of CPI, whichever is less of original amount	3% of original amount	3% or 1/2 of CPI, whichever is less of original amount	3% of original amount	3% of original amount	3% or 1/2 of CPI, whichever is less of original amount
Early Retirement	At age 55, discount based on age and service	At age 62, discount based on age and service	None	At age 50, discount based on age and service	None	None	At age 62, discount based on age and service



Refunds

Members who terminate their IMRF participation may withdraw their contributions and forfeit future retirement benefits.

Early Retirement

IMRF employers may offer an Early Retirement Incentive (ERI) for active members who have 20 or more years of service and are age 50 (57 for Tier 2 members) or older. The program is optional with employers and may not be offered until the liability for any previous ERI is paid.

Supplemental Retirement Benefit

Retirees and surviving spouses who have been receiving benefits for at least one year receive a supplemental retirement benefit in July. The total supplemental benefit pool in each year is equal to 0.62% of the participating payroll for the previous year. An individual receives a *pro-rata* share of the total pool based upon the ratio of his or her individual benefits to the total benefits paid to all IMRF recipients.

Death Benefits

The named beneficiaries of a deceased retired member receive their share of a one-time death benefit of \$3,000. In addition to the lump sum benefit, an eligible spouse receives a monthly pension equal to 50% (66 2/3% for ECO retirees and Tier 2 members) of the member's pension. The beneficiaries of an active member who had at least one year of service, receive a lump sum benefit equal to one year's earnings (limited to the pensionable earnings cap for Tier 2 members) plus the member's contributions with interest. Death benefits paid upon the death of an inactive member vary depending on the member's age and service.

Disability

Members who have at least one year of service and meet the disability medical requirements will receive a benefit of up to 50% of the average monthly earnings in the 12 months preceding disability. Disabled ECO members receive a disability benefit equal to the benefit they would receive upon retirement. IMRF reduces the benefit by Social Security or workers' compensation awards. Members paid disability continue to receive pension service credit and death benefit protection.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. REPORTING ENTITY

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations, for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.
- (2) The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Based upon these criteria, IMRF has no component units and IMRF is not a component unit of any other entity.

2. BASIS OF ACCOUNTING

IMRF prepares its financial statements using the economic resources measurement focus and the accrual basis of accounting. It recognizes member and employer contributions as revenues in the month member earnings are payable in accordance with the provisions of the Illinois Pension Code. Benefits and refunds are recognized as expenses when payable. Expenses are recorded when the corresponding liabilities are incurred regardless of when payment is made.

3. USE OF ESTIMATES

The preparation of IMRF's financial statements, in conformity with U.S. generally accepted accounting principles, requires management to make significant estimates and assumptions that affect the reported amounts and fiduciary net position at the date of the financial statements. Actual results could differ from those estimates.

4. RISKS AND UNCERTAINTIES

IMRF invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the Statements of Fiduciary Net Position.

5. INCOME TAXES

IMRF is exempt from federal and state income taxes and has received a favorable determination from the Internal Revenue Service under Code section 401(a).

6. METHOD USED TO VALUE INVESTMENTS

IMRF reports investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for stocks is determined by using the closing price listed on the national securities exchanges as of December 31. Fair value for fixed income securities is determined by using quoted market prices and other observable significant inputs including quoted prices for similar securities, interest rates, and fixed income pricing models provided by independent pricing services. For commingled funds, fair value is determined using the net asset value certified by the commingled fund manager as of December 31. For alternative investments, which include real estate, private equity, and absolute return funds, fair value is determined using the net asset value (NAV) per share established by fund managers, which are subject to annual audit. Fair value for fixed income and equities classified as level 3 are based on inputs principally by using valuation techniques from The Northern Trust Company. Their values can only be estimated using a combination of complex market prices, mathematical models, and subjective assumptions. Fair value for the majority of derivative instruments is determined principally by using quoted market prices provided by independent pricing services. The remaining derivative instruments are priced by The Northern Trust Company by obtaining prices from a variety of internal and external sources.

7. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The Statements of Fiduciary Net Position, in addition to assets, includes a separate section for the deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and as such, they will not be recognized as an outflow of resources (deduction) until then. In addition to liabilities, the Statements of Fiduciary Net Position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applied to future periods and as such, will not be recognized as an inflow of resources (addition) until that time.

8. ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

During the year, IMRF adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). As a result, IMRF now includes a liability for the present value of payments expected to be made and an asset for the right to use software subscription. SBITA activity is further described in Note L.

9. RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform to the current year presentation.

C. NEW ACCOUNTING PRONOUNCEMENTS

In June 2022, GASB issued Statement No. 100, “Accounting Changes and Error Corrections.” The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. IMRF will adopt Statement No. 100 for its December 31, 2024, financial statements.

In June 2022, GASB issued Statement No. 101, “Compensated Absences.” The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. IMRF will adopt Statement No. 101 for its December 31, 2024, financial statements.

In December 2023, GASB issued Statement No. 102, “Certain Risk Disclosures.” The objective of this Statement is to establish financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints that may limit its ability to acquire resources or control spending. IMRF will adopt Statement No. 102 for its December 31, 2025, financial statements.

D. DEPOSITS AND INVESTMENT RISK DISCLOSURES

1. DEPOSITS

Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, IMRF's deposits may not be returned. Cash held in non-investment-related bank accounts is neither insured nor collateralized for amounts in excess of \$250,000 by the Federal Deposit Insurance Corporation (FDIC). These deposits are not required to be collateralized by statute and there is no related deposit policy for custodial risk. Cash is swept daily into an investment account. Withdrawals are made daily to fund necessary business expenses. The timing of the withdrawals may create a negative cash balance. This is due to the payment on the last business day in December of each year, the following year's January 1 benefit payments. These payments are recorded as a prepaid as of December 31 in the financial statements. Cash equivalents are typically short-term investments that have high credit quality and are highly liquid.

These assets are under the custody of the Northern Trust Company. The Northern Trust Company has an AA- Long Term Deposit/Debt rating by Standard & Poor and an Aa2 rating by Moody's.

	2023	2022
Carrying amounts at December 31		
Cash and cash equivalents	\$ (5,908,011)	\$ (7,040,239)
Bank balances at December 31		
Bank balances	\$ 230,366	\$ 179,822
Amount exposed to custodial credit risk		
Cash balance held with investment manager exposed to custodial credit risk	\$ 2,101,924	\$ 885,349

2. INVESTMENT POLICIES, ASSET ALLOCATION, AND MONEY-WEIGHTED RATE OF RETURN

The Illinois Pension Code prescribes the "Prudent Person Rule" as IMRF's investment authority, effective August 25, 1982. This rule requires IMRF to make investments with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an entity of like character with like aims. Within the "Prudent Person" framework, the Board of Trustees adopts investment guidelines for IMRF Investment Managers, which are included within their respective Investment Management Agreements.

The "Investments" Section contains a summary of these guidelines. By statute, all investments are held in the name of IMRF or in the name of a nominee created for the express purpose of securities registration.

IMRF's policy in regard to the allocation of invested assets is established and may be amended by the Board. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation as of December 31, 2023.

	Asset Class					
	U.S. equities	International equities	Fixed income	Real estate	Alternative investments	Short term
Target	34.5%	18.0%	24.5%	10.5%	11.5%	1.0%

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 13.55%. For the year ended December 31, 2022, it was (13.93)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested

3. INVESTMENT SUMMARY

The following table presents a summary of the Fund's investments by type at December 31, 2023 and 2022:

	2023	2022
U.S. government & agency fixed income	\$ 3,842,467,856	\$ 3,626,620,175
U.S. corporate fixed income	3,272,607,037	3,407,019,411
U.S. fixed income funds	2,914,100,925	2,776,228,233
Foreign fixed income securities	531,315,932	440,895,746
Foreign fixed income funds	1,686,188,951	1,616,072,322
U.S. equities	15,921,631,272	13,988,881,820
U.S. equity funds	2,061,186,798	2,490,836,751
Foreign equities	7,515,385,426	6,269,660,799
Foreign equity funds	3,146,588,709	2,749,284,035
Foreign currency forward contracts	(13,338,134)	37,280,887
Pooled short-term investment funds	612,320,317	538,515,024
Real estate	4,643,736,260	4,586,045,681
Private equity	5,946,099,717	5,259,981,482
Absolute return funds	55,363	75,952
Swaps	4,941,459	14,191,417
Options	1,886,395	144,841
Other	26,824,370	(25,294,604)
Total investments at fair value	\$ 52,113,998,653	\$ 47,776,439,972

Short-term securities include commercial paper or notes having a maturity of less than 90 days. Pooled short-term investment funds are commingled funds managed by Northern Trust. Under the terms of the investment agreement for these funds, Northern Trust may invest in a variety of short-term investment securities. Alternative investments include commingled funds and separate accounts that invest in private equity and absolute return funds.

There are no individual investments held by IMRF that represent 5% or more of the Fund's fiduciary net position or the investment portfolio at year-end. As of December 31, the following lists IMRF's holdings in index funds. The NT Collective All Country World Equity Index Fund does represent greater than 5% of fiduciary net position for the year ended 2023.

	2023	2022
NT Collective All Country World	\$ 2,673,436,829	\$ 1,702,602,031
NT Collective U.S. Marketcap Equity Index Fund	2,027,158,869	1,945,750,947
BlackRock US Debt Index Fund	1,689,831,118	1,598,782,435
Babson Capital Global Fund	1,686,188,951	1,616,072,322
NT Collective Aggregate Bond Index Fund	1,161,369,064	1,100,651,759
Genesis Emerging Markets Fund	9,929,267	1,013,450,610

4. CUSTODIAL CREDIT RISK FOR INVESTMENTS

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, IMRF will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. As of December 31, the following investments were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent, but not in the Fund's name:

	2023	2022
Investments in foreign currency	\$ 11,733,300	\$ 38,212,818

5. CONCENTRATION OF CREDIT RISK DEBT SECURITIES

The debt security portfolios are managed by professional investment management firms. These investment management firms are required to maintain diversified portfolios. Each investment manager must comply with risk management guidelines individually assigned to them as part of their Investment Management Agreement.

The total debt securities portfolio is managed using the following general guidelines adopted by the IMRF Board of Trustees:

- A. Bonds, notes, or other obligations of indebtedness issued or guaranteed by the U.S. government, its agencies, or instrumentalities are permissible investments and may be held without restriction.
- B. The average credit quality of the total portfolio must be investment grade.
- C. Debt obligations of any single U.S. corporation shall generally be limited to a maximum of 5% of the total portfolio at fair value.
- D. Generally, no more than 30% of a manager's assets at fair value may be invested in securities rated below investment grade at the time of purchase. Investment managers using high yield disciplines will not be subject to this restriction.
- E. Debt obligations of any U.S. industry shall generally be limited to a maximum of 25% of the total portfolio at fair value.
- F. Bonds or other debt obligations of foreign countries and corporations payable in U.S. and in non-U.S. funds are authorized but, in general, will not exceed 15% of the portfolio.

Quality Rating

	2023	2022
Corporate and International		
AAA	\$ 254,010,223	\$ 248,852,385
AA	157,552,564	184,340,864
A	603,550,700	651,496,356
BBB	1,275,583,533	1,295,065,516
BB	773,377,140	772,787,811
B	362,595,998	330,276,475
CCC	63,341,660	56,370,441
CC	3,400,573	159,898
C	79,527	-
D	-	92,378
Not Rated	243,018,138	237,428,361
Government and Agencies		
Agency	3,462,473,850	3,020,281,453
AAA	85,215,909	254,107,587
AA	300,116,835	350,497,132
A	41,478,819	46,795,192
BBB	7,714,905	14,479,374
BB	8,667,080	1,058,395
B	-	4,709,162
Not Rated	4,213,371	5,736,552
Fixed Income Funds		
Index	4,600,289,876	4,392,300,555
Total	\$ 12,246,680,701	\$ 11,866,835,887

The "Agency" caption in the above table does not have a specific credit quality rating since they were not covered by the rating agencies. Typically these securities have at least an AA credit quality rating. The U.S. fixed income

fund had an average credit quality rating of AAA for 2023 and 2022. The international fixed income fund had an average quality rating B for 2023 and 2022.

6. INTEREST RATE RISK

IMRF manages its exposure to fair value losses arising from interest rate risk by diversifying the debt securities portfolio and maintaining the debt securities portfolio at an effective duration range between 80% and 120% of the benchmark index.

Duration is a measure of a debt investment's exposure to fair value changes arising from changing interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. The effective duration measures the sensitivity of market price to parallel shifts in the yield curve. IMRF benchmarks its debt security portfolio to the Bloomberg Barclays Aggregate Bond Index. At December 31, 2023 and December 31, 2022, the effective duration of the Bloomberg Barclays Aggregate Bond Index was 6.08 and 6.22, respectively. At the same points in time, the effective duration of IMRF debt securities portfolio was 4.04 and 3.59, respectively.

Investment	2023 Fair Value	Effective Weighted Duration Rate	2022 Fair Value	Effective Weighted Duration Rate
U.S. Corporate	\$ 3,272,607,037	3.99	\$ 3,407,019,411	3.98
U.S. Government & Agencies	3,842,467,856	6.20	3,626,620,175	4.74
U.S. Fixed Income Funds	2,914,100,925	3.58	2,776,228,233	3.64
Foreign	531,315,932	3.36	440,895,746	2.88
Foreign Fixed Income Fund	1,686,188,951	0.22	1,616,072,322	0.27
Total	\$ 12,246,680,701	4.04	\$ 11,866,835,887	3.59

7. FOREIGN CURRENCY RISK

The international portfolio is constructed on the principles of diversification, quality, growth, and value. Country exposure is limited to 25% or two times the benchmark weighting at fair value. Risk of loss arises from changes in currency exchange rates. International managers may also engage in transactions to hedge currency at their discretion. Currency trading may not be used for speculative purposes. The following represents IMRF's holdings by currency in international equity and fixed income holdings:

	2023	2022
Foreign Equities		
Australian dollar	\$ 218,097,471	\$ 181,573,804
Brazilian real	166,667,894	127,793,467
British pound sterling	788,051,317	663,018,000
Canadian dollar	374,064,515	332,574,248
Chilean peso	354,273	5,736,781
Colombian peso	5,364,810	4,267,692
Czech korona	3,268,337	2,796,723
Danish krone	155,769,211	147,790,615
Euro	1,918,435,263	1,535,631,360
Hong Kong dollar	414,255,590	398,413,959
Hungarian forint	4,573,341	7,861,019
Indian rupee	213,685,600	134,088,465
Indonesian rupiah	30,693,304	36,137,290
Japanese yen	1,062,685,628	840,706,639
Malaysian ringgit	144,691	1,762,543
Mexican peso	121,338,273	83,181,382
New Israeli shekel	6,414,571	10,625,863
New Taiwan dollar	232,624,855	169,210,312
New Zealand dollar	14,632,334	28,264,048
Norwegian krone	54,969,007	77,012,140
Philippine peso	21,956,407	11,397,713
Polish zloty	8,726,725	10,426,641
Russian ruble	13,366,845	10,851,934
Singapore dollar	58,556,557	55,768,762
South African rand	20,051,451	20,336,199
South Korean won	199,629,958	152,782,703
Swedish krona	136,499,219	107,577,809
Swiss franc	350,138,667	312,062,161
Thai baht	27,719,292	51,474,550
Turkish lira	53,919,921	64,304,587
United Arab Emirates dirham	7,709,569	8,166,343
United States dollar	3,977,609,239	3,425,349,082
Total Foreign Equities	\$ 10,661,974,135	\$ 9,018,944,834

	2023	2022
Foreign Fixed Income		
Indonesian rupiah	\$ 4,649,703	\$ 10,360,014
Mexican peso	29,229,587	26,033,155
Russian ruble	-	4,534,009
United States dollar	2,183,067,828	2,016,040,890
Uruguayan peso uruguayo	557,765	-
Total Foreign Fixed Income	2,217,504,883	2,056,968,068
Total	\$ 12,879,479,018	\$ 11,075,912,902

E. SECURITIES LENDING PROGRAM

The IMRF securities lending program is authorized by the IMRF Board of Trustees. IMRF lends securities (both equity and fixed income) to securities firms on a temporary basis through its agent, The Northern Trust Company. There are no restrictions on the amount of securities that may be lent. IMRF receives fees for all loans and retains the right to all interest and dividend payments while the securities are on loan. All securities are loaned for collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned for collateral valued, subject to de-minimus rules, at 102% of the fair value of the securities plus any accrued interest (105% for non-U.S. securities). As the fair value of the securities loaned changes, the borrower must adjust the collateral accordingly. IMRF or the borrower has the right to close the loan at any time. The average term of overall loans was 115 days as of December 31, 2023, and 83 days as of December 31, 2022. When the loan closes, the borrower returns the securities loaned to IMRF, and IMRF returns the associated collateral to the borrower. IMRF cannot pledge or sell the non-cash collateral unless the borrower fails to return the securities borrowed.

Northern Trust pools all collateral received from securities lending transactions and invests any cash collateral.

IMRF holds a prorated share of the collateral provided by the borrowers of its securities. The cash collateral is shown on IMRF's financial statements. Cash collateral is invested in a short-term investment pool, which had an interest sensitivity of 24 days as of December 31, 2023, and 15 days as of December 31, 2022. Cash collateral may also be invested separately in "term loans," in which case the investments match the term of the loan. These loans can be terminated on demand by either lender or borrower.

Indemnification pertains to the situation in which a client's securities are not returned due to the insolvency of a borrower and The Northern Trust fails to live up to its contractual responsibilities relating to the lending of those securities. The Northern Trust's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending. During 2023 and 2022, there were no violations of legal or contractual provisions and no borrower or lending agent default losses to the securities lending agent. There are no dividends or coupon payments owing on the securities lent.



IMRF had no credit risk as a result of its securities lending program, as the collateral held exceeded the fair value of the securities lent as of December 31, 2023 and 2022.

Securities lent are included in the Statements of Fiduciary Net Position. The fair value of collateral received includes cash collateral of \$278,828,883 and \$315,478,383 at December 31, 2023 and December 31, 2022, respectively.

Loans outstanding as of	December 31, 2023	December 31, 2022
Fair value of securities loaned	\$ 2,232,277,719	\$ 1,773,220,638
Fair value of collateral received	\$ 2,286,710,112	\$ 1,819,906,297

F. DERIVATIVE INSTRUMENTS

IMRF’s investment managers may enter into derivative instrument transactions as permitted by their guidelines. A derivative financial instrument is an investment whose payoff depends upon the value of an underlying asset such as bond or stock prices, a market index, or commodity prices. Derivative instruments involve, to varying degrees, credit risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. IMRF’s investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle. The market risk associated with derivative instruments, the prices of which are constantly fluctuating, is regulated by imposing strict limits as to the types, amounts, and degrees of risk that investment managers may undertake. Senior investment management approves these limits and the risk positions of the investment managers are reviewed on a periodic basis to monitor compliance with the limits, IMRF does not purchase derivative instruments with borrowed funds.

During the year, IMRF’s derivative instrument investments included foreign currency forward contracts, financial futures, options, and swaps. Foreign currency forward contracts are used to hedge against the currency risk in IMRF’s foreign stock and fixed income security portfolios. The remaining derivative instruments are used to improve yield, adjust the duration of the fixed income portfolio, or to hedge changes in interest rates.

Foreign currency forward contracts are agreements to buy or sell a specific amount of a specific currency at a specified delivery or maturity date for an agreed upon price. As the fair value of the underlying currency varies from the original contract price, IMRF records an unrealized gain or loss. The counterparties to the foreign currency forward contracts are banks which are rated A or above by rating agencies. The fair value of forward currency contracts outstanding at December 31, 2023 and December 31, 2022 is as follows:

Fair Value as of	December 31, 2023	December 31, 2022
Pending Foreign Exchange Purchases		
Australian dollar	\$148,325,514	\$202,051,846
Brazilian real	120,451,786	232,983,565
British pound sterling	164,667,361	165,092,787
Canadian dollar	44,169,115	111,087,059
Chilean peso	61,179,901	41,072,922
Chinese yuan renminbi	137,759,157	9,058,320
Colombian peso	58,973,666	29,242,911
Czech koruna	94,708,739	24,988,592
Danish krone	31,323,578	15,569,256
Egyptian pound	19,401,706	24,315,596
Euro	199,745,139	269,474,622
Hong Kong dollar	76,100,984	10,007,854
Hong Kong offshore Chinese yuan renminbi	127,889,233	131,908,718
Hungarian forint	47,225,964	27,951,123
Indian rupee	116,656,834	71,627,633
Indonesian rupiah	87,851,133	14,997,465
Japanese yen	228,134,958	367,741,333
Kuwaiti dinar	158,780	189,216
Mexican peso	102,034,526	81,680,864
New Israeli shekel	1,445,767	3,228,642
New Taiwan dollar	355,508,054	86,031,457
New Zealand dollar	55,762,192	65,522,205
Norwegian krone	44,553,009	39,095,086
Peruvian nuevo sol	1,076,232	-
Philippine peso	86,281,328	26,525,479
Polish zloty	525,753	20,413,710
Qatari riyal	7,847	-
Russian ruble	5,496,835	75,210,750
Saudi riyal	7,945,981	114,156
Singapore dollar	40,880,064	6,710,173
South African rand	22,593,275	55,588,425
South Korean won	227,472,297	3,244,587
Swedish krona	99,769,230	69,309,177
Swiss franc	336,082,948	177,545,768
Thai baht	149,358	6,187,719
Turkish lira	8,898,055	73,660,900
United Arab Emirates dirham	154,639	3,051,549
United States dollar	3,064,346,679	2,514,296,009
Total Purchases	6,225,707,617	5,056,777,474

Fair Value as of	December 31, 2023	December 31, 2022
Pending Foreign Exchange Sales		
Australian dollar	\$ (84,986,545)	\$ (104,187,838)
Brazilian real	(144,802,513)	(268,268,940)
British pound sterling	(77,459,448)	(124,791,940)
Canadian dollar	(55,320,982)	(99,705,317)
Chilean peso	(61,187,048)	(41,191,722)
Chinese yuan renminbi	(149,715,169)	(16,597,753)
Colombian peso	(55,488,505)	(2,580,771)
Czech koruna	(94,494,921)	(25,129,669)
Danish krone	(76,766,395)	(38,304,247)
Egyptian pound	(19,288,179)	(6,530,683)
Euro	(265,390,050)	(337,924,308)
Hong Kong dollar	(82,106,198)	(16,207,367)
Hong Kong offshore Chinese yuan renminbi	(105,979,233)	(146,624,418)
Hungarian forint	(47,752,045)	(27,902,210)
Indian rupee	(65,179,790)	(30,454,899)
Indonesian rupiah	(91,229,132)	(22,725,436)
Japanese yen	(312,206,346)	(403,425,200)
Kuwaiti dinar	(23,957)	(99,607)
Mexican peso	(60,255,004)	(80,939,527)
New Israeli shekel	(2,280,859)	(6,230,091)
New Taiwan dollar	(360,439,105)	(147,483,871)
New Zealand dollar	(52,851,588)	(52,835,650)
Norwegian krone	(41,950,534)	(32,728,935)
Peruvian nuevo sol	(259,051)	-
Philippine peso	(84,246,334)	(24,487,814)
Polish zloty	(1,503,870)	(25,087,972)
Russian ruble	-	(68,315,514)
Saudi riyal	(7,792,779)	-
Singapore dollar	(40,783,499)	(6,614,032)
South African rand	(15,331,013)	(28,509,440)
South Korean won	(251,510,380)	(49,611,892)
Swedish krona	(103,853,977)	(57,488,070)
Swiss franc	(326,563,350)	(153,461,106)
Thai baht	(242)	(6,037,594)
Turkish lira	(15,378,726)	(28,967,070)
United Arab Emirates dirham	(2,609)	(2,958,982)
United States dollar	(3,084,666,375)	(2,535,086,702)
Total Sales	(6,239,045,751)	(5,019,496,587)
Net Unrealized Gain/(Loss)	\$ (13,338,134)	\$ 37,280,887

Financial futures are similar to forward contracts, except futures contracts are standardized and traded on organized exchanges. As the fair value of the underlying hedging assets vary from the original contract price, a gain or loss

is recognized and is settled through the clearinghouse. Financial futures represent an off-balance sheet obligation, as there are no balance sheet assets or liabilities associated with those contracts. The contractual amounts of future contracts outstanding as of December 31, 2023 and December 31, 2022 are as follows:

Fair Value as of	December 31, 2022		December 31, 2021		Change Amount
	Amount	Number of Contracts	Amount	Number of Contracts	
Fixed income derivative futures sold	\$168,919,469	1,203	\$271,761,888	1,194	\$(102,842,419)
Fixed income derivative offset futures purchased	168,919,469	1,203	271,761,888	1,194	(102,842,419)
Fixed income derivative offset futures sold	\$227,018,983	1,811	\$386,984,044	2,773	\$(159,965,061)
Fixed income derivative futures purchased	227,018,983	1,811	386,984,044	2,773	(159,965,061)
Equity derivative offset futures sold	\$ 16,184,350	-	\$ 22,393,800	-	\$ (6,209,450)
Equity derivative futures purchased	16,184,350	65	22,393,800	116	(6,209,450)
Cash and cash equivalent derivative futures sold	\$ 16,865,162	71	\$ -	-	\$ 16,865,162
Cash and cash equivalent derivative offset futures purchased	16,865,162	71	-	-	16,865,162
Cash and cash equivalent derivative offset futures sold	\$250,067,113	1,034	\$ 35,596,876	150	\$ 214,470,237
Cash and cash equivalent derivative futures purchased	250,067,113	1,034	35,596,876	150	214,470,237

Contractual amounts, which represent the fair value of the underlying assets of the derivative contracts, are often used to express the volume of these positions. Such amounts do not reflect the extent to which positions may offset one another or the potential risk, which is generally a lesser amount.

Financial options are agreements that give one party the right, but not the obligation, to buy or sell a specific amount of an asset for a specified price, called the strike price, on or before a specified expiration date. As a writer of financial options, IMRF receives a premium at the outset of the agreement and bears the risk of an unfavorable change in the price of the assets underlying the option. Gains and losses on options are determined based on fair values and are recorded in the Statements of Changes in Fiduciary Net Position. The fair value (liability) of financial options outstanding at year-end December 31, 2023, and December 31, 2022 are as follows:

Fair Value as of	December 31, 2023		December 31, 2022		Change in Fair Value Amount
	Amount	Notional Value	Amount	Notional Value	
Financial put options	\$ 184,982	\$ 1,102	\$ 76,187	\$ 867	\$ 108,795
Financial call options	1,701,413	3,012	68,654	792	1,632,759

Interest rate swaps are agreements between two or more parties to exchange sets of cash flows over a period of time. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty who, in turn, agrees to make return interest payments that float with some reference rate. In addition to interest rate swaps, one of IMRF's investment managers utilizes credit default swaps which add liquidity to individual credits and protect specific positions. Gains and losses on swaps are determined



based on fair values and are recorded in the Statements of Changes in Fiduciary Net Position. The fair value (liability) of swaps outstanding as of December 31, 2023, and December 31, 2022 are as follows:

Fair Value as of	December 31, 2023	December 31, 2022	Change
Swaps, gain/(loss)	\$ 4,941,459	\$ 14,191,417	\$ (9,249,958)

As of December 31, 2023				Change in Fair Value
Type of Swap	Notional Value	Fair Value	Counterparty Credit Rating	Amount
Credit Default Swap	\$ 52,805,979	\$ 583,902	NR *	\$ 227,513
Credit Default Swap	52,805,979	(1,381,272)	NR *	(1,343,983)
Interest Rate Swap	672,216,057	6,894,581	NR *	(10,576,478)
Interest Rate Swap	672,216,057	(1,155,752)	NR *	2,442,990
Total	\$ 1,450,044,072	\$ 4,941,459		\$ (9,249,958)

As of December 31, 2022			
Type of Swap	Notional Value	Fair Value	Counterparty Credit Rating
Credit Default Swap	\$ 48,137,100	\$ 356,389	NR *
Credit Default Swap	48,137,100	(37,289)	NR *
Interest Rate Swap	534,338,000	17,471,059	NR *
Interest Rate Swap	534,338,000	(3,598,742)	NR *
Total	\$ 1,164,950,200	\$ 14,191,417	

NR* = Not rated.

G. FUTURE INVESTMENT COMMITMENTS

At December 31, 2023 and December 31, 2022, IMRF had future commitments for additional contributions to real estate and alternative investment managers totaling \$5,184,822,566.25 and \$4,426,073,473, respectively.

H. FAIR VALUE MEASUREMENT

IMRF categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles (GAAP). The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories.

The inputs or methodology used for valuing the securities is not an indication of the risk associated with investing in those respective securities.

The three hierarchy categories are as follows:

- Level 1: Investments reflect prices quoted in active markets for identical assets.
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly in an active market, and inputs in markets are not considered to be active for identical or similar assets.
- Level 3: Investments reflect prices based on unobservable inputs and may include situations where there is minimal, if any, market activity for the investment.

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement is categorized based on the lowest priority level input that is significant to the valuation. The Fund's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. Investments measured at fair value, using the net asset value (NAV) per share (or equivalent) as a practical expedient to fair value, are not classified in the fair value hierarchy; however, separate disclosures for these investments are included in this report.

The securities lending cash collateral investment pool and short-term investments consist of money market funds, certificates of deposit, and highly liquid cash equivalents. They are reported at amortized cost which approximates fair value. These investments are not categorized in the fair value hierarchy.

Fixed income, equity investments, and options classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets, to the extent that these securities are actively traded.

Fixed income and equity investments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing sources. Valuation estimates for service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads, and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices. Exchange traded and over-the-counter investment derivatives are valued by independent pricing service providers, where the value is derived from underlying asset prices, reference rates, indices, or other observable inputs.

Fixed income and equity investments classified in Level 3 of the fair value hierarchy are valued based on inputs principally by using valuation techniques from The Northern Trust Company. Their values can only be estimated using a combination of complex market prices, mathematical models, and subjective assumptions.

Alternative investments are measured at fair value, using the NAV per share as a practical expedient to fair value. Investments measured at NAV are not classified in the fair value hierarchy.

Investments measured at amortized cost consist of IMRF's Short-Term Investment Funds (STIF) account, offered through the Funds custodial bank. These are not included in the fair value hierarchy and are presented only to show comparability between the Fair Value tables and the amounts shown in the Schedules of Fiduciary Net Position for Total investments.



The following tables summarize the valuation of IMRF's investments by the fair value hierarchy levels and investments measured at NAV as of December 31, 2023, and December 31, 2022.

	As of December 31, 2023				
	Fair Value Measurements Using				
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Investments Measured at NAV
U.S. government & agency fixed income	\$ 3,842,467,856	\$ 1,405,719,655	\$ 2,382,301,060	\$ 54,447,141	\$ -
U.S. corporate fixed income	3,272,607,037	-	3,172,718,751	99,888,286	-
U.S. fixed income funds	2,914,100,925	-	-	-	2,914,100,925
Foreign fixed income funds	2,217,504,883	-	523,767,852	7,548,080	1,686,188,951
Fixed income	12,246,680,701	1,405,719,655	6,078,787,663	161,883,507	4,600,289,876
U.S. equities	15,921,631,272	15,912,033,539	391,992	9,205,741	-
U.S. equity funds	2,061,186,798	34,027,929	-	-	2,027,158,869
Foreign equities	7,515,385,426	7,515,385,411	-	15	-
Foreign equity funds	3,146,588,709	12,599,879	-	6,206,135	3,127,782,695
Equity	28,644,792,205	23,474,046,758	391,992	15,411,891	5,154,941,564
Real estate	4,643,736,260	-	-	-	4,643,736,260
Private equity	5,946,099,717	-	-	286,830,027	5,659,269,690
Absolute return funds	55,363	-	-	-	55,363
Options	1,886,395	1,886,395	-	-	-
Swaps	4,941,459	-	4,941,459	-	-
Investments measured at fair value	\$ 51,488,192,100	\$ 24,881,652,808	\$ 6,084,121,114	\$ 464,125,425	\$ 20,058,292,753
Investments measured at amortized cost	625,806,553				
Total	\$ 52,113,998,653				

Year Ended December 31, 2023	Investments measured at Net Asset Value (NAV)			
	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
U.S. fixed income funds	\$ 2,914,100,925	\$ -	Daily	0-2 Days
Foreign fixed income	1,686,188,951	-	Daily	30 Days
Commingled Fixed Income Funds Total	4,600,289,876	-		
Real estate	4,643,736,260	2,060,768,777	Quarterly, Not Eligible	30-60 days, N/A
Private equity	5,659,269,690	3,124,053,789	Quarterly, Not Eligible	60 days, N/A
Absolute return funds	55,363	-	Monthly, Quarterly	Notice in Place
Investments measured at NAV	\$20,058,292,753	\$5,184,822,566		

As of December 31, 2022					
Fair Value Measurements Using					
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Investments Measured at NAV
U.S. government & agency fixed income	\$ 3,626,620,175	\$ 1,371,118,260	\$ 2,151,881,510	\$ 103,620,405	\$ -
U.S. corporate fixed income	3,407,019,411	-	3,215,984,814	191,034,597	-
U.S. fixed income funds	2,776,228,233	-	-	-	2,776,228,233
Foreign fixed income funds	2,056,968,068	-	428,744,583	12,151,163	1,616,072,322
Fixed income	11,866,835,887	1,371,118,260	5,796,610,907	306,806,165	4,392,300,555
U.S. equities	13,988,881,820	13,979,434,853	9,446,967	-	-
U.S. equity funds	2,490,836,751	545,085,804	-	-	1,945,750,947
Foreign equities	6,269,660,799	6,268,854,827	-	805,972	-
Foreign equity funds	2,749,584,035	1,046,982,004	-	-	1,702,602,031
Equity	25,498,963,405	21,840,357,488	9,446,967	805,972	3,648,352,978
Real estate	4,586,045,681	-	-	-	4,586,045,681
Private equity	5,259,981,482	-	-	228,551,028	5,031,430,454
Absolute return funds	75,952	-	-	-	75,952
Options	144,841	144,841	-	-	-
Swaps	14,191,417	-	14,191,417	-	-
Investments measured at fair value	\$ 47,226,238,665	\$ 23,211,620,589	\$ 5,820,249,291	\$ 536,163,165	\$ 17,658,205,620
Investments measured at amortized cost	550,501,307				
Total	\$ 47,776,439,972				

Year Ended December 31, 2022	Investments measured at Net Asset Value (NAV)			
	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
U.S. fixed income funds	\$ 2,776,228,233	\$ -	Daily	0-2 Days
Foreign fixed income	1,616,072,322	-	Daily	30 Days
Commingled Fixed Income Funds Total	4,392,300,555	-		
Real estate	4,586,045,681	1,860,533,771	Quarterly, Not Eligible	30-60 days, N/A
Private equity	5,031,430,454	2,565,539,702	Quarterly, Not Eligible	60 days, N/A
Absolute return funds	75,952	-	Monthly, Quarterly	Notice in Place
Investments measured at NAV	\$17,658,205,620	\$4,426,073,474		

1. INVESTMENTS MEASURED AT NET ASSET VALUE

Commingled Fixed Income Funds. This type includes fixed income funds that are considered to be commingled in nature. The fair value of the investments in this type has been determined using the NAV per share (or equivalent) of the Fund's ownership interest in the partners' capital at the end of the period. These are based upon the fair value of the underlying investments. Overall, IMRF's strategy for fixed income investments is to provide stable income and to diversify the equity market risk in the portfolio. The fixed income portfolio's objective is to achieve a total return that exceeds the total return of the Bloomberg Barclays U.S. Aggregate Bond Index net of fees. IMRF's investments in fixed income commingled funds essentially have the same objective.

Real Estate Funds. This type includes open-ended commingled funds, commingled closed-ended funds, and a commingled closed-ended fund of funds. The fair value of the investments in this type has been determined using the NAV per share (or equivalent) of the Fund's ownership interest in the partners' capital at the end of the period. These are based upon the fair value of the underlying investments. The open-ended commingled funds are generally eligible for redemption on a quarterly basis. The closed-ended funds are not eligible for redemption. Distributions received as underlying investments within the fund are liquidated over the term of the fund, which is typically 7 to 12 years. IMRF strategy for investing in real estate is to provide diversification, inflation protection, and income generation in the investment portfolio. The real estate portfolio's objective is to achieve a total return that exceeds the return of the National Council of Real Estate Investment Fiduciaries (NCREIF) gross of fees Open End Diversified Core Equity (ODCE) Index over a rolling three year period. The global real estate program invests capital in private and public real estate debt and equity markets in order to achieve the investment objectives. The role of public real estate is to provide diversification, income, and liquidity. The role of private real estate is to provide diversification, inflation protection, and return enhancement. Private market real estate investments will be diversified among various return strategies including core, value-add, and opportunistic in U.S. and non-U.S. markets.

Private Equity Funds. This type consists of private equity separate accounts with underlying partnerships, private equity fund of funds, direct limited partnership investments, and five hedge fund side pockets. The fair value of the investments in this type has been determined using the NAV per share (or equivalent) of the Funds' ownership interest in the partners' capital at the end of the period. These are based upon the fair value of the underlying investments. Private equity investments are not eligible for redemption. Distributions received as underlying investments within the fund are liquidated over the term of the partnership, which is typically 7 to 12 years. The hedge fund of funds is eligible for redemption at any time, subject to the redemption constraints of the underlying investments. IMRF's strategy for alternative investments is to diversify the Fund's assets and enhance investment portfolio return through long-term capital appreciation. Private Equity is one component of this portfolio investment strategy. The alternatives investment portfolio's objective is to achieve an annualized return of 9%. The alternative investment asset class can encompass different and distinct asset categories within U.S. and non-U.S. markets. The investment objective is to generate long-term returns in a diversified manner. It generally consists of limited partnerships in which IMRF commits a fixed amount that the general partner will invest over several years. The partnership structure may cover periods of 10 years or more. As such, the alternative asset class is not structured to provide short term cash flow for the Fund.

I. EMPLOYEE RETIREMENT DEFINED BENEFIT PLAN

1. GENERAL INFORMATION ABOUT THE DEFINED BENEFIT PLAN

A. IMRF PLAN DESCRIPTION

As an employer, IMRF's defined benefit pension plan for regular employees provides retirement, disability benefits, post-retirement increases, and death benefits to plan members and their beneficiaries. IMRF is the administrator of an agent multiple employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

B. BENEFITS PROVIDED

IMRF has three benefit plans. All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits), with eight years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years, to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months, within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1, every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits), with ten years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years, to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months, within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

C. IMRF EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2023, and December 31, 2022, the following employees were covered by the benefit terms:

	2023	2022
Retirees and Beneficiaries currently receiving benefits	206	196
Inactive Plan Members entitled to but not yet receiving benefits	74	75
Active Plan Members	219	210
Total	499	481

D. CONTRIBUTIONS

As set by statute, IMRF's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of their own employees. IMRF's annual contribution rate for calendar years 2023 and 2022 was 7.22% and 9.14% respectively. For the fiscal year ended December 31, 2023, and December 31, 2022, IMRF contributed \$1,402,418 and \$1,631,546 respectively to the plan. IMRF also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

2. NET PENSION LIABILITY

IMRF's net pension liability was measured as of December 31, 2023, and December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.



A. ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2023, and December 31, 2022:

Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Fair Value of Assets
Inflation Rate	2.25%
Salary Increases	2.85% to 13.75%, including inflation.
Investment Rate of Return	7.25%
Retirement Age	2023 was from the Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022. 2022 was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2020 valuation pursuant to an experience study from years 2017 to 2019.
Mortality	
Non-Disabled Retirees	Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used. In 2022, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020 were used.
Disabled Retirees	Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. In 2022, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Active Members	Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. In 2022, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023, and December 31, 2022:

	2023		2022	
	Portfolio Target Percentage	Long-Term Expected Real Rate of Return	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	34.5%	5.00%	35.50%	6.50%
International Equity	18.0%	6.35%	18.0%	7.60%
Fixed Income	24.5%	4.75%	25.5%	4.90%
Real Estate	10.5%	6.30%	10.5%	6.20%
Alternative Investments	11.5%	6.05-8.65%	9.5%	6.25-9.90%
Cash Equivalents	1.0%	3.80%	1.0%	4.00%
Total	100%		100%	

3. SINGLE DISCOUNT RATE

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.77% and 4.05% as of December 31, 2023, and December 31, 2022, respectively, and the resulting single discount rate is 7.25% as of both December 31, 2023 and December 31, 2022.



4. CHANGES IN THE NET PENSION LIABILITY

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
Balances at December 31, 2021	\$102,441,221	\$112,412,528	\$(9,971,307)
Changes for the year:			
Service Cost	1,591,628	-	1,591,628
Interest on the Total Pension Liability	7,270,377	-	7,270,377
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,444,330	-	1,444,330
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,760,286	(1,760,286)
Contributions - Employees	-	813,941	(813,941)
Net Investment Loss	-	(14,544,490)	14,544,490
Benefit Payments, including Refunds of Employee Contributions	(5,911,939)	(5,911,939)	-
Other (Net Transfer)	-	(401,430)	401,430
Net Changes	4,394,396	(18,283,632)	22,678,028
Balances at December 31, 2022	\$106,835,617	\$94,128,896	\$12,706,721
Changes for the year:			
Service Cost	1,634,199	-	1,634,199
Interest on the Total Pension Liability	7,580,373	-	7,580,373
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	2,081,886	-	2,081,886
Changes of Assumptions	(61,506)	-	(61,506)
Contributions - Employer	-	1,442,466	(1,442,466)
Contributions - Employees	-	875,755	(875,755)
Net Investment Income	-	10,456,583	(10,456,583)
Benefit Payments, including Refunds of Employee Contributions	(6,191,696)	(6,191,696)	-
Other (Net Transfer)	-	2,209,576	(2,209,576)
Net Changes	5,043,256	8,792,684	(3,749,428)
Balances at December 31, 2023	\$111,878,873	\$102,921,580	\$8,957,293

For 2023, the Change in Assumptions is due to updates to mortality tables and other demographic data based on the experience study conducted for the period 2020-2022.

A. SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	December 31, 2023		
	Current Single Discount Rate Assumption		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$ 124,259,919	\$ 111,878,873	\$ 101,887,452
Plan Fiduciary Net Position	102,921,580	102,921,580	102,921,580
Net Pension Liability/(Asset)	\$ 21,338,339	\$ 8,957,293	\$ (1,034,128)

	December 31, 2022		
	Current Single Discount Rate Assumption		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$ 118,704,524	\$ 106,835,617	\$ 97,394,244
Plan Fiduciary Net Position	94,128,896	94,128,896	94,128,896
Net Pension Liability	\$ 24,575,628	\$ 12,706,721	\$ 3,265,348

5. PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year's ended December 31, 2023, and December 31, 2022, IMRF recognized pension (income)/expense of \$(381,579) and \$3,696,672 respectively. At December 31, 2023, and December 31, 2022, IMRF reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	As of December 31, 2023		As of December 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods				
Differences between expected and actual experience	\$ 2,770,813	\$ 54,580	\$ 2,264,927	\$ 86,039
Changes of assumptions	-	166,266	18,374	278,398
Net difference between projected and actual earnings on pension plan investments	5,491,137	-	8,047,623	-
Total	\$ 8,261,950	\$ 220,846	\$ 10,330,924	\$ 364,437

As of December 31, 2023, the amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31, 2023	
Net Deferred Outflows/(Inflows) of Resources	
2024	\$ 1,506,580
2025	2,588,874
2026	4,426,688
2027	(481,038)
2028	-
Thereafter	-
Total	\$ 8,041,104

Year Ending December 31, 2022	
Net Deferred Outflows/(Inflows) of Resources	
2023	\$ 550,993
2024	1,804,364
2025	2,886,658
2026	4,724,472
2027	-
Thereafter	-
Total	\$ 9,966,487

J. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

1. GENERAL INFORMATION ABOUT THE OPEB PLAN

A. PLAN DESCRIPTION

IMRF, as an employer, administers a single-employer defined benefit healthcare plan (“Retiree Health Plan”) under the provisions of ILCS Chapter 215, Article 5, Section 367j. The plan is set up as a pay as you go plan. As such, there are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. BENEFITS PROVIDED

As required by the statutes, the Retiree Health Plan provides lifetime health and dental care insurance for eligible retirees and their spouses through IMRF’s group health insurance plan, which covers both active and retired members. Benefit subsidy provisions have been established by IMRF’s Board of Trustees that cover a percentage of the retiree’s insurance premiums from the date of retirement to the date the retiree becomes eligible for Medicare. These benefit subsidy provisions can be modified or terminated at the sole discretion of the IMRF Board. Except for any eligible subsidy, retirees must pay the entire blended insurance premium for their coverage. The amount of the subsidy varies based upon the retiree’s years of service with IMRF and are as follows:

Years of Service	IMRF Percent	Retiree Percent
Less than 10	0.0%	100.0%
10-14	20.0	80.0
15-19	27.5	72.5
20	35.0	65.0
21	36.5	63.5
22	38.0	62.0
23	39.5	60.5
24	41.0	59.0
25	42.5	57.5
26	44.0	56.0
27	45.5	54.5
28	47.0	53.0
29	48.5	51.5
30 and up	50.0	50.0

C. EMPLOYEES COVERED BY THE BENEFIT TERMS

The following employees were covered by the benefit terms at December 31, 2023 and December 31, 2022:

	2023	2022
Inactive employees or beneficiaries currently receiving benefits	21	21
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	217	206
Total	238	227

2. TOTAL OPEB LIABILITY

IMRF's total OPEB liability of \$2,374,424 and \$2,117,633 were measured as of December 31, 2023, and December 31, 2022, respectively, and was determined by an actuarial valuation as of those dates.

The total OPEB liability in the December 31, 2023, and December 31, 2022, actuarial valuations was determined using the following actuarial assumptions and other inputs. These were applied to all periods included in the measurement unless otherwise specified.

Actuarial Cost Method	Entry-Age Normal		
Discount Rate	2023 - 3.77%	2022 - 4.05%	2021 - 1.84%
Price Inflation	2023 - 2.25%	2022 - 2.25%	2021 - 2.25%
Wage Inflation	2023 - 2.75%	2022 - 2.75%	2021 - 2.75%
Salary Increases	2023 - 2.90% to 12.00%, includes wage inflation 2022 and 2021 - 2.85% to 9.85%, includes wage inflation		
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Based on the experience study covering the three year period ending December 31, 2022 (December 31, 2019 for the 2022 and 2021 valuations) as conducted for the Illinois Municipal Retirement System.		
Mortality			
Active members*	2023 - Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (adjusted 100%) tables, and future mortality improvements projected using scale MP-2021. 2022 and 2021 - Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female tables, and future mortality improvements projected using scale MP-2020.		
Retirees*	2023 - Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 2022 and 2021 - Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.		
Disability*	2023 - Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male (adjusted 100%) and Female tables, and future mortality improvements projected using scale MP-2021. 2022 and 2021 - Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male (adjusted 100%) and Female tables, and future mortality improvements projected using scale MP-2020.		
Health Care Trend Rates	2023 - Initial trend of 7.25% gradually decreasing to an ultimate trend rate of 3.50% in year 15. 2022 and 2021 - Initial trend of 7.50% gradually decreasing to an ultimate trend rate of 3.50% in year 12.		
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"		

*Based on the experience study covering the three year period ending December 31, 2019, as conducted for the Illinois Municipal Retirement Fund.

For plans that have no assets, the discount rate used is the same as the tax-exempt municipal bond rate, based on an index of 20 year general obligation bonds with an average credit rating of AA as of the measurement date. For these valuations, the Fidelity 20 Year Municipal GO AA Index was used.

3. CHANGES IN THE TOTAL OPEB LIABILITY

	2023	2022
Total OPEB Liability – Beginning of the Year	\$2,117,633	\$2,543,618
Service Cost	91,578	132,620
Interest on the Total OPEB Liability	83,898	46,463
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	162,799	(205,464)
Changes in Assumptions	102,231	(230,089)
Benefit Payments	(183,715)	(169,515)
Net Changes	256,791	(425,985)
Total OPEB Liability – End of the Year	\$2,374,424	\$2,117,633

Changes in assumptions for 2023 and 2022 reflected in the current valuation:

- a change in the discount rate from 1.84% in 2021 to 4.05% in 2022 to 3.77% in 2023,
- a change in salary increases from 2.85% to 9.85%, including wage inflation in 2021 and 2022 to 2.90% to 12.00%, including wages inflation in 2023,
- a change in the retirement age tables from the 3 year experience study ending December 31, 2019 to the 3 year experience study ending December 31, 2022,
- a change in mortality tables in 2023.

A. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability of IMRF, as well as what the total OPEB Liability would be if it were calculated using a discount rate that is plus/minus 1 percentage point from the current discount rate:

	Total OPEB Liability					
	Current Single Discount Rate					
	1% Decrease		Assumptions		1% Increase	
	Rate	Amount	Rate	Amount	Rate	Amount
2023	2.77%	\$2,511,553	3.77%	\$2,374,424	4.77%	\$2,242,473
2022	3.05%	2,242,339	4.05%	2,117,633	5.05%	1,998,205

B. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the total OPEB liability of IMRF, as well as what the total OPEB Liability would be if it were calculated using healthcare cost trend rates that are plus/minus 1 percentage point from the current healthcare cost trend rates:

	Total OPEB Liability		
	Current Health Care Cost		
	1% Decrease	Trend Rate Assumption	1% Increase
2023	\$2,187,988	\$2,374,424	\$2,585,908
2022	1,948,489	2,117,633	2,310,151

4. OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the years ended December 31, 2023, and December 31, 2022, IMRF recognized OPEB expense of \$162,639 and \$138,033 respectively. At December 31, 2023 and December 31, 2022, IMRF reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2023		December 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 201,405	\$ 361,937	\$ 64,969	\$ 450,490
Changes in assumptions or other inputs	365,505	180,219	337,562	205,154
Total	\$ 566,910	\$ 542,156	\$ 402,531	\$ 655,644

As of December 31, 2023, the amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

As of December 31, 2023	
Net Deferred Outflows/(Inflows) of Resources	
2024	\$ (12,837)
2025	(12,837)
2026	(7,414)
2027	27,466
2028	17,920
Thereafter	12,456
Total	\$ 24,754

As of December 31, 2022	
Net Deferred Outflows/(Inflows) of Resources	
2023	\$ (41,050)
2024	(41,050)
2025	(41,050)
2026	(35,627)
2027	(747)
Thereafter	(93,589)
Total	\$ (253,113)

K. RESERVES

IMRF maintains several reserves as required by the Illinois Pension Code and Board policy. All reserves are fully funded with the exception of some individual employer retirement reserves. These reserves do not equal the present value of expected retirement benefits for all employers. As of December 31, 2023, the present value of expected retirement benefits for all employers combined exceeded the retirement reserves by \$2,772,828,998. As of December 31, 2022, retirement reserves exceeded the present value of expected retirement benefits for all employers combined by \$4,922,104,291.

These reserves are explained in the Illinois Pension Code, Section 7-202 through 208.

	2023	2022
Member Contribution Reserve		
Balance at December 31	\$ 8,240,615,496	\$ 7,935,641,984
Annuity Reserve		
Balance at December 31	\$ 32,351,937,571	\$ 30,872,785,502
Employer Reserves		
Retirement contribution reserve	11,294,944,141	9,650,730,446
Earnings and experience reserve	716,638,065	(287,014,327)
Supplemental retirement benefit reserve	4,337,714	3,275,139
Death benefit reserve	12,714,099	6,832,977
Disability benefit reserve	11,072,641	8,552,774
Balance at December 31	\$ 12,039,706,660	\$ 9,382,377,009

L. OTHER NOTES

1. PREPAID EXPENSES

	2023	2022
Prepaid administrative expenses	\$ 3,442,776	\$ 3,620,619
January 1 benefits charged to bank account in December	225,114,383	212,811,583
Balance at December 31	\$ 228,557,159	\$ 216,432,202

2. CAPITAL ASSETS

Capital assets are recorded at their cost at the time of acquisition. Depreciation and amortization are computed using the straight-line method over the estimated useful life of the related asset. The estimated useful lives are 1) furniture: ten years; 2) equipment: five to ten years; 3) internally developed software: six years; and 4) automobiles: four years.

	Year ended December 31, 2023			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets				
Leasehold improvements	\$ 1,584,401	\$ 211,946	\$ -	\$ 1,796,347
Furniture and equipment	17,086,055	1,242,977	(179,591)	18,149,441
Software	13,364,359	-	-	13,364,359
Total in service	32,034,815	1,454,923	(179,591)	33,310,147
Software under development	58,352,627	9,118,843	-	67,471,470
Total ending balance	90,387,442	10,573,766	(179,591)	100,781,617
Accumulated Depreciation & Amortization				
Leasehold improvements	1,180,123	210,443	-	1,390,566
Furniture and equipment	15,381,476	2,204,039	(179,591)	17,405,924
Software	9,346,696	-	-	9,346,696
Ending balance	25,908,295	2,414,482	(179,591)	28,143,186
Capital Assets, net	\$ 64,479,147	\$ 8,159,284	\$ -	\$ 72,638,431

	Year ended December 31, 2022			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets				
Leasehold improvements	\$ 1,439,861	\$ 144,540	\$ -	\$ 1,584,401
Furniture and equipment	15,699,372	1,532,573	(145,890)	17,086,055
Software	13,364,359	-	-	13,364,359
Total in service	30,503,592	1,677,113	(145,890)	32,034,815
Software under development	50,477,052	7,875,575	-	58,352,627
Total ending balance	80,980,644	9,552,688	(145,890)	90,387,442
Accumulated Depreciation & Amortization				
Leasehold improvements	989,864	190,259	-	1,180,123
Furniture and equipment	13,309,522	2,217,844	(145,890)	15,381,476
Software	9,346,696	-	-	9,346,696
Ending balance	23,646,082	2,408,103	(145,890)	25,908,295
Capital Assets, net	\$ 57,334,562	\$ 7,144,585	\$ -	\$ 64,479,147

3. LEASE AGREEMENTS

The Fund leases its headquarters facility at the Drake Oak Brook Plaza under an agreement with the building’s management. The Fund has an agreement for the office space through December 31, 2025. Payments are generally fixed monthly, with certain variable payments not included in the measurement of the lease liability required based on maintenance, parking, storage, property tax, and other building operating expenses. The lease contained an abatement clause, which was included in the calculation of the lease liability.

The Fund also leases office space in Springfield for its Regional Counseling Center. The Fund has an agreement for the office space through March 31, 2024. The agreement also increased the total square footage. Payments are generally fixed monthly. There are not any variable payments included in the lease.

Lease asset activity of the Fund was as follows:

	Year ended December 31, 2023			
	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Assets (Lessee)				
Buildings	\$ 4,497,614	\$ -	\$ -	\$ 4,497,614
Accumulated Amortization				
Buildings	1,152,363	1,152,364	-	2,304,727
Right to Use Assets, net	\$ 3,345,251	\$(1,152,364)	\$ -	\$ 2,192,887

	Year ended December 31, 2022			
	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Assets (Lessee)				
Buildings	\$ -	\$ 4,497,614	\$ -	\$ 4,497,614
Accumulated Amortization				
Buildings	-	1,152,363	-	1,152,363
Right to Use Assets, net	\$ -	\$ 3,345,251	\$ -	\$ 3,345,251

During the year ended December 31, 2023, and December 31, 2022, IMRF recognized the following outflows as a result of certain items that were properly excluded from the initial measurement of the lease liability of \$745,995 and \$732,438, respectively. These amounts include building maintenance costs, parking, storage fees, common area utilities, and property taxes.

Future principal and interest payment requirements related to the Fund’s lease liability at December 31 are as follows:

	Principal	Interest	Total
2024	\$ 1,079,317	\$ 89,995	\$ 1,169,312
2025	1,060,643	126,017	1,186,660
Total	\$ 2,139,960	\$ 216,012	\$ 2,355,972



4. SUBSCRIPTIONS

The Fund obtains the right to use vendors' information technology software through various long-term contracts. Most of the contracts have been paid in full at the beginning of the term. Two contracts have annual payments.

Subscription asset activity of the Fund was as follows:

	Year ended December 31, 2023			
	Beginning Balance	Additions	Deletions	Ending Balance
Right to Use Subscriptions				
Subscriptions	\$ -	\$ 2,943,798	\$ -	\$ 2,943,798
Accumulated Amortization				
Subscriptions	-	783,282	-	783,282
Right to Use Assets, net	\$ -	\$ 2,160,516	\$ -	\$ 2,160,516

As of December 31, 2023, the Fund has \$308,770 in commitments related to subscriptions for which the subscription term has not yet commenced.

Future principal and interest payment requirements related to the Fund's subscription liability at December 31 are as follows:

	Principal	Interest	Total
2024	\$198,655	\$11,990	\$210,645
2025	91,658	7,791	99,449
2026	88,068	15,608	103,676
Total	\$378,381	\$35,389	\$413,770

5. COMPENSATED ABSENCES

Annual vacation leave is earned by all employees. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At December 31, 2023, a liability existed for accumulated annual leave calculated at the employee's December 31, 2023, pay rate in the amount of \$1,273,787. Employees who have been continuously employed by IMRF for at least five years prior to the date of their retirement, resignation, or death will receive payment for their accumulated sick leave balance, with such payment not to exceed the sum of 90 days of the employee's annual compensation. For employees who have not been employed for five continuous years, an accrued liability is calculated assuming the likelihood that they will meet the five year threshold in the future. At December 31, 2023, a liability existed for accumulated and accrued sick leave, calculated at the employee's December 31, 2023 pay rate in the amount of \$3,276,889. The total leave liability of \$4,550,676 and \$4,444,133 as of December 31, 2023, and December 31, 2022, respectively, also includes an accrual for IMRF employer contributions and payroll taxes. These amounts are reflected in the Statements of Fiduciary Net Position in accrued expenses and benefits payable

6. RISK MANAGEMENT

IMRF carries commercial, business, fiduciary liability, cyber, and automobile liability insurance coverage provided by private insurance carriers. These policies limit the risk of loss from torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. There have been no material insurance claims filed or paid during the last three years.

The Fund is also exposed to investment risk. This risk is limited by diversification of the portfolio, establishment and monitoring of investment policies and guidelines, and monitoring of investment performance. In addition, investment consultants and fiduciary counsel monitor the Fund's activities and advise the Board of Trustees.

7. CONTINGENCIES

IMRF is a defendant in a number of lawsuits that, in management's opinion, will not have a material effect on the financial statements.



REQUIRED SUPPLEMENTARY INFORMATION*

* Unaudited; see accompanying Independent Auditor's Report

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS (Last 10 calendar years)

Calendar Year Ended December 31,	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$1,634,199	\$1,591,628	\$1,651,203	\$1,607,047
Interest on the Total Pension Liability	7,580,373	7,270,377	7,062,415	6,736,777
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	2,081,886	1,444,330	(148,957)	2,020,379
Changes of Assumptions	(61,506)	-	-	(759,061)
Benefit Payments, including Refunds of Employee Contributions	(6,191,696)	(5,911,939)	(5,420,913)	(4,850,421)
Net Change in Total Pension Liability	5,043,256	4,394,396	3,143,748	4,754,721
Total Pension Liability - Beginning	106,835,617	102,441,221	99,297,473	94,542,752
Total Pension Liability - Ending (A)	\$111,878,873	\$106,835,617	\$102,441,221	\$99,297,473
Plan Fiduciary Net Position				
Contributions - Employer	\$1,442,466	\$1,760,286	\$1,863,644	\$1,977,839
Contributions - Employees	875,755	813,941	799,505	811,431
Net Investment Income	10,456,583	(14,544,490)	16,608,903	12,683,764
Benefit Payments, including Refunds of Employee Contributions	(6,191,696)	(5,911,939)	(5,420,913)	(4,850,421)
Other (Net Transfers)	2,209,576	(401,430)	(377,387)	(106,927)
Net Change in Plan Fiduciary Net Position	8,792,684	(18,283,632)	13,473,752	10,515,686
Plan Fiduciary Net Position - Beginning	94,128,896	112,412,528	98,938,776	88,423,090
Plan Fiduciary Net Position - Ending (B)	\$102,921,580	\$94,128,896	\$112,412,528	\$98,938,776
Net Pension Liability/(Asset) - Ending (A) - (B)	\$8,957,293	\$12,706,721	\$(9,971,307)	\$358,697
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.99%	88.11%	109.73%	99.64%
Covered Valuation Payroll	\$19,441,586	\$18,087,521	\$17,766,731	\$18,031,700
Net Pension Liability/(Asset) as a Percentage of Covered Valuation Payroll	46.07%	70.25%	(56.12)%	1.99%

NOTES TO SCHEDULE

IMRF as an employer, first implemented GASB 68 in fiscal year 2019. The cumulative effect of the change equals the ending balances as of December 31, 2018 and can also be found in IMRF's 2019 Annual Report. To provide the reader additional information, this schedule is presented to show actual year-to-year changes and trends in the amounts listed.

Changes in assumptions:

- For 2023, changes are primarily from updates to mortality tables and other demographic data based on the experience study covering the years 2020-2022.
- For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.

2019	2018	2017	2016	2015	2014
\$1,513,237	\$1,457,827	\$1,482,033	\$1,479,003	\$1,365,350	\$1,470,549
6,323,492	6,062,850	5,957,587	5,639,112	5,296,918	4,811,508
-	-	-	-	-	-
2,443,448	701,372	271,862	701,699	1,259,500	809,085
-	2,380,154	(2,506,327)	(288,716)	185,566	2,582,349
(4,402,776)	(4,091,876)	(3,487,205)	(3,689,282)	(3,098,540)	(3,010,388)
5,877,401	6,510,327	1,717,950	3,841,816	5,008,794	6,663,103
88,665,351	82,155,024	80,437,074	76,595,258	71,586,464	64,923,361
\$94,542,752	\$88,665,351	\$82,155,024	\$80,437,074	\$76,595,258	\$71,586,464
\$ 1,461,295	\$ 1,727,695	\$ 1,633,408	\$ 1,618,248	\$ 1,525,536	\$ 1,464,867
734,433	703,059	671,827	682,515	640,313	569,699
14,073,185	(4,294,135)	12,369,122	4,560,348	333,287	3,852,275
(4,402,776)	(4,091,876)	(3,487,205)	(3,689,282)	(3,098,540)	(3,010,388)
1,176,751	1,073,349	(1,129,485)	423,297	85,045	607,268
13,042,888	(4,881,908)	10,057,667	3,595,126	(514,359)	3,483,721
75,380,202	80,262,110	70,204,443	66,609,317	67,123,676	63,639,955
\$ 88,423,090	\$ 75,380,202	\$ 80,262,110	\$ 70,204,443	\$ 66,609,317	\$ 67,123,676
\$ 6,119,662	\$ 13,285,149	\$ 1,892,914	\$ 10,232,631	\$ 9,985,941	\$ 4,462,788
93.53%	85.02%	97.70%	87.28%	86.96%	93.77%
\$ 16,320,688	\$ 15,370,885	\$ 14,929,525	\$ 14,459,727	\$ 13,676,803	\$ 12,772,451
37.50%	86.43%	12.68%	70.77%	73.01%	34.94%

NOTES TO SCHEDULE CONTINUED

Changes in assumptions:

- For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.
- For 2017, changes are primarily from adopting an IMRF-specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.
- For 2016, changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.
- For 2015, changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.
- For 2014, changes are primarily from adopting an IMRF-specific mortality tables with fully generational projection scale MP-2014 (base year 2014) developed from the RP-2014 mortality tables.



SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**

Calendar Year Ended December 31,	2023	2022
Total OPEB Liability		
Service Cost	\$91,578	\$132,620
Interest on the Total OPEB Liability	83,898	46,463
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	162,799	(205,464)
Changes of Assumptions	102,231	(230,089)
Health Insurance Subsidy Payments *	(183,715)	(169,515)
Net Change in the Total OPEB Liability	256,791	(425,985)
Total OPEB Liability – Beginning	2,117,633	2,543,618
Total OPEB Liability – Ending	\$2,374,424	\$2,117,633
Covered Employee Payroll	\$20,096,348	\$18,343,118
Total OPEB Liability as a Percentage of Covered Employee Payroll	11.82%	11.54%

NOTES TO SCHEDULE

(Ten year trend information not available due to the implementation of GASB Statement No. 75 in 2018. Historical information is not available prior to fiscal year 2017.)

* Includes an adjustment for any implicit rate subsidy present in the pre-65 rates.

** There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB Plan.

2021	2020	2019	2018	2017
\$137,431	\$117,971	\$ 101,836	\$ 119,612	\$ 112,513
46,924	58,602	72,003	74,519	84,042
-	-	-	-	-
83,035	(30,919)	(10,076)	(393,995)	(174,577)
74,291	210,501	165,579	23,037	103,110
(151,105)	(150,212)	(144,210)	(105,440)	(95,870)
190,576	205,943	185,132	(282,267)	29,218
2,353,042	2,147,099	1,961,967	2,244,234	2,215,016
\$2,543,618	\$2,353,042	\$ 2,147,099	\$ 1,961,967	\$ 2,244,234
\$17,866,862	\$17,523,905	\$ 17,067,031	\$ 15,549,200	\$ 15,627,422
14.24%	13.43%	12.58%	12.62%	14.36%



SCHEDULE OF EMPLOYER CONTRIBUTIONS

Calendar Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2014	\$1,456,059	\$1,464,867	\$(8,808)	\$12,772,451	11.47%
2015	1,509,919	1,525,536	(15,617)	13,676,803	11.15%
2016	1,609,368	1,618,248	(8,880)	14,459,727	11.19%
2017	1,613,882	1,633,408	(19,526)	14,929,525	10.94%
2018	1,692,334	1,727,695	(35,361)	15,370,885	11.24%
2019	1,423,164	1,461,295	(38,131)	16,320,688	8.95%
2020	1,923,982	1,977,839	(53,857)	18,031,700	10.97%
2021	1,847,740	1,863,644	(15,904)	17,766,731	10.49%
2022	1,653,199	1,760,286	(107,087)	18,087,521	9.73%
2023	1,403,683	1,442,466	(38,783)	19,441,586	7.42%

SCHEDULE OF MONEY-WEIGHTED RATE OF RETURNS

The money-weighted rate of return is presented to provide information regarding IMRF’s investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

Annual Money-weighted Rate of Returns, Net of Investment Expenses									
2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
13.55%	(13.93)%	17.02%	15.20%	19.82%	(4.25)%	15.69%	7.81%	0.50%	6.19%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2023 CONTRIBUTION RATE*

Valuation Date	
Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
Methods and Assumptions Used to Determine 2023 Contribution Rates	
Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	20-year closed period
Asset Valuation Method:	5-year smoothed fair value; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%
Salary Increases:	2.75% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
	For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
	For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other Information	
Benefit Changes:	None.

* Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation. There is a two year lag between valuation and rate setting.



SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 CONTRIBUTION RATE*

Valuation Date	
Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
Methods and Assumptions Used to Determine 2022 Contribution Rates	
Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-year smoothed fair value; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	<p>For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.</p> <p>For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.</p> <p>For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.</p>
Other Information	
Benefit Changes:	None.

* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation. There is a two year lag between valuation and rate setting.

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS CHANGES OF ASSUMPTIONS

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Discount Rate						
2023	2022	2021	2020	2019	2018	2017
3.77%	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%

(Ten year trend information not available due to implementation of GASB Statement No. 75 in 2018. Historical information is not available prior to fiscal year 2017.)

SUPPLEMENTARY INFORMATION

Schedule of Administrative Expenses	2023	2022
Personal services	\$ 21,341,252	\$ 24,073,711
Supplies	434,922	409,917
Professional services	1,306,190	1,829,035
Occupancy and utilities	1,440,715	1,077,806
Postage and delivery	643,416	621,685
Equipment service and rental	2,356,522	2,712,006
Expendable equipment	240,131	258,257
Miscellaneous	1,774,839	1,663,571
Depreciation	4,573,332	3,579,521
Total	\$ 34,111,319	\$ 36,225,509

Schedule of Payments for Professional Services	2023	2022
Actuary	\$ 582,420	\$ 535,000
External auditor	266,200	316,164
Modernization consulting	78,114	452,852
Compensation and benefit consultants	73,319	117,804
Internal auditing	137,849	211,736
Medical consultant	70,473	67,378
Legal services	-	55,095
Other consulting	7,400	8,400
IT consultants	65,319	33,140
Hearing officer	14,138	20,259
Tax consultant	9,724	10,210
Public relations consultant	1,234	997
Total	\$ 1,306,190	\$ 1,829,035

Schedule of Investment Expenses	2023	2022
Investment manager fees	\$ 210,585,677	\$ 190,199,072
Equity Internal Management expenses	891,922	818,397
Master trustee fees	323,000	301,500
Investment consultants	795,000	795,000
Investment information service providers	2,227,393	2,115,374
Investment legal fees	341,570	350,934
Tax preparation fees	115,440	12,965
Miscellaneous	131,957	110,880
Total	\$ 215,411,959	\$ 194,704,122

A schedule of investment-related fees can be found in the Investments section.

2023 ACFR INVESTMENTS

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Wilshire

March 2024

The Board of Trustees
The Executive Director
Illinois Municipal Retirement Fund
2211 York Road, Suite 500
Oakbrook, IL 60523

Subject: Calendar Year 2023 Investment Performance

Dear Trustees and Mr. Executive Director,

While 2023 ended on a positive note with declining inflation and economic expansion, the path to these positive outcomes was not always clear. The new year began with continued concerns around inflation, while a crisis in the regional banking sector sparked fears of a potential credit crunch. Treasury yields soared during the year up from 3.88% at the end of 2022 to almost 5% in October, a level not seen since 2007. As inflation cooled in the fourth quarter, investors priced-in a higher probability of a more aggressive easing cycle than previously assumed. Overall, the job market remained resilient with the unemployment rate ending the year at 3.7% versus 3.5% at the end of 2022. The U.S. economy added 2.7 million jobs in 2023 versus 4.8 million new jobs in 2022. Excluding the outsized job gains from the post-pandemic rebound in 2021 and 2022, the most recent year was the most robust for job increases since 2015. Average hourly earnings painted a similarly healthy picture, ending the year with a 4.1% year-on-year growth rate, still slightly above the optimal level.

With that backdrop, investors enjoyed a strong 2023 as both growth and defensive assets posted positive returns. The U.S. equity market, as represented by the FT Wilshire 5000 Index was up 26.1%. The international equity market, marked by the MSCI ACWI ex-U.S. Index, was up 16.2% with mixed results from developed markets (18.9%) and emerging markets (10.3%). Fixed income returns were generally positive as rates were volatile during the year. Ultimately, the level of rates and shape of the yield curve ended the year almost unchanged compared to year-end 2022. As measured by the Bloomberg U.S. Aggregate Index, core fixed income returns were 5.5% for the year. Finally, the Bloomberg Commodity Index declined 1.3%, while the Wilshire Global RESI Index returned 14.9%.

The Illinois Municipal Retirement Fund's ("IMRF") total assets ended calendar year 2023 at \$52.2 billion, up for the year by approximately \$4.4 billion, net of benefit payments and fund expenses.

The IMRF Total Fund returned 13.2% net of fees during 2023, underperforming the Total Fund Benchmark, which returned 14.3%. Investment manager performance within Private Equity and Domestic Equity were the largest detractors from performance during the year. While relative underweights to Fixed Income and Private Real Assets were additive to portfolio performance.



Wilshire

For 2023, on a gross of fee basis, the IMRF Total Fund ranked at the 16th Percentile in the InvestmentMetrics All Public Plans with AUM Greater \$1 Billion Universe. Over the trailing three- and five-years, IMRF ranked at the 43rd and 16th Percentiles, respectively.

The IMRF U.S. Equity Portfolio returned 23.1%, net of fees, trailing the benchmark which returned 24.2%. Relative to peers, the U.S. Equity Portfolio ranked at the 50th Percentile.

Within International Equity, the IMRF Portfolio returned 19.2%, net of fees, during the year, outperforming the MSCI ACWI ex-US Index, which returned 15.6%. Relative to peers, the IMRF International Equity Portfolio ranked at the 15th Percentile over the one-year period ending December 31, 2023.

The IMRF Fixed Income Portfolio performed well in a difficult interest rate environment in 2023, returning 7.5% versus the benchmark at 7.3%. The portfolio's allocation to Core Plus segments of the market were beneficial as spreads tightened. Relative to peers, the IMRF Fixed Income Portfolio ranked at the 16th Percentile during the year.

Sincerely,

Joanna Bewick, CFA
Managing Director



February 28, 2024

Board of Trustees and Executive Director
 Illinois Municipal Retirement Fund
 2211 York Road
 Oak Brook, IL 60523-2374

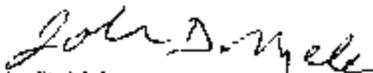
To the Board of Trustees and the Executive Director

The Northern Trust Company as Master Trustee has provided detailed financial reports of all investments, receipts, disbursements, purchases and sales of securities and other transactions pertinent to the Fund for the period January 1, 2023 through December 31, 2023. Also, a statement of assets together with their fair market value was provided, showing the properties held as of December 31, 2023. The Northern Trust Company certifies that the statements contained therein are fairly presented and are true and accurate.

In addition to the custody of the assets, The Northern Trust Company provided and will continue to provide the following services as Master Trustee:

1. Receive and hold all amounts paid to the Trust Fund by the Board of Trustees.
2. Accept and deliver securities in accordance with the instructions of appointed Investment Managers.
3. Collect dividends and registered interest payments.
4. Collect matured or called securities and coupons.
5. Securities Lending.
6. Invest cash balances held from time to time in the individual investment management accounts in short term, cash equivalent securities.
7. Exercise rights of ownership in accordance with pre-described jurisdiction of stock subscriptions and conversion rights.
8. Hold securities in the name of the Master Trust or nominee firm.
9. Employ agents with the consent of the Board of Trustees.
10. Provide disbursement and security fund float income.
11. Checking Accounts.
12. On-line Trust and Banking reporting.
13. Provide outsourced capital call execution support.

THE NORTHERN TRUST COMPANY

By: 
 John D. Mele
 Senior Vice President



INVESTMENT CONSULTANTS

MASTER TRUSTEE

The Northern Trust Company
John D. Mele, Senior Vice President
Chicago, Illinois

PERFORMANCE EVALUATION

Wilshire Associates Incorporated
Joanna Bewick, Senior Vice President
Ali Kazemi, Managing Director
Santa Monica, California

INVESTMENT CONSULTANT

Wilshire Associates Incorporated
Joanna Bewick, Senior Vice President
Ali Kazemi, Managing Director
Santa Monica, California

INVESTMENT MANAGERS

1 Seed Partners
Chicago, Illinois

Abbott Capital Management, LLC
New York, New York

ABRY Partners
Boston, Massachusetts

Accel-KKR Partners
Menlo Park, California

AEW Capital Management, LP
Boston, Massachusetts

Agent Capital
Waltham, Massachusetts

Alchemy Partners
London, England

Almanac Realty Investors
New York, New York

Angelo Gordon & Co.
New York, New York

Ares Management, LLC
London, England

Arrowstreet Capital, L.P.
Cambridge, Massachusetts

Artemis Real Estate Partners
Chevy Chase, MD

AshGrove Capital LLP
London, England

Ativo Capital Management LLC
Chicago, Illinois

AUA Private Equity Partners
New York, NY

Baring Private Equity Asia
Central, Hong Kong

Barings Capital Management
Charlotte, North Carolina

Baring's L.L.C.
Hartford, Connecticut

Beecken Petty O'Keefe & Company, LLC
Chicago, Illinois

BlackRock Financial Management, Inc.
New York, New York

The Blackstone Group LP
New York, New York

Blue Owl Capital Inc.
New York, New York

BMO Global Asset Management
Chicago, Illinois
Miami, Florida

BNY Mellon
Boston, Massachusetts

Brandes Investment Partners, L.P.
Los Angeles, California

Brasa Capital Management
San Diego, California

Brookfield Investment Management, Inc.
Chicago, Illinois

Brown Capital Management, Inc.
Baltimore, Maryland

CBRE Global Investors
Los Angeles, California

Channing Capital Management, LLC
Chicago, Illinois

Chicago Pacific Founders
Chicago, Illinois

ChrysCapital
Maharashtra, India

Clearlake Capital Group
Santa Monica, California

Cohen & Steers Capital Management, Inc.
New York, New York

Crayhill Capital Management
New York, New York

Crow Holdings Capital
Dallas, Texas

Dimensional Fund Advisors
Santa Monica, California

Dodge & Cox Investment Managers
San Francisco, California

Dune Capital Management LP
New York, New York

EARNEST Partners, LLC
Atlanta, Georgia

EnCap Investments, L.P.
Houston, Texas

Estancia Capital Partners, L.P.
Scottsdale, Arizona

Fidelity Institutional Asset Management
Boston, Massachusetts

Forest Investment Associates
Atlanta, Georgia

Franklin Templeton Real Estate Advisors
New York, New York

FirstMark Capital
New York, New York

Frontier Capital Management Co.
Boston, Massachusetts

Garcia Hamilton & Associates, L.P.
Houston, Texas

Genesis Asset Managers International, Ltd.
London, England

INVESTMENT CONSULTANTS (CONTINUED)

GlobeFlex Capital, L.P.
San Diego, California

Goldman Sachs
New York, NY

GTIS Partners
New York, NY

Hancock Natural Resource Group, Inc.
Boston, Massachusetts

HarbourVest Partners
Boston, Massachusetts

H.I.G. Bayside Capital
Miami, Florida

ICV Partners
New York, New York

IK Investment Partners
London, England

Inflexion Private Equity Partners, LLP
London, England

Insight Venture Management, LLC
New York, New York

Invesco Real Estate
Dallas, Texas

Investment Counselors of Maryland, LLC
Baltimore, Maryland

JLC Infrastructure
Chicago, Illinois

JPMorgan Chase & Co
New York, New York

Khosla Ventures
Mento Park, California

Kohlberg Kravis Roberts & Co. L.P
New York, New York

LaSalle Investment Management
Chicago, Illinois

Lazard Asset Management
New York, New York

Lightspeed Venture Partners
Menlo Park, California

Lightbank LLC
Chicago, Illinois

LM Capital Group, LLC
San Diego, California

Longfellow Investment Management Co.
Boston, Massachusetts

LongWharf Capital
Boston, Massachusetts

LSV Asset Management
Chicago, Illinois

Mackay Shields, LLC
New York, New York

Mayfield Fund
Menlo Park, California

MGG Investment Group
New York, New York

Mondrian Investment Partners Limited
London, England

Muller & Monroe Asset Management, LLC
Chicago, Illinois

New Enterprise Associates
Chevy Chase, Maryland

New Mainstream Capital
New York, New York

Northern Trust Investments, Inc.
Chicago, Illinois

Pantheon Ventures, Inc.
San Francisco, California

Parthenon Capital Partners
Boston, Massachusetts

Partners Group
Zug, Switzerland

Pemberton Asset Management
London, United Kingdom

Red Arts Capital
Chicago, Illinois

Ramirez Asset Management, Inc.
New York, New York

Resolution Real Estate Advisors, LLP
London, England

Rockwood Capital, LLC
New York, New York

Sands Capital Management, LLC
Arlington, Virginia

Security Capital Markets Group, Inc.
Chicago, Illinois

Starwood Capital Group
Greenwich, Connecticut

Strategic Value Partners
Greenwich, Connecticut

Symphony Technology Group
Palo Alto, California

TA Associates Realty
Boston, Massachusetts

Templeton Investment Counsel, LLC
Fort Lauderdale, Florida

The Sterling Group
Houston, Texas

The Vistria Group
Chicago, Illinois

Torchlight Investors
New York, New York

True North
Maharashtra, India

Valor Equity Partners
Chicago, Illinois

Versant Venture Management LLC
Menlo Park, California

Vista Equity Partners, LLC
Austin, Texas

Waud Capital Partners
Chicago, Illinois

Western Asset Management Company
Pasadena, California

William Blair & Company
Chicago, Illinois

Xponance, Inc.
Durham, North Carolina



INVESTMENT POLICIES

The Board of Trustees, operating within the "prudent person" framework, has adopted the following investment objectives and guidelines. The objectives and guidelines presented here are intended to be summarizations. Specific contractual objectives and guidelines are in effect for individual investment mandates.

A. INVESTMENT OBJECTIVES

1. To diversify the investment portfolio so as to optimize investment returns.
2. To set investment and actuarial policies that assure the adequate accumulation of assets and maintain a reasonable funded status.
3. To achieve rates of return greater than the current actuarial investment assumption of 7.25 percent.
4. To achieve rates of return consistent with expectations for each asset class used, without significantly changing the expected risk profile of the asset class or the investment portfolio.
5. To achieve in U.S. equities, a total return that exceeds the total return of the Custom U.S. Equity Benchmark.
6. To achieve in international equities, a total return that exceeds the total return of the Morgan Stanley Capital International All Country World Index Ex-US (MSCI ACWI-Ex U.S.).
7. To achieve in fixed income securities, a total return that exceeds the total return of the Custom Fixed Income Benchmark.
8. To achieve in private real asset investments, a return that exceeds the Custom Private Real Assets Benchmark.
9. To achieve in alternative investments, a return that exceeds the Custom Alternative Investment Benchmark.
10. To achieve in internally managed short-term securities, a relative performance better than 3-month U.S. Treasury Bills.

B. PROXY VOTING GUIDELINES

The Board of Trustees of the Illinois Municipal Retirement Fund (IMRF) recognizes its fiduciary responsibility to prudently manage the assets of the Fund. The assets include common stock in many different companies and, as a shareowner, the Board also owns proxy voting rights. The Board acknowledges that it not only has a right to vote proxies, but also a duty to vote them. Proxies have economic value and therefore, the Board has the duty to prudently oversee the management of them as it does all other Fund assets.

The Board shall vote proxies in accordance with the exclusive benefit rule, which requires the Board to act solely in the economic interest of the Fund's members and beneficiaries.

Generally, proxies related to corporate governance shall be voted in favor of shareholder-sponsored proposals requiring corporate boards to act in the best interests of shareholders. Proxies related to proxy access shall be voted in favor of proposals where shareholder access to the director nomination process and to the company's proxy statement, are allowed. Proxies related to director, executive, and employee compensation shall be voted in favor of compensation plans that motivate directors, executives, and employees to achieve high performance for the long-term benefits of all shareowners. Proxies related to board diversity shall be voted in favor of proposals allowing shareholders to increase diversity in the boardroom. Proxies related to equal opportunity shall be voted in favor of proposals requesting a company to disclose its diversity policies or initiatives and disclosure of a company's comprehensive workforce diversity data. Proxies related to takeover defenses shall be voted in favor of proposals allowing shareholders to vote on poison pills and golden parachutes. Proxies related to capital structure issues shall be voted in favor of proposals requiring shareowner approval for reasonable share increases needed for business purposes. Proxies related to mergers, acquisitions, and corporate restructuring will be voted on a case-by-case basis. Proxies related to routine management issues shall generally be voted in accordance with management's view on such issues. Proxies related to political expenditures shall be voted in favor of proposals that require board approval and disclosure of all political expenditures. Proxies related to social, political, and environmental issues shall be generally supported when proposals are seeking greater disclosure of a company's environment, social and sustainability risks, and practices. In keeping with the Board's fiduciary duty to act solely in the economic interest of the Fund, IMRF recognizes many laudable social and political issues come before the shareowners for a vote. IMRF will abstain from voting on such proposals.

C. DOMESTIC EQUITY INVESTMENT GUIDELINES

1. Exposure of the total U.S. Equity portfolio to any one sector shall generally not differ by more than 10 percentage points from the sector exposure of the Custom U.S. Equity Benchmark.
2. The amount of cash and cash equivalents held in the U.S. Equity portfolio generally shall not exceed 5% of the total portfolio except during periods of cash contributions or withdrawals.
3. IMRF shall generally not hold more than 5% of the outstanding shares of any one company.
4. No individual security shall comprise more than 15% of a manager's portfolio market value without prior approval from the CIO.
5. Generally, no individual security shall comprise more than 5% of the total U.S. Equity portfolio.
6. Equity securities must be listed on the principal U.S. exchanges or traded over the counter. ADRs and GDRs (either listed or traded over the counter) of foreign companies are permissible.

D. INTERNATIONAL EQUITY INVESTMENT GUIDELINES

1. Generally, international equity managers shall only invest in equity securities of companies domiciled outside of the U.S. International equity managers may be allowed to invest a portion of their portfolio in U.S. domiciled companies which have the majority of their operations and/or revenues outside of the U.S.
2. Generally, no individual security shall comprise more than 6% of the total international equity portfolio at market value.
3. The amount of cash and cash equivalents shall not exceed 10% of the total international equity portfolio except during periods of cash contributions or withdrawals.
4. The exposure to any one country shall not exceed the higher of 25% or two times the benchmark weighting at market value.
5. The exposure to any one GIC sector shall not exceed the higher of 25% or two times the benchmark weighting at market value.
6. International equity managers may engage in various transactions to manage currency. Forward contracts, futures, and options may be used for currency management purposes. Managers are not permitted to utilize over-the-counter derivatives for hedging and/or speculative purposes unless otherwise specified within individual manager guidelines.

E. FIXED INCOME INVESTMENT GUIDELINES

1. Bonds, notes, or other obligations of indebtedness issued or guaranteed by the U.S. government, its agencies, or instrumentalities may be held without restriction.
2. The average credit quality of the total fixed income portfolio must be investment grade.
3. An individual manager's portfolio shall generally have an effective duration between 80-120% of the index for mandates benchmarked against the Custom Fixed Income Benchmark or ICE BofAML High Yield Cash Pay indices.
4. Debt obligations of any single U.S. corporation shall generally be limited to a maximum of 5% of the total fixed income portfolio at market value.
5. Generally, no more than 30% of a manager's assets at market value may be invested in securities rated below investment grade at the time of purchase. Investment managers outside of core and core plus mandates will not be subject to above restriction.
6. Private placements are authorized by the Board on an individual manager basis. Securities issued under rule 144A will not be considered private placements.
7. Bonds or other debt obligations of foreign countries and corporations payable in U.S. dollars and foreign currency are authorized, but in general will not exceed 15% of the total fixed income portfolio.
8. The use of swaps, exchange traded financial futures, exchange traded options on financial futures, and over the counter options is subject to individual manager guidelines. Managers are not permitted to utilize these transactions for speculative purposes. Leverage is not allowed except as permitted for rolling mortgage pass-through securities.
9. No assets shall be committed to short sale contracts.

F. EQUITY REAL ESTATE INVESTMENT GUIDELINES

The primary role of the global real estate program is to provide diversification benefits to the total Fund through low correlations with other portfolio asset classes. The secondary role is to generate income and provide protection against inflation.

1. The maximum commitment to any private real asset manager shall be 35% of the total real asset portfolio market value plus unfunded commitments at the time of the investment recommendation.
2. Exposure to dedicated non-U.S. strategies is limited to 35% of the total real assets portfolio market value plus unfunded commitments at the time of the investment recommendation. The denominator in this calculation is based on the total real assets value plus the total value of unfunded commitments.
3. IMRF's long-term strategic target to core real asset investments is 50% with a minimum of 40%. If the actual allocation falls below 40%, it will be noted at the next scheduled Board meeting. If deemed necessary by the Chief Investment Officer and Consultant, recommendations for rebalancing strategies will be presented to the Investment Committee for their approval.
4. Publicly traded real asset securities should not exceed 20% of the total real assets portfolio market value plus unfunded commitments.
5. Mandate whose sole strategy is to invest in non-equity or debt strategies will not exceed 25% of the total real assets portfolio market value plus unfunded commitments at the time of the investment recommendation.

G. ALTERNATIVE INVESTMENT GUIDELINES

The alternative investment asset class can encompass different and distinct strategies within U.S. and non-U.S. markets. The investment objective is to generate long-term returns in a diversified manner. It generally consists of limited partnerships in which IMRF commits a fixed dollar amount that the General Partner invests over several years. The partnership structure may cover periods of 10 years or more. IMRF understands and recognizes that the alternative asset class will not be structured in a way to provide short term cash flow for the Fund.

1. Exposure to dedicated non-U.S. strategies will be limited to 35% of the total alternative investment portfolio value plus unfunded commitments at the time of due diligence. Alternative investment managers may or may not hedge currency risk. The IMRF alternative portfolio will not implement currency hedges and accepts currency risks consistent with the geographic exposures of the underlying investments.
2. The maximum commitment to any direct alternative manager shall be 35% of the total alternatives' portfolio value plus unfunded commitments at the time of due diligence.

H. SHORT-TERM INVESTMENT GUIDELINES

Permissible short-term investments are U.S. Treasury Bills and Notes, high-grade commercial paper, repurchase agreements, banker's acceptances, and certificates of deposit. Commercial paper investments shall be made in instruments rated "A-2" or "P-2" or better as defined by a recognized rating service. Comparable ratings are required for banker's acceptances and certificates of deposit. Idle cash balances swept by the custodian bank shall be invested in a constant \$1 Net Asset Value vehicle. The objective is to generate current income that is consistent with preservation of capital and maintenance of liquidity.

I. DIVERSE INVESTMENT MANAGER GUIDELINES

The Illinois Municipal Retirement Fund is committed to diversity in the hiring of minority-owned and emerging investment managers, as defined by the Illinois Pension Code.

A minority investment manager is defined as an investment manager that manages an investment portfolio and meets the definition of "minority-owned business," "woman-owned business," or "business owned by a person with a disability," as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. Minority Investment Management firms must be 51% or more owned by individuals that are minorities, women, or persons with a disability and are citizens or lawful permanent residents of the United States.

An emerging investment manager is defined as an investment advisor that manages an investment portfolio of at least \$10,000,000 but less than \$10,000,000,000 and is a “minority owned business,” “woman owned business,” or “business owned by a person with a disability,” as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. Emerging Investment Management firms must be 51% or more owned by individuals that are minorities, women, or persons with a disability, and are citizens or lawful permanent residents of the United States.

The IMRF Board of Trustees adopts the following aspirational goals and minority and emerging investment manager goals based on percentage of total Fund fair value, percentage of asset class, and percentage of investment management fees paid.

The Illinois Municipal Retirement Fund Board of Trustees adopts two aspirational goals: (i) to utilize emerging investment managers for at least 20% of the total Fund’s assets under management and (ii) to utilize firms owned by minorities, women, and persons with disabilities for at least 20% of the total Fund’s assets under management.



INVESTMENTS

RETURNS BY ASSET CLASS *(Periods ending December 31)*

	2023	2022	2021	2020	2019	Annualized		
						3 Yrs	5 Yrs	10 Yrs
Total Fund Time - Weighted Returns								
IMRF - Gross of Fees	13.42%	(12.74)%	16.82%	14.98%	19.77%	4.94%	9.74%	7.38%
IMRF - Net of Fees	13.24%	(12.86)%	16.63%	14.79%	19.57%	4.78%	9.57%	7.18%
CPI (Inflation)	4.12%	8.00%	4.70%	1.23%	1.81%	5.61%	3.97%	2.74%
Equities - U.S.								
IMRF - Gross of Fees	23.30%	(19.12)%	24.89%	22.07%	29.23%	7.59%	14.46%	10.59%
IMRF - Net of Fees	23.10%	(19.25)%	24.69%	21.86%	29.00%	7.42%	14.27%	10.37%
Russell 3000	24.16%	(18.53)%	25.66%	20.89%	31.02%	8.32%	15.02%	11.40%
Russell 2000	21.36%	(18.21)%	25.68%	18.00%	n/a	7.65%	13.80%	n/a
Equities - International								
IMRF - Gross of Fees	19.64%	(17.86)%	9.78%	13.52%	23.76%	2.56%	8.67%	5.10%
IMRF - Net of Fees	19.22%	(18.14)%	9.37%	13.08%	23.39%	2.20%	8.29%	4.74%
MSCI ACWI Ex-U.S.	15.62%	(16.00)%	7.82%	10.65%	21.51%	1.55%	7.08%	3.83%
MSCI EAFE	15.11%	(16.70)%	7.30%	11.30%	n/a	0.95%	6.81%	n/a
Fixed Income								
IMRF - Gross of Fees	7.62%	(11.83)%	(0.44)%	7.87%	9.50%	(1.88)%	2.22%	2.66%
IMRF - Net of Fees	7.53%	(11.90)%	(0.53)%	7.75%	9.37%	(1.96)%	2.12%	2.53%
Custom Benchmark (Fixed Income)	7.26%	(11.58)%	(1.55)%	7.51%	8.72%	(2.26)%	1.76%	2.14%
Fixed Income IMRF Custom Benchmark	7.27%	(11.99)%	(0.85)%	7.29%	n/a	(2.18)%	1.85%	n/a
Real Estate								
IMRF - Gross of Fees	(4.15)%	12.76%	21.95%	4.16%	9.78%	9.32%	8.37%	9.46%
IMRF - Net of Fees	(4.21)%	12.76%	21.95%	4.16%	9.78%	9.25%	8.31%	9.43%
Blended Benchmark (Real Estate)	(12.73)%	6.54%	21.02%	0.34%	4.39%	4.01%	3.34%	6.33%
Alternative Investments								
IMRF - Gross of Fees	2.60%	3.99%	46.46%	12.31%	9.48%	16.19%	14.04%	12.29%
IMRF - Net of Fees	2.60%	3.99%	46.44%	12.27%	9.43%	16.18%	14.02%	12.12%
Custom Benchmark (Alternative Investments)	25.15%	(18.08)%	9.00%	9.00%	9.00%	3.77%	5.83%	7.40%
Cash & Cash Equivalents								
IMRF	5.23%	3.18%	2.44%	2.56%	3.59%	3.61%	3.40%	2.20%
U.S. Treasury Bills	5.02%	1.46%	0.01%	0.67%	2.28%	2.15%	1.88%	1.24%

These investment results are calculated and presented using standard performance evaluation methods in a manner consistent with the investment industry in general and public pension funds in particular. Rates of return were determined using a modified time-weighted return calculation. Source: Wilshire.

SCHEDULE I

Investment Portfolio Summary (In millions of dollars)

	As of December 31, 2023		As of December 31, 2022	
	Fair Value	Percent of Total Fair Value	Fair Value	Percent of Total Fair Value
Fixed Income				
Government & Agencies	\$ 3,842.5	7.4%	\$3,626.6	7.6%
Corporate	3,272.6	6.3	3,407.0	7.1
Index Funds	2,914.1	5.6	2,776.2	5.8
Foreign	2,217.5	4.2	2,057.0	4.3
Total Fixed Income	12,246.7	23.5	11,866.8	24.8
Stocks				
U.S. Common & Preferred	15,921.6	30.6	13,988.9	29.3
U.S. Stock Funds	2,061.2	4.0	2,490.8	5.2
Foreign Common & Preferred	7,515.4	14.4	6,269.7	13.1
Foreign Stock Funds	3,146.6	6.0	2,749.3	5.8
Total Stocks	28,644.8	55.0	25,498.7	53.4
Real Estate	4,643.7	8.9	4,586.0	9.6
Private Equity Investments	5,946.2	11.4	5,260.1	11.0
Short-Term Investments	632.6	1.2	564.8	1.2
Total Portfolio	\$52,114.0	100.0%	\$47,776.4	100.0%

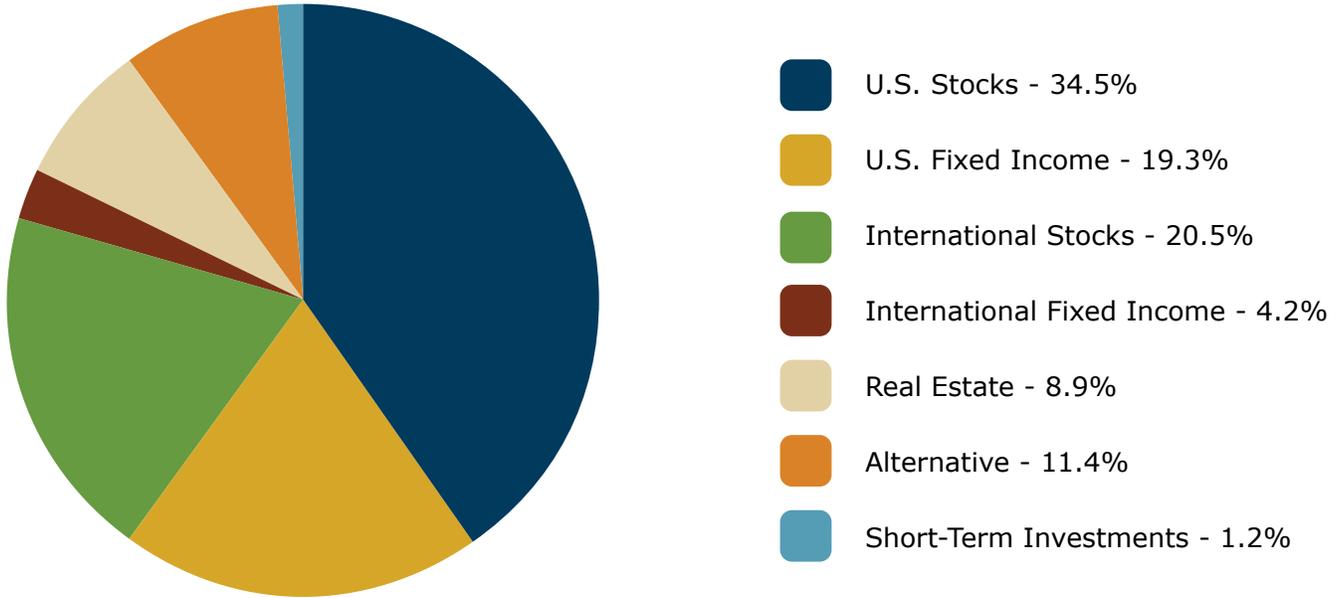
SCHEDULE II

Asset Allocation (Last five years)

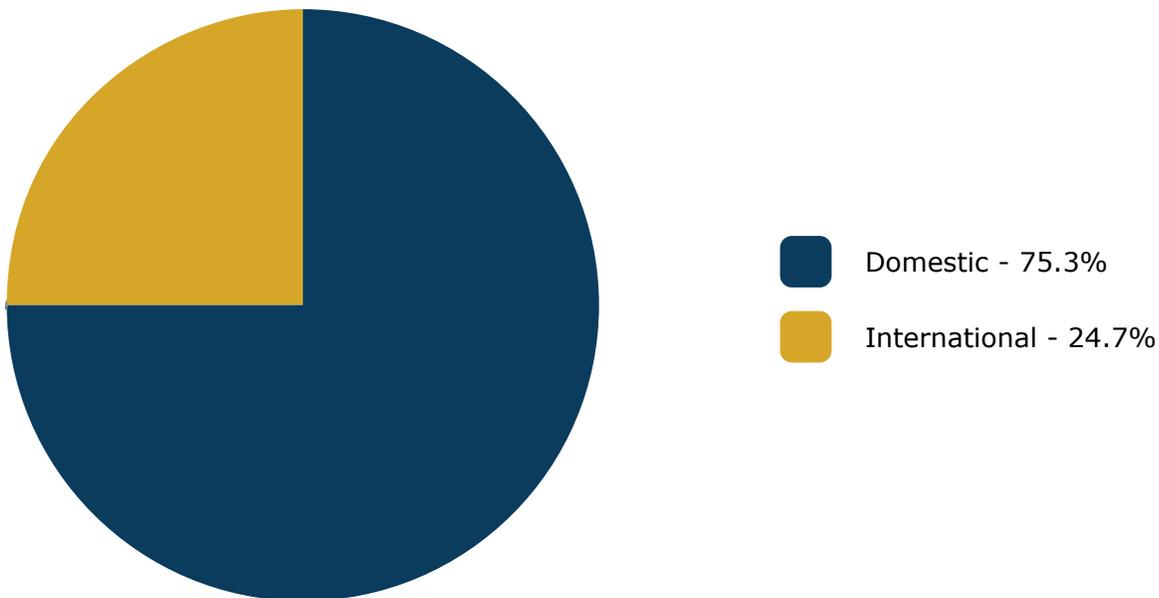
	Fair Value as a Percent of Portfolio				
	2023	2022	2021	2020	2019
Fixed Income					
U.S. Government & Agencies	7.6%	7.6%	6.8%	6.3%	8.5%
Corporate	7.1	7.1	6.6	7.2	8.1
Index Fund	5.8	5.8	6.5	7.8	8.1
Foreign	4.3	4.3	2.7	2.7	3.0
Total Fixed Income	24.8	24.8	22.6	24.0	27.7
Stocks					
U.S. Common & Preferred	29.3	29.3	33.7	32.6	31.1
U.S. Stock Funds	5.2	5.2	6.6	8.1	8.6
Foreign Common & Preferred	13.1	13.1	13.5	13.3	11.9
Foreign Stock Funds	5.8	5.8	5.9	7.1	6.9
Total Stocks	53.4	53.4	59.7	61.1	58.5
Real Estate	9.6	9.6	7.8	7.1	7.3
Private Equity Investments	11.0	11.0	8.7	6.4	5.0
Short-Term Investments	1.2	1.2	1.2	1.4	1.5
Total Portfolio	100.0%	100.0%	100.0%	100.0%	100.0%

IMRF INVESTMENT PORTFOLIO (AS OF DECEMBER 31, 2023)

ALLOCATION BY ASSET CLASS



TOTAL INVESTMENTS BY REGION



TEN LARGEST FIXED INCOME INVESTMENT HOLDINGS

As of December 31, 2023 (Excludes commingled funds and short-term investments)

Investment Income Holdings	Fair Value	Percent of Total Invested Market
U.S. Treasury Notes Due 2/15/2033	\$114,211,497.00	0.22%
U.S. Treasury Notes Due 2/15/2032	105,103,564.00	0.20
U.S. Treasury Notes Due 2/15/2031	85,799,941.00	0.16
U.S. Treasury Bonds Due 5/15/2029	80,074,423.00	0.15
U.S. Treasury Bonds Due 2/15/2045	68,659,471.00	0.13
U.S. Treasury Bonds Due 2/15/2053	60,823,230.00	0.12
U.S. Treasury Bonds Due 2/15/2030	56,724,871.00	0.11
U.S. Treasury Bonds Due 3/31/2028	54,658,537.00	0.10
Federal Home Loan Mortgage Corp. Due 11/1/2052	52,085,846.00	0.10
U.S. Treasury Bonds Due 2/15/2037	48,489,894.00	0.09
	\$726,631,274	1.38%

TEN LARGEST EQUITY INVESTMENT HOLDINGS

As of December 31, 2023 (Excludes commingled funds and short-term investments)

Equity Investment Holdings	Fair Value	Percent of Total Invested Market
Microsoft Corp.	\$621,975,049.00	1.19%
Apple, Inc.	452,805,724.00	0.87
Amazon, Inc.	373,268,871.00	0.72
Nvidia Corp.	265,486,947.00	0.51
Meta Platforms, Inc.	257,415,994.00	0.49
Visa, Inc.	144,809,013.00	0.28
Service Now, Inc.	136,232,467.00	0.26
United Health Group, Inc.	118,506,818.00	0.23
Dexcom, Inc.	118,296,734.00	0.23
Wells Fargo & Co.	109,971,163.00	0.21
	\$2,598,768,780	4.99%

A complete listing of investments is available on IMRF's website, www.imrf.org.



INVESTMENTS

SCHEDULE OF 2023 DOMESTIC BROKERAGE COMMISSIONS

(In order of commission received)

Broker Name	Total Shares	Commission	Per Share
The Northern Trust Company	61,235,080.00	\$459,267.06	\$0.011
Loop Capital Markets, LLC	17,575,774.00	335,319.49	0.051
Drexel Hamilton, LLC	14,940,354.00	298,807.08	0.028
Bofa Securities, Inc.	7,962,632.00	172,023.73	0.062
J.P. Morgan Securities, LLC	13,689,863.00	169,100.37	0.050
Penserra Securities, LLC	5,862,986.00	168,256.94	0.125
CL King	5,676,879.00	165,703.25	0.028
Blaylock Robert Van, LLC	5,490,784.00	164,723.52	0.178
Mischler Financial Group, Inc. Equities	5,285,101.00	155,245.88	0.166
North South Capital, LLC	5,184,418.00	153,595.89	0.135
Robert W. Baird & Co., Inc.	5,344,737.00	133,509.37	0.075
CABRERA CAPITAL MARKETS, LLC	7,679,750.00	131,772.74	0.036
Jefferies, LLC	5,941,570.00	126,564.77	0.056
Instinet, LLC	5,465,498.00	125,810.90	0.069
Piper Jaffray & Co	5,255,179.00	120,954.62	0.054
Raymond James & Associates, Inc.	3,069,383.00	109,831.88	0.119
Stephens, Inc.	2,828,232.00	107,680.08	0.087
Bank Of America Corporation	8,271,005.00	105,947.71	0.058
Cowen and Company, LLC	3,545,530.00	100,030.58	0.058
CastleOak Securities / Cantor Clearing	3,314,827.00	96,347.58	0.152
Keybank Capital Markets, Inc.	2,557,437.00	91,948.07	0.089
ISI Group, Inc.	3,409,321.00	89,832.37	0.078
Morgan Stanley & Co., LLC	4,314,855.00	89,038.03	0.091
Morgan Stanley & Co., LLC	3,028,077.00	86,594.66	0.077
Sanford C. Bernstein & Co., LLC	12,605,991.00	85,104.97	0.012
Oppenheimer & Co. Inc.	1,850,096.00	70,504.72	0.095
Stifel, Nicolaus & Company, Inc.	1,987,801.00	68,878.07	0.094
Citigroup Global Markets India, Pte, Ltd.	11,912,678.00	67,303.49	0.150
Canaccord Genuity, Inc.	1,667,618.00	64,048.20	0.078
Barclays Bank, PLC (U.K.)	2,280,060.00	63,245.81	0.075
Sturdivant	3,581,255.00	63,066.19	0.018
RBC Capital Markets, LLC	1,730,327.00	62,438.37	0.090
Needham and Company, LLC	1,612,680.00	62,203.26	0.076
Keefe Bruyette	1,823,200.00	58,309.56	0.085
Citigroup Global Markets, Inc.	1,929,929.00	57,921.93	0.099
Other Brokers	3,588,704,020.53	1,453,634.85	0.000
Total	3,838,614,927.53	\$5,934,565.99	\$0.002

SCHEDULE OF 2023 INTERNATIONAL BROKERAGE COMMISSIONS

(In order of commission received)

Broker Name	Total Shares	Commission	Per Share
Bank of America Corporation	11,200,704.00	\$257,526.27	\$0.090
Instinet Europe, Ltd.	21,250,359.00	170,407.70	0.051
Caceis Bank France	11,794,754.00	145,421.61	0.074
Jefferies, LLC	16,631,325.00	135,801.03	0.050
UBS AG London Branch	16,561,503.00	82,831.79	0.063
CLSA Singapore Pte, Ltd.	6,986,266.00	74,107.28	0.071
Macquarie Securities Australia, Ltd.	80,159,417.00	73,467.43	0.079
Merrill Lynch International, Ltd.	17,359,230.00	68,630.14	0.049
Goldman, Sachs and Co.	30,480,879.00	61,468.36	0.055
Jefferies Hong Kong, Ltd.	62,989,689.00	59,488.90	0.068
Nomura Financial Advisory and Securities	18,089,180.00	55,486.37	0.076
J.P. MORGAN SECURITIES, PLC	5,883,739.00	53,566.03	0.043
HSBC Bank, PLC	8,268,880.00	52,401.16	0.059
Citigroup Global Markets Europe, AG	4,383,853.00	48,466.92	0.071
HSBC Securities (USA), Inc.	28,738,418.00	46,324.69	0.072
Morgan Stanley and Co., LLC	12,644,463.00	45,921.99	0.036
Instinet Pacific, Ltd.	58,746,615.00	43,500.60	0.049
CLSA, Ltd.	16,768,030.00	42,503.31	0.088
Jefferies International, Ltd.	12,585,358.00	40,640.16	0.060
ITG Canada Corporation	2,247,974.00	33,476.52	0.070
Investment Technology Group, Ltd.	4,655,379.00	33,086.63	0.073
ITG Australia, Ltd.	5,642,657.00	32,381.37	0.074
Barclays Capital	8,953,638.00	32,191.77	0.031
Daiwa Capital Markets Singapore, Ltd.	4,163,800.00	30,750.12	0.036
UBS Securities Asia, Ltd.	28,142,749.00	30,586.46	0.042
Bank of America Merrill Lynch Securities	3,110,892.00	30,535.15	0.075
BNP Paribas Securities Services, UN	2,659,340.00	28,312.26	0.075
Sanford C. Bernstein and Co., LLC	5,855,094.00	26,641.39	0.027
J.P. Morgan Securities (Asia Pacific)	18,714,600.00	24,744.64	0.065
UBS AG Stamford Branch	10,301,638.00	23,068.44	0.042
Banque Paribas Paris	3,761,549.00	22,427.09	0.052
Carnegie Investment Bank, AB	2,061,030.00	20,930.99	0.117
Goldman Sachs International	5,234,522.00	19,778.92	0.111
Parel	710,739.00	19,677.59	0.062
Credit Lyonnais Securities (Asia) Taiwan	1,927,000.00	19,586.37	0.100
Other Brokers	4,109,116,033.84	689,840.14	0.000
Total	4,658,781,296.84	\$2,675,977.59	\$0.001



INVESTMENTS

SCHEDULE OF INVESTMENT FEES

	2023 Fees	2023 Assets under management at year end (in thousands)*	Basis Points	2022 Fees	2022 Assets under management at year end (in thousands)*	Basis Points
Investment manager fees						
Fixed income managers	\$ 15,790,847	\$ 11,718,998	13	\$ 15,145,498	\$ 11,207,713	14
Stock managers**	24,194,779	9,235,351	26	25,392,987	9,857,496	26
International managers	51,774,224	21,609,548	24	40,019,826	17,497,504	23
Real estate managers	48,519,638	4,508,434	108	47,069,799	4,275,711	110
Alternative investment managers	71,198,111	5,384,752	132	63,389,359	5,027,192	126
Total	211,477,599	\$ 52,457,083		191,017,469	\$47,865,616	
Other investment fees						
Master trustee fees	323,000			301,500		
Investment consulting fees	795,000			795,000		
Total investment fees	212,595,599			192,113,969		
Non-fee investment expenses	2,816,360			2,590,153		
Total direct investment expenses	\$215,411,959			\$194,704,122		
Securities lending fees						
(Borrower rebates) and management fees	\$ 13,284,762			\$ 5,494,744		

* Assets under management includes accrued investment income and unsettled trades.

** Includes \$891,922 and \$818,397 for 2023 and 2022, respectively, in expenses related to IMRF's Equity Internal Management group.

2023 ACFR

ACTUARIAL

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March 21, 2024

Board of Trustees
Illinois Municipal Retirement Fund
2211 S. York Road, Suite 500
Oak Brook, Illinois 60523-2374

Dear Board Members:

The basic financial objective of the Illinois Municipal Retirement Fund (IMRF) is to establish and receive contributions which:

- When expressed in terms of percents of active member payroll will remain approximately level from generation to generation; and
- When combined with present assets and future investment returns will be sufficient to meet the financial obligations of IMRF to present and future retirees and beneficiaries.

The financial objective is addressed within the annual actuarial valuation of IMRF.

The purposes of the valuation are to: 1) measure the financial position of IMRF; and 2) develop the 2025 employer contribution rates that are sufficient to fund each participating employer's normal cost (i.e., the costs assigned by the valuation method to the year of service about to be rendered), as well as to fund unfunded actuarial accrued liabilities as a level percent of active member payroll. The valuations cannot be relied upon for any other purpose.

The most recent funding valuation was completed based upon population data, asset data, and plan provisions as of December 31, 2023, and issued on March 8, 2024. The individual member statistical data required for the valuations was furnished by your Executive Director and Staff, together with pertinent data on financial operations. Their cooperation in furnishing these materials is acknowledged with appreciation. We are not responsible for the accuracy or completeness of the data. We checked the information provided for internal and year-to-year consistency, but did not audit the data. A report containing the results of the funding valuation is produced annually.

The following schedules in the Actuarial Section and Financial Section of the Annual Comprehensive Financial Report were prepared based upon certain information presented in the previously mentioned funding valuation report. The actuary provided the Brief Summary of Assumptions directly. In the case of the other schedules, the IMRF Staff excerpted information from various schedules in the actuarial reports and tabulated it to produce the appropriate Annual Comprehensive Financial Report Schedule.

Board of Trustees
Illinois Municipal Retirement Fund
March 21, 2024
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Actuarial Section

- Brief Summary of Assumptions
- Schedules of Funding Progress
- Schedule of Employer Contributions
- Solvency Test
- Participating Member Statistics
- Actuarial Balance Sheet
- Analysis of Unfunded Liability
- Derivation of Experience Gain (loss)

Financial Section

- Schedules of Funding Status
- Schedule of Funding Progress
- Average Employer Contribution rates

The December 31, 2023 valuations were based upon assumptions that were recommended in connection with a study of experience covering the 2020-2022 period. A brief summary of the assumptions and methods is attached.

All assumption and methods comply with relevant actuarial standards of practice. The funding valuation complies with the Board's funding policy. If the funding policy is followed and all assumptions are realized exactly, contributions to the plan will stay approximately level, and the plan will gradually approach 100% funding over a very long period of years.

As of the valuation date, in the aggregate, IMRF is 96.6% funded based upon the smoothed value of assets and 95.2% funded based upon market value. Each participating employer, however, has a separate funding percent, some of which will be above the aggregate result, and others of which will be below it. Based upon the results of the December 31, 2023 valuations, we are pleased to report to the Board that the Illinois Municipal Retirement Fund is meeting its basic financial objective and continues to operate in accordance with the actuarial principles of level percent-of-payroll financing.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.





Board of Trustees
Illinois Municipal Retirement Fund
March 21, 2024
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Readers desiring a more complete understanding of the actuarial condition of IMRF are encouraged to obtain and read the complete valuation reports. The material in the Actuarial Section and Financial Section of this Annual Comprehensive Financial Report contains some, but not all, of the information in the valuation reports.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Mark Buis, Francois Pieterse and Bonnie J. Wurst are Members of the American Academy of Actuaries (MAAA), are independent of the plan sponsor and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mark Buis, FSA, EA, FCA, MAAA

Francois Pieterse, ASA, FCA, MAAA

Bonita J. Wurst, ASA, EA, FCA, MAAA

MB/FP/BW:rl
Enclosure



**Illinois Municipal Retirement Fund
Brief Summary of Actuarial Assumptions Used in the 2023 Valuations
(Adopted as of December 31, 2023, Except as Noted Below)**

Investment Return	7.25% per annum, compounded annually, net of expenses, including a price inflation component of 2.25%.
Payroll Growth	2.50% per annum, compounded annually.
Retirement Rates	Rates vary by age and sex. See table below for sample values.
Mortality for Actives and Annuitants	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
Disability	Graduated rates by age. See table below for sample values.
Separation and Salary Increases	Graduated rates by age and service. See table below for sample values.
Asset Valuation Method	Market Related Value that reflects five-year averaging of investment gains and losses, subject to a 20% corridor.
Liability Valuation Method	For the purposes of determining contribution rates, the Entry Age Actuarial Cost Method is applied on an aggregate basis. Gains and losses become part of unfunded liabilities.

Age	Sample Probabilities				Pay Increase Next Year (5+ Yrs. Of Service)	
	Active Mortality		Disability		Tier 1	Tier 2
	Male	Female	Male	Female		
20	0.04%	0.01%	0.00%	0.00%	5.25%	5.25%
30	0.07%	0.03%	0.00%	0.00%	4.77%	4.77%
40	0.13%	0.06%	0.01%	0.00%	3.80%	3.89%
50	0.21%	0.10%	0.02%	0.01%	3.28%	3.43%
60	0.48%	0.25%	0.05%	0.03%	2.94%	3.00%
65	0.69%	0.36%	0.05%	0.03%	2.90%	2.90%

Age	Separation (Tier 1)			Retirement (Tier 1)					
	Regular (8+ Yrs. Serv.)		SLEP (7+ Yrs.)	Reduced Early		Normal Unreduced		SLEP Service	
	Male	Female		Male	Female	Male	Female	(< 32 Yrs.)	(32+ Yrs.)
30	4.5%	8.3%	3.6%	-	-	-	-	-	-
35	3.9%	6.0%	2.8%	-	-	-	-	-	-
40	3.1%	4.8%	2.1%	-	-	-	-	-	-
45	2.7%	3.9%	2.0%	-	-	-	-	-	-
50	2.2%	3.4%	2.0%	-	-	-	-	31.25%	31.5%
55	-	-	-	7.50%	6.40%	13.50%	29.75%	26.00%	31.5%
60	-	-	-	-	-	13.50%	12.00%	21.25%	31.5%
65	-	-	-	-	-	26.50%	27.75%	25.50%	31.5%
70	-	-	-	-	-	26.75%	26.00%	100.0%	100.0%

Age	Separation (Tier 2)			Retirement (Tier 2)					
	Regular (8+ Yrs. Serv.)		SLEP (7+ Yrs.)	Reduced Early		Normal Unreduced		SLEP Service	
	Male	Female		Male	Female	Male	Female	(< 30 Yrs.)	(30+ Yrs.)
30	5.3%	7.6%	4.8%	-	-	-	-	-	-
35	4.5%	6.9%	3.1%	-	-	-	-	-	-
40	3.9%	6.2%	2.4%	-	-	-	-	-	-
45	3.4%	5.5%	2.3%	-	-	-	-	-	-
50	3.2%	4.9%	2.3%	-	-	-	-	-	-
55	-	-	-	-	-	-	-	-	45.00%
62	-	-	-	15.00%	13.00%	75.00%	75.00%	26.00%	55.00%
65	-	-	-	-	-	75.00%	75.00%	17.00%	55.00%
67	-	-	-	-	-	30.00%	30.00%	17.00%	55.00%
70	-	-	-	-	-	24.00%	20.00%	100.0%	100.0%
75	-	-	-	-	-	16.00%	17.00%	100.0%	100.0%

Ages	Sample Probabilities (for Ages in 2023)			
	Annuitant Mortality			
	Healthy Annuitants		Disabled Annuitants	
	Male	Female	Male	Female
40	0.1612%	0.0597%	0.8780%	0.7514%
50	0.2338%	0.4064%	1.5224%	1.3489%
60	1.1967%	0.5866%	2.5611%	2.0230%
70	2.0792%	1.1036%	3.6002%	2.4967%
80	5.6778%	3.5345%	6.5396%	5.4551%

This summary was provided by the Actuary.

TABLE I
Schedule of Aggregate Funding Progress (Last ten years)

Actuarial Valuation Date December 31	Aggregate Actuarial Liabilities (AAL)			Unfunded Actuarial Liabilities (UAL)		
	Total AAL Entry Age (a)	Actuarial Assets (b)	Actuarial Assets as a percent of AAL (b/a)	Total UAL (a-b)	Member Payroll (c)	UAL as a percent of Member Payroll (a-b)/c
2014*	\$37,465,147,612	\$32,700,208,537	87.3%	\$4,764,939,075	\$6,732,500,876	70.8%
2015	39,486,573,890	34,913,127,469	88.4%	4,573,446,421	6,919,337,807	66.1
2016	41,358,710,402	36,773,397,527	88.9%	4,585,312,875	7,006,710,264	65.4
2017*	42,179,482,656	39,187,802,312	92.9%	2,991,680,344	7,127,492,621	42.0
2018*	45,354,110,653	40,829,952,193	90.0%	4,524,158,460	7,321,479,593	61.8
2019*	47,357,901,268	42,936,185,938	90.7%	4,421,715,330	7,547,532,434	58.6
2020*	48,922,948,739	46,017,438,373	94.1%	2,905,510,366	7,568,181,773	38.4
2021	50,927,551,010	50,191,547,801	98.6%	736,003,209	7,811,067,072	9.4
2022	53,112,908,786	52,142,670,028	98.2%	970,238,758	8,303,276,224	11.7
2023*	55,405,088,725	53,535,746,567	96.6%	1,869,342,158	8,954,427,947	20.9

* After assumption change
This data was provided by the Actuary.

TABLE II
Schedule of Aggregate Employer Contributions (Last ten years)

Year Ended December 31	Normal Contributions	Amortization of Unfunded Actuarial Liability	Death & Disability Benefit Contributions	Supplemental Retirement Benefit Contributions	Total Contributions	Percentage of Actuarial Required Contribution Contributed
2014	\$513,293,254	\$348,081,564	\$19,531,784	\$42,476,223	\$923,382,825	100%
2015	518,959,516	317,936,978	19,973,953	43,606,437	900,476,884	100
2016	478,995,396	390,798,313	20,170,190	43,973,422	933,937,321	100
2017	477,803,406	361,773,832	19,107,613	44,797,180	903,482,031	100
2018	483,736,934	404,016,662	13,752,607	46,062,620	947,568,823	100
2019	422,913,805	297,062,029	12,780,691	47,393,173	780,149,698	100
2020	451,773,080	411,707,577	15,967,779	48,143,173	927,591,609	100
2021	457,124,851	443,791,293	19,361,764	49,142,209	969,420,117	100
2022	433,056,735	303,684,904	19,570,443	51,775,456	808,087,538	100
2023	455,460,832	117,229,765	24,540,439	55,481,991	652,713,027	100



TABLE III
Solvency Test (Last ten years)

Calendar Year	Aggregate Actuarial Liabilities (AAL)				Portion of Actuarial Liabilities Covered by Assets		
	Active Member Contributions (1)	Annuitants (2)	Active Members (Employer Financed Portion) (3)	Actuarial Assets	(1)	(2)	(3)
2014	\$6,262,110,058	\$17,885,026,667	\$13,318,010,887	\$32,700,208,537	100.0%	100.0%	64.2%
2015	6,488,892,894	19,506,345,352	13,491,335,644	34,913,127,469	100.0	100.0	66.1
2016	6,714,120,028	21,085,519,077	13,559,071,297	36,773,397,527	100.0	100.0	66.2
2017	6,924,946,616	22,007,921,865	13,246,614,175	39,187,802,312	100.0	100.0	77.4
2018	7,141,414,323	24,106,296,051	14,106,400,279	40,829,952,193	100.0	100.0	67.9
2019	7,372,126,920	25,719,545,459	14,266,228,889	42,936,185,938	100.0	100.0	69.0
2020	7,590,754,155	27,251,813,875	14,080,380,709	46,017,438,373	100.0	100.0	79.4
2021	7,725,384,410	29,173,126,705	14,029,039,895	50,191,547,801	100.0	100.0	94.8
2022	7,936,001,055	30,872,651,189	14,304,256,542	52,142,670,028	100.0	100.0	93.2
2023	8,242,824,045	32,351,227,308	14,811,037,372	53,535,746,567	100.0	100.0	87.4

This data was provided by the Actuary.

TABLE IV
Participating Member Statistics (Last ten years)

Calendar Year	Total Salaries	Percent Increase (Decrease) in Total Salaries	Average Annual Salary	Percent Increase in Average Salary	Number of Participating Members	Average Attained Age	Average Years of Service
2014	\$6,732,500,876	2.0%	\$ 38,786	1.9%	173,579	47.9	10.6
2015	6,919,337,807	2.8	39,805	2.6	173,832	47.9	10.6
2016	7,006,710,264	1.3	40,076	0.7	174,835	47.8	10.5
2017	7,127,492,621	1.7	40,597	1.3	175,566	47.8	10.4
2018	7,321,479,593	2.7	41,476	2.2	176,523	47.8	10.3
2019	7,547,532,434	3.1	42,451	2.4	177,795	47.7	10.1
2020	7,568,181,773	0.3	44,353	4.5	170,637	47.8	10.4
2021	7,811,067,072	3.2	45,315	2.2	172,731	47.5	10.0
2022	8,303,276,224	6.3	47,327	4.4	175,446	47.2	9.7
2023	8,954,427,947	7.8	49,375	4.3	181,357	46.9	9.3

This data was provided by the Actuary.

TABLE V

Schedules of Adds and Removals from Rolls (Last ten years)

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls

Calendar Year	Added to Rolls		Removed from Rolls		End of Year Rolls		Average Annual Benefit	Percent Change in Average Benefit
	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits		
2014	9,099	\$142,621,088	4,076	16,601,950	112,755	\$1,556,530,183	\$13,805	4.0%
2015	9,553	154,096,739	4,276	17,348,199	118,032	1,693,278,723	14,346	3.9
2016	9,387	150,640,326	4,219	16,654,518	123,200	1,827,264,531	14,832	3.4
2017	9,655	160,577,864	4,597	19,935,030	128,258	1,967,907,365	15,343	3.4
2018	9,540	163,529,915	4,537	18,936,746	133,261	2,112,500,534	15,852	3.3
2019	9,343	162,863,622	4,515	19,587,203	138,089	2,255,776,953	16,336	3.1
2020	9,581	173,020,256	5,341	25,816,764	142,329	2,402,980,445	16,883	3.3
2021	10,170	198,690,457	5,365	26,738,938	147,134	2,574,931,964	17,501	3.7
2022	9,733	185,071,597	5,299	77,928,971	151,568	2,682,074,590	17,696	1.1
2023	8,663	172,890,546	5,141	(29,151,872)	155,090	2,884,117,008	18,596	5.1

Schedule of Disabilitants Added to and Removed from Rolls

Calendar Year	Added to Rolls		Removed from Rolls		End of Year Rolls		Average Annual Benefit	Percent Change in Average Benefit
	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits		
2014	2,123	\$26,688,760	2,115	26,126,923	1,090	\$11,108,719	\$10,191	4.5%
2015	1,936	24,777,914	2,036	26,296,672	990	9,589,961	9,687	(4.9)
2016	1,841	24,551,597	1,899	25,084,100	932	9,057,458	9,718	0.3
2017	1,679	23,175,340	1,839	23,943,773	772	8,289,025	10,737	10.5
2018	1,655	23,316,183	1,704	23,483,662	723	8,121,546	11,233	4.6
2019	1,770	25,549,639	1,741	23,963,994	752	9,707,191	12,908	14.9
2020	1,443	22,985,609	1,501	24,322,209	694	8,370,591	12,061	(6.6)
2021	1,553	24,187,499	1,594	24,989,318	653	7,568,772	11,591	(3.9)
2022	1,426	22,881,812	1,485	22,066,744	594	8,383,840	14,114	21.8
2023	1,218	20,738,625	1,276	22,214,334	536	6,908,131	12,888	(8.7)



TABLE VI
Average Employer Contribution Rates

Calendar Year	Normal Cost	Amortization of Unfunded Liability	Early Retirement Incentive (ERI) Liability	SLEP Enhancement Liability	Disability and Death	Supplemental Retirement Benefit	Total
Regular members							
2021	5.86%	3.74%	0.16%	n/a	0.24%	0.62%	10.62%
2022	5.22	2.38	0.14	n/a	0.23	0.62	8.59
2023	5.09	0.43	0.14	n/a	0.27	0.62	6.55
2024	4.96	0.72	0.10	n/a	0.25	0.62	6.65
2025	4.64	1.49	0.08	n/a	0.16	0.62	6.99
Sheriff's Law Enforcement Personnel (SLEP) members							
2021	11.72%	9.03%	0.09%	1.99%	0.25%	0.62%	23.70%
2022	10.05	6.86	0.05	1.99	0.24	0.62	19.81
2023	9.87	3.50	0.06	2.05	0.28	0.62	16.38
2024	9.61	5.47	0.05	1.98	0.26	0.62	17.99
2025	8.74	7.02	0.05	1.87	0.17	0.62	18.47
Elected County Official (ECO) members							
2021	14.21%	56.57%	0.00%	n/a	0.28%	0.62%	71.68%
2022	13.26	47.21	0.00	n/a	0.28	0.62	61.37
2023	13.14	24.05	0.00	n/a	0.32	0.62	38.13
2024	12.81	26.00	0.00	n/a	0.30	0.62	39.73
2025	13.05	24.00	0.00	n/a	0.20	0.62	37.87

This data was provided by the Actuary.

TABLE VII
Participating Member Contribution Rates (Last ten years)

Year	Regular IMRF			Sheriff's Law Enforcement Personnel				Elected County Official			
	Normal	Survivor	Total	Normal	Survivor	SLEP	Total	Normal	Survivor	ECO	Total
2014	3.75%	0.75%	4.50%	3.75%	0.75%	3.00%	7.50%	3.75%	0.75%	3.00%	7.50%
2015	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2016	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2017	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2018	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2019	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2020	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2021	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2022	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2023	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50

ACTUARIAL BALANCE SHEET

	December 31	
	2023	2022
Sources of Funds		
Actuarial value of assets	\$ 53,535,746,567	\$ 52,142,670,028
Actuarial present value of future contributions		
Member	2,994,436,556	2,915,117,514
Employer Normal Costs	3,012,675,198	3,126,246,791
Under Funded Actuarial Accrued Liability	1,869,342,158	970,238,758
Total Sources	\$ 61,412,200,479	\$ 59,154,273,091
Uses of Funds		
Retired members and beneficiaries	\$ 32,351,227,308	\$ 30,872,651,189
Inactive members	4,926,564,687	4,652,149,256
Active members	23,552,205,170	23,141,267,561
Voluntary additional members	558,126,393	473,034,579
Death and disability benefits	24,076,921	15,170,506
Total Uses	\$ 61,412,200,479	\$ 59,154,273,091

This data was provided by the Actuary.

ANALYSIS OF UNDER FUNDED LIABILITY

	December 31	
	2023	2022
Underfunded liability beginning of year	\$ 970,238,758	\$ 736,003,199
Assumed net (payments) during year	(81,553,829)	(49,091,971)
Assumed interest	67,420,446	51,601,401
Expected underfunded liability	\$ 956,105,375	\$ 738,512,629
Increase due to change in assumptions	\$ (29,009,402)	\$ -
Increase due to experience study	-	-
Increase (Decrease) due to investment performance	439,031,784	23,294,564
Decrease due to other sources	503,214,401	208,431,565
Under funded liability end of year	\$ 1,869,342,158	\$ 970,238,758

This data was provided by the Actuary.



DERIVATION OF EXPERIENCE (LOSS)/GAIN

	2023	2022
Type of Risk Area		
Risks Related to Assumptions (in millions)		
Economic Risk Areas		
Investment Return/(Loss)	\$ (439.0)	\$ (23.3)
Pay Increases	(351.3)	(256.7)
Demographic Risk Areas		
Service Retirements	(18.9)	(34.1)
Early Retirements	(5.5)	(12.2)
Vested Deferred Retirements	(17.2)	2.5
Death and Survivor Benefits	(3.7)	(3.7)
Disability Benefits	7.5	8.9
Terminated with Refund	10.3	61.6
Risks Not Related to Assumptions (1)	29.0	0.0
Total (Loss) During Year (2)	(124.4)	25.3
<i>This data was provided by the Actuary.</i>	\$ (913.2)	\$ (231.7)

Regular actuarial valuations give information about the composite change in unfunded actuarial accrued liabilities—whether or not the liabilities are increasing or decreasing and by how much. The objective of a gain and loss analysis is to determine the portion of the change in actuarial condition (unfunded actuarial accrued liabilities) attributable to each risk area. The fact that actual experience differs from assumed experience is to be expected – the future cannot be predicted with 100% precision. The economic risk areas (particularly investment return and pay increases) are volatile. It is assumed that gains and losses will be in balance over a period of years, but sizable year to year fluctuations are common.

- (1) This is primarily due to rehires of former employees and actual reserve transfers for retirees being higher than the estimated reserve transfers.
- (2) This is primarily due to rehires of former employees and actual reserve transfers for retirees

SUMMARY OF BENEFITS

This is a brief description of IMRF benefits. Additional conditions and restrictions may apply. A complete description is found in Article 7 of the Illinois Pension Code.

GENERAL

IMRF serves 3,045 employers including cities, villages, counties, school districts, townships, and various special districts, such as parks, forest preserves, and sanitary districts. Each employer contributes to separate accounts to provide future retirement benefits for its own employees.

Employees of these employers are required to participate if they work in an IMRF qualified position. An IMRF qualified position is one that is expected to equal or exceed the employer's annual hourly standard; the standard is either 600 or 1,000 hours a year.

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular plan. The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Forest preserve districts may adopt the SLEP plan for their law enforcement personnel. Counties could adopt the Elected County Official (ECO) plan for their elected officials prior to August 8, 2011. The ECO plan was closed to new participants after that date. After a county adopted the ECO plan, participation was optional for the elected officials of that county.

All three IMRF benefit plans have two tiers. Tier 2 benefits are lower than Tier 1, and cost about 40% less to provide. All IMRF members initially hired on or after January 1, 2011, are in Tier 2.

Both the member and the employer contribute toward retirement benefits. Members contribute a percentage of their salary as established by the Pension Code. The percentage depends on the plan in which the member participates. Regular members contribute 4.5%. SLEP and ECO members contribute 7.5%. Members also have the option of making voluntary after-tax contributions up to 10% of their salary. Employer contribution rates are actuarially calculated annually for each employer. Employers pay most of the cost for member and survivor pensions and all of the cost for supplemental retirement, death, and disability benefits. All contributions are pooled for investment purposes.

Since 1982, investment returns account for 68% of IMRF revenue.

VESTING

TIER 1

Members are vested for pension benefits when they have at least eight years of qualifying service credit. SLEP members are vested for a SLEP pension when they have at least 20 years of SLEP service credit. SLEP members with more than eight years of service, but less than 20 years of SLEP service, will receive a Regular pension.

Revised ECO members (those who joined the ECO plan after January 25, 2000) are vested with eight or more years of ECO service credit in the same elected county position. Revised ECO members with eight years of service, but less than eight years in the same elected county office, will receive a Regular pension.

TIER 2

Members are vested for pension benefits when they have at least 10 years of qualifying service credit. SLEP members are vested for a SLEP pension when they have at least 10 years of SLEP service credit. ECO members (those who joined the ECO plan after January 1, 2011, and before August 8, 2011) are vested with 10 or more years of total service credit with at least eight years in the same elected county position. ECO members with at least 10 years of total service credit, but less than eight years of service in the same elected county office, will receive a Regular pension.



REFUNDS

Non-vested members who stop working for an IMRF employer can receive a lump sum refund of their IMRF member contributions. Vested members can receive a lump sum refund of their IMRF contributions, if they have not attained the earliest eligible age for receiving a pension based on their plan rules. Vested members who have reached their eligible retirement age may choose to receive a refund, if their pension would be less than \$100 per month or if the refund is rolled over into another defined benefit retirement plan for the purpose of purchasing service credit.

Members who retire without an eligible spouse (married to or in a civil union with the member at least one year before the member terminates IMRF participation) may receive a refund of their surviving spouse contributions, with interest, or an annuity.

If, upon a member's death, all of the member contributions with interest were not paid as a refund or pension to either the member or his or her spouse, the beneficiary will receive any balance of the member's account.

PENSION CALCULATIONS

A REGULAR IMRF PENSION IS:

- 1-2/3% of the final rate of earnings for each of the first 15 years of service credit, plus
- 2% for each year of service credit in excess of 15 years.

The maximum pension at retirement cannot exceed 75% of the final rate of earnings.

A SLEP PENSION IS:

- 2-1/2% of the final rate of earnings for each year of service.

The maximum pension at retirement cannot exceed 80% (75% for Tier 2) of the final rate of earnings.

AN ECO PENSION IS:

- 3% of the final rate of earnings for each of the first eight years of service, plus
- 4% for each year of service between eight and 12 years of service, plus
- 5% for years of service credit over 12.

The maximum pension at retirement cannot exceed 80% of the final rate of earnings.

A money purchase minimum pension is provided if it exceeds the normal formula amount. The money purchase minimum is the amount that may be purchased by 2.4 times the member's applicable accumulated contributions, including interest thereon.

A reversionary pension option is provided to members at retirement. This option permits the member to revert a portion of his pension to one other person. This election is irrevocable.

An IMRF pension is paid for life.

FINAL RATE OF EARNINGS

TIER 1

The final rate of earnings for Regular and SLEP members is the highest total earnings during any 48 consecutive months within the last 10 years of IMRF service, divided by 48, or the total lifetime earnings divided by the total lifetime number of months of service, whichever is higher. The final rate of earnings for ECO members is the annual salary of the ECO member on the day he or she retires. For Revised ECO members, the final rate of earnings is the highest total earnings during any 48 consecutive months within the last 10 years of IMRF service, divided by 48, for each office held.

TIER 2

The final rate of earnings for Regular and SLEP members is the highest total earnings during any 96 consecutive months within the last 10 years of IMRF service, divided by 96, or the total lifetime earnings divided by the total lifetime number of months of service, whichever is higher. For ECO members who joined the plan after January 1, 2011, and before August 8, 2011, the final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of IMRF service, divided by 96, for each office held. Pensionable earnings are initially capped at \$106,800, increases annually by 3% or one-half of the increase of the Consumer Price Index, whichever is less. The pensionable earnings cap for 2024 will be \$125,773.73, and in 2023 it was \$123,489.18. For Tier 2 SLEP members, overtime compensation is excluded from pensionable earnings.

RETIREMENT ELIGIBILITY

TIER 1

Normal retirement for an unreduced pension is:

- Age 60 with eight or more years of service, or 35 or more years of service at age 55,
- Age 50 with 20 or more years of SLEP service for members with SLEP service,
- Age 55 with eight or more years of service for members with ECO service, or
- Age 55 with eight or more years of service in the same elected county office for members with Revised ECO service.

Regular members may retire as early as age 55 with a reduced pension. The reduction is the lesser of:

- 1/4% for each month the member is under age 60, or
- 1/4% for each month of service less than 35 years.

TIER 2

Normal retirement for an unreduced pension is:

- Age 67 with 10 or more years of service, or 35 or more years of service at age 62,
- Age 55 with 10 or more years of SLEP service for members with SLEP service, or
- Age 67 with eight or more years of service in the same elected county official for members with ECO service (ten years total service).

Regular members may retire as early as age 62 with a reduced pension. The reduction is the lesser of:

- 1/2% for each month the member is under age 67, or
- 1/2% for each month of service less than 35 years.

SLEP members may retire as early as age 50 with a reduced pension. The reduction is 1/2% for each month the member is under age 55.

SERVICE CREDIT

Service credit is the total time under IMRF, stated in years and fractions. Service is credited monthly while the member is working, receiving IMRF disability benefits, or on IMRF's Benefit Protection Leave. For revised ECO members, the ECO benefit formula is limited to service in an elected office.

Members may qualify for a maximum of one year of additional service credit for unused, unpaid sick leave accumulated with the last employer. Members who retire from a school district may utilize unused sick leave from all school district employers. This additional service credit applies only for members leaving employment for retirement. The service credit is earned at the rate of one month for every 20 days of unused, unpaid sick leave or fraction thereof.

IMRF is a participating plan under the Reciprocal Act, as are all other Illinois public pension systems, except local police and fire pension plans. Under the Reciprocal Act, service credit from multiple pension systems of at least one year may be considered together at the date of retirement or death for the purpose of determining eligibility for and amount of benefits.



POST-RETIREMENT INCREASES

TIER 1

Members in all plans receive an annual 3% increase based upon the original amount of the pension. The increase for the first year is prorated for the number of months the member was retired.

TIER 2

Members in all plans receive an annual increase based upon the original amount of the pension of 3% or one-half of the increase in the Consumer Price Index, whichever is less. For Regular and ECO members, the annual increases do not begin until the retiree reaches the age of 67 or after 12 months of retirement, whichever is later. For SLEP members, the increases begin at age 60 or after 12 months of retirement, whichever is later.

EARLY RETIREMENT INCENTIVE (ERI)

IMRF employers may offer an Early Retirement Incentive (ERI) program to their employees who are over 50 years of age (57 for Tier 2 Regular and ECO members) and have at least 20 years of service credit. Eligible members may purchase up to five years of service credit and age. Employers must pay off the additional ERI liability within 10 years. Subsequent ERI programs may be offered by an employer only after the liability for the previous ERI program is paid.

SUPPLEMENTAL RETIREMENT BENEFITS

Each July, IMRF provides a supplemental benefit payment, or “13th Payment,” to IMRF retirees and surviving spouses who have received IMRF pension payments for the preceding 12 months. The supplemental benefit payment amount will vary depending on the dollar amount to be distributed and the number of persons eligible. The supplemental benefit payment amount is decreasing annually, because the number of retirees is increasing while the pool of available money is decreasing.

DISABILITY BENEFITS

Regular and SLEP members are eligible for a maximum of 30 months of temporary disability benefits if they:

- Have at least 12 consecutive months of service credit since being enrolled in IMRF,
- Have at least nine months of service credit in the 12 months immediately prior to becoming disabled,
- Are unable to perform the duties of any position which might reasonably be assigned by the IMRF employer because of any illness, injury, or other physical or mental condition, and
- Are not receiving any earnings from any IMRF employer.

Regular and SLEP members are eligible for total and permanent disability benefits until they become eligible for full Social Security Old Age benefits if they:

- Have exhausted their temporary disability benefits,
- Have a medical condition which did not pre-exist their IMRF participation or they have five years of IMRF participation without being on temporary disability, and
- Are unable to work in any gainful activity for any employer.

The monthly disability benefit payment is equal to 50% of the average monthly earnings based on the 12 months prior to the month the member became disabled.

ECO members are eligible for ECO disability benefits if they:

- Have at least 12 consecutive months of service credit since being enrolled in IMRF,
- Are in an elected county office at the time the disability occurred,
- Are making ECO contributions at the time the disability occurred,

- Are unable to reasonably perform the duties of their offices,
- Have resigned their offices, and
- Have two licensed physicians, approved by IMRF, certify that the ECO member is permanently disabled.

The monthly ECO disability benefit is equal to the greater of:

- 50% of the annualized salary payable on the last day of ECO participation divided by 12, or
- The retirement benefit earned to date.

Disability benefits under all plans are offset by Social Security or workers' compensation benefits. If disabled members receive Social Security disability and/or workers' compensation benefits, IMRF pays the difference between those benefits and 50% of the member's average monthly earnings. However, IMRF will always pay a minimum monthly benefit of \$10. Members on disability earn pension service credit as if they were working.

DEATH BENEFITS

Beneficiaries of active members who have more than one year of service, or whose deaths are job-related, are entitled to lump sum IMRF death benefits. If the member was not vested, or vested without an eligible spouse, the death benefit is equal to one year's earnings (limited to pensionable earnings cap for Tier 2 members) plus any balance in the member's account. Eligible spouses of deceased, vested, active members may choose the lump sum or a monthly surviving spouse pension.

Beneficiaries of inactive, non-vested members receive a lump sum payment of any balance in the member's account, including interest. If the beneficiary is an eligible spouse of an inactive, vested member age 55 or older, the spouse may choose between the lump sum payment or a death benefit of \$3,000, plus a monthly surviving spouse pension. Beneficiaries of retired members receive a \$3,000 death benefit. Eligible spouses also receive a surviving spouse pension.

SURVIVING SPOUSE PENSION

For Regular and SLEP members, a surviving spouse's monthly pension is one-half (66-2/3% for Tier 2) of the member's pension.

For ECO members, a surviving spouse's monthly pension is 66-2/3% of the member's pension. This pension is payable once the surviving spouse becomes 50 years old. If the spouse is caring for the member's minor, unmarried children (the age 50 requirement does not apply), the spouse will receive:

- A monthly pension equal to 30% of the ECO member's salary at time of death, plus
- 10% of the ECO member's salary at time of death for each minor, unmarried child. The maximum total monthly benefit payable to spouse and children cannot exceed 50% of the ECO member's salary at the time of death, or
- A monthly pension equal to 66-2/3% of the pension the member earned.

Surviving spouse pensions under all plans are increased each January 1. The increase is based on the original amount of the pension. The increase for the first year is prorated for the number of months the surviving spouse or the member received a pension. For Tier 1, the annual increase is three percent. For Tier 2, the annual increase is 3% or one-half the increase in the Consumer Price Index, whichever is less.

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TABLE VIII

Changes in Fiduciary Net Position (Last ten years)

Additions						
Employer Contributions						
Calendar Year	Investment Earnings Net of Direct Investment Expense	Dollars	Percent of Annual Covered Payroll	Member Contributions	Other	Total Additions
2014	\$ 2,001,420,871	\$ 923,382,825	13.72%	\$351,089,445	\$19,157	\$ 3,275,912,298
2015	200,727,209	900,476,884	13.01	368,005,271	464,050	1,469,673,414
2016	2,664,864,774	933,937,321	13.33	380,385,015	12,340	3,979,199,450
2017	5,718,221,626	903,482,031	12.68	393,747,860	13,200	7,015,464,717
2018	(1,747,217,132)	947,568,823	12.94	413,901,691	13,850	(385,732,768)
2019	7,517,792,605	780,149,698	10.34	437,930,911	15,300	8,735,888,514
2020	6,722,889,252	927,591,609	12.26	449,724,661	12,925	8,100,218,447
2021	8,449,144,804	969,420,117	12.41	471,392,017	14,750	9,889,971,688
2022	(7,867,022,837)	808,087,538	9.73	501,784,408	125,213	(6,557,025,678)
2023	6,356,023,887	653,081,876	7.29%	540,661,005	148,792	7,549,915,560
Deductions						
Calendar Year	Benefits	Refunds	Administrative Expenses	Total Deductions	Change in Fiduciary Net Position	
2014	\$ 1,626,821,250	\$ 39,191,090	\$ 26,431,652	\$1,692,443,992	\$ 1,583,468,306	
2015	1,758,184,358	36,748,509	28,707,981	1,823,640,848	(353,967,434)	
2016	1,902,139,898	37,690,098	38,702,237	1,978,532,233	2,000,667,217	
2017	2,043,613,657	42,552,060	31,038,134	2,117,203,851	4,898,260,866	
2018	2,194,961,403	48,028,752	32,213,168	2,275,203,323	(2,660,936,091)	
2019	2,347,237,088	51,372,047	38,373,543	2,436,982,678	6,298,905,836	
2020	2,494,317,158	52,178,126	31,776,955	2,578,272,239	5,521,946,208	
2021	2,673,448,177	60,073,886	28,318,297	2,761,840,360	7,128,131,328	
2022	2,842,823,093	73,175,000	36,225,509	2,952,223,602	(9,509,249,280)	
2023	2,997,476,280	76,872,729	34,111,319	3,108,460,328	4,441,455,232	



TABLE IX
Benefit Expense by Type (Last ten years)

Calendar Year	Death				Disability	
	Supplemental	Refund	Burial	Residual	Permanent	Temporary
2014	\$ 8,159,700	\$ 9,697,948	\$ 8,941,815	\$ 1,785,250	\$ 3,688,052	\$ 7,214,455
2015	7,115,125	9,142,480	9,578,310	1,935,771	3,526,820	6,267,477
2016	9,066,318	9,154,917	9,350,020	2,199,715	3,480,432	6,227,065
2017	7,632,879	9,128,002	9,832,334	2,077,934	3,058,374	6,393,159
2018	9,957,323	10,217,863	10,111,870	2,516,138	3,065,933	6,374,393
2019	9,970,090	12,630,012	10,011,054	2,735,846	2,712,027	6,167,549
2020	8,891,181	10,589,258	11,040,634	3,562,281	2,769,573	5,613,563
2021	10,578,556	12,428,656	12,140,537	4,139,509	2,637,053	6,697,669
2022	13,068,205	15,282,899	11,832,662	2,621,415	2,456,792	5,633,286
2023	8,130,713	13,158,702	10,272,818	3,449,377	2,271,922	5,283,789

Calendar Year	Annuities				Refunds		Total
	Retirement	Surviving Spouse	Beneficiary	Supplemental	Separation	Other	
2014	\$1,453,666,782	\$88,033,643	\$2,944,873	\$42,688,732	\$35,250,093	\$3,940,997	\$1,666,012,340
2015	1,580,255,793	93,884,986	3,233,682	43,243,914	32,618,840	4,129,669	1,794,932,867
2016	1,713,504,074	100,899,288	3,539,931	44,718,138	30,955,185	6,734,913	1,939,829,996
2017	1,849,014,473	108,313,203	3,831,348	44,331,951	33,412,072	9,139,988	2,086,165,717
2018	1,987,168,560	115,681,971	4,185,900	45,681,452	35,164,167	12,864,585	2,242,990,155
2019	2,126,647,074	124,331,675	4,720,509	47,311,252	33,672,230	17,699,817	2,398,609,135
2020	2,265,445,917	132,627,404	5,197,450	48,579,897	32,885,092	19,293,034	2,546,495,284
2021	2,427,956,084	142,577,422	5,425,454	48,867,237	33,700,370	26,373,516	2,733,522,063
2022	2,582,313,394	153,663,061	5,914,084	50,037,295	38,697,369	34,477,631	2,915,998,093
2023	2,729,775,687	164,588,887	6,124,969	54,419,416	36,952,956	39,919,773	3,074,349,009

TABLE X
Net Cash Flow from Contributions After Benefits (Last ten years)

Year	Employer Contributions	Member Contributions	Total Contributions	Total Benefit Payments	Net Cash Flow
2014	\$ 923,382,825	\$ 351,089,445	\$ 1,274,472,270	\$ 1,666,012,340	\$ (391,540,070)
2015	900,476,884	368,005,271	1,268,482,155	1,794,932,867	(526,450,712)
2016	933,937,321	380,385,015	1,314,322,336	1,939,829,996	(625,507,660)
2017	903,482,031	393,747,860	1,297,229,891	2,086,165,717	(788,935,826)
2018	947,568,823	413,901,691	1,361,470,514	2,242,990,155	(881,519,641)
2019	780,149,698	437,930,911	1,218,080,609	2,398,609,135	(1,180,528,526)
2020	927,591,609	449,724,661	1,377,316,270	2,546,495,284	(1,169,179,014)
2021	969,420,117	471,392,017	1,440,812,134	2,733,522,063	(1,292,709,929)
2022	808,087,538	501,784,408	1,309,871,946	2,915,998,093	(1,606,126,147)
2023	653,081,876	540,661,005	1,193,742,881	3,074,349,009	(1,880,606,128)

TABLE XI
Operating Statistics - Number of Initial Benefit Payments (Last ten years)

Calendar Year	Annuity	Disability	Death	Refund	Total
2014	7,959	2,123	3,413	11,139	24,634
2015	8,347	1,936	3,644	10,571	24,498
2016	8,222	1,841	3,599	10,125	23,787
2017	8,372	1,679	3,680	10,775	24,506
2018	8,267	1,655	3,795	11,111	24,828
2019	8,037	1,770	3,793	10,954	24,554
2020	8,143	1,443	4,067	10,068	23,721
2021	8,565	1,553	4,423	7,473	22,014
2022	8,142	1,426	4,344	8,640	22,552
2023	7,221	1,218	3,751	8,091	20,281

TABLE XII
Number of Employees (Last ten years)

Calendar Year End	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administration (2)	4	4	5	6	6	2	2	2	2	2
Benefits (3)	28	31	31	35	33	19	20	20	14	23
Communications	7	9	9	8	8	9	9	9	9	8
Customer Service (2)	-	-	-	-	-	1	1	1	1	1
Disability (3)	-	-	-	-	-	15	13	13	11	11
Employer Services (4)	-	-	-	-	-	12	11	8	23	22
Finance	27	27	20	25	25	24	27	25	20	20
Human Resources	4	4	4	4	4	4	5	5	5	5
Information Services	33	34	32	40	43	41	43	44	43	43
Internal Audit (1)	7	7	8	8	8	8	8	4	3	3
Investments	13	13	14	14	14	17	17	15	16	17
Legal (1, 5)	5	5	5	5	6	8	8	13	12	13
Member Services (4)	33	35	37	38	40	28	29	30	28	30
Office Services (5)	19	19	19	19	19	18	18	18	16	17
Organizational Excellence (2)	-	-	-	-	-	3	3	3	2	2
Program Management (6)	5	6	6	-	-	-	-	-	-	-
Total	185	194	190	202	206	209	214	210	205	217

(1) The Compliance unit moved from Internal Audit to Legal in 2021
 (2) The Customer Service and Organizational Excellence departments separated from Administration in 2019
 (3) The Disability department separated from Benefits in 2019
 (4) The Field Services department separated from Member Services in 2019 and was reorganized again in 2022
 (5) The Procurement unit moved from Office Services to Legal in 2019
 (6) The Program Management department merged with Information Systems in 2017

TABLE XIII
Number of Actively Participating Employers (Last ten years)

Calendar Year End	Cities	Villages	Counties	School Districts	Townships	Other	Total
2014	258	414	101	855	478	870	2,976
2015	259	415	101	850	478	869	2,972
2016	259	417	101	851	488	871	2,987
2017	259	419	101	850	478	890	2,997
2018	260	419	101	850	481	899	3,010
2019	261	420	101	850	481	912	3,025
2020	261	422	101	850	483	914	3,031
2021	261	423	101	850	484	913	3,032
2022	262	425	101	850	486	903	3,027
2023	263	431	101	850	485	915	3,045

TABLE XIV
Principal Participating Employers (Current year and ten years ago)

Employer	2023			2014		
	Active Members	Rank	Percentage of Total Active Members	Active Members	Rank	Percentage of Total Active Members
DuPage County	3,255	1	1.80%	3,043	1	1.75%
Will County	2,778	2	1.53%	2,388	3	1.37%
Lake County	2,621	3	1.45%	2,553	2	1.47%
Union School District 46	2,222	4	1.23%	2,014	4	1.16%
Winnebago County	1,641	5	0.91%	1,747	5	1.00%
Rockford School District 205	1,437	6	0.79%	1,746	6	1.00%
Kane County	1,272	7	0.70%	1,366	7	0.79%
Township High School District 211	1,130	8	0.62%	1,269	10	0.73%
McHenry County	1,062	9	0.59%	1,343	8	0.77%
Plainfield School District 202	1,012	10	0.56%	N/A*	N/A*	N/A**
Peoria School District 150	N/A**	N/A**	N/A**	1,283	9	0.74%

*In 2013, this entity did not rank in the Top Ten.

** In 2022, this entity did not rank in the Top Ten.

TABLE XV
Number of Actively Participating Members (Last ten years)

Calendar Year End	Male Participants	Female Participants	Total
2014	65,029	108,939	173,968
2015	65,104	108,994	174,098
2016	65,379	109,640	175,019
2017	65,085	110,480	175,565
2018	65,120	111,397	176,517
2019	65,543	112,266	177,809
2020	63,687	107,048	170,735
2021	64,037	108,273	172,310
2022	65,257	109,967	175,224
2023	67,361	113,844	181,205



TABLE XVI
Participating Members' Length of Service (Last ten years)

Calendar Year	Total Active Members	Under 1 Year	1 to 7 Years	8 to 14 Years	15 Years and Over	Percent Vested
2014	173,968	18,391	63,714	44,256	47,607	52.8%
2015	174,098	18,515	63,413	43,470	48,700	52.9
2016	175,019	18,732	64,487	57,727	34,073	52.5
2017	175,565	19,347	67,173	39,978	49,067	50.7
2018	176,517	20,535	69,940	37,905	48,137	48.7
2019	177,809	20,633	73,257	36,395	47,524	47.2
2020	170,735	13,705	75,580	34,680	46,770	47.7
2021	172,310	22,720	70,446	33,437	45,707	46.5
2022	175,224	25,073	72,654	32,404	45,093	44.2
2023	181,205	25,519	78,581	32,586	44,519	42.6

TABLE XVII
Active Members by Age

Age	All Plans			Sheriff's Law Enforcement Personnel			Elected County Official		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Under 20	420	493	913	4	1	5	-	-	-
20 to 24	3,660	5,011	8,671	156	41	197	-	-	-
25 to 29	5,979	8,245	14,224	479	73	552	-	-	-
30 to 34	6,731	9,611	16,342	567	77	644	-	-	-
35 to 39	7,235	11,213	18,448	555	88	643	1	-	1
40 to 44	7,712	13,242	20,954	627	95	722	1	-	1
45 to 49	7,229	13,578	20,807	501	93	594	4	1	5
50 to 54	8,044	15,463	23,507	388	60	448	5	5	10
55 to 59	7,992	15,861	23,853	179	27	206	6	6	12
60 to 64	6,934	13,581	20,515	70	10	80	12	3	15
65 to 69	3,303	5,256	8,559	24	7	31	5	6	11
70 and Over	2,122	2,290	4,412	8	1	9	3	2	5
Total	67,361	113,844	181,205	3,558	573	4,131	37	23	60

TABLE XVIII
Annuitants by Age

Age	Retirees			Surviving Spouses			Beneficiaries		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Under 55	391	59	450	13	95	108	132	180	312
55 to 59	2,861	4,696	7,557	51	209	260	32	72	104
60 to 64	6,761	13,660	20,421	136	577	713	30	106	136
65 to 69	10,355	22,023	32,378	411	1,025	1,436	42	87	129
70 to 74	10,037	21,246	31,283	734	1,490	2,224	31	68	99
75 to 79	6,701	15,319	22,020	963	1,793	2,756	22	58	80
80 to 84	3,960	9,533	13,493	1,064	2,000	3,064	9	29	38
85 to 89	2,037	5,319	7,356	852	1,617	2,469	4	26	30
90 to 94	667	2,411	3,078	522	984	1,506	1	11	12
95 to 99	170	753	923	138	329	467	-	-	-
100 and over	14	98	112	18	57	75	-	1	1
Total	43,954	95,117	139,071	4,902	10,176	15,078	303	638	941

TABLE XIX
Average Initial Benefit Payment Amounts (Last ten years)

Calendar Year	Single Sum Payments		Recurring Payments	
	Separation Refunds	Lump Sum Death Benefit	Annual Disability (1)	Annual Retirement (2)
2014	\$3,164	\$35,795	\$20,048	\$16,877
2015	3,127	35,141	19,696	17,301
2016	3,075	32,018	20,386	17,128
2017	3,119	34,645	20,632	17,878
2018	3,202	37,502	21,297	18,480
2019	3,092	43,031	22,155	18,738
2020	3,313	40,927	23,169	19,554
2021	4,538	46,606	22,999	21,376
2022	4,525	50,210	23,990	20,759
2023	4,628	53,025	25,300	21,848

(1) Prior to Social Security and workers' compensation offsets.

(2) Includes voluntary additional benefits.



TABLE XX
Analysis of Initial Retirement Benefits: Regular Plan (Last ten years)

	Years of Credited Service							Total
	8-9	10-14	15-19	20-24	25-29	30-34	35+	
2014								
Avg Monthly Annuity	\$361	\$562	\$930	\$1,374	\$2,020	\$2,876	\$3,960	\$1,439
Avg Monthly FRE	\$2,559	\$2,782	\$3,244	\$3,573	\$4,196	\$4,947	\$5,679	\$3,608
Number of Retirees	687	1,251	1,206	984	808	455	551	5,942
2015								
Avg Monthly Annuity	\$358	\$568	\$949	\$1,429	\$2,092	\$2,873	\$4,029	\$1,479
Avg Monthly FRE	\$2,549	\$2,826	\$3,311	\$3,726	\$4,347	\$4,968	\$5,756	\$3,690
Number of Retirees	792	1,310	1,241	983	818	515	615	6,274
2016								
Avg Monthly Annuity	\$367	\$571	\$934	\$1,438	\$2,135	\$2,898	\$4,224	\$1,470
Avg Monthly FRE	\$2,600	\$2,865	\$3,264	\$3,738	\$4,448	\$5,027	\$6,000	\$3,708
Number of Retirees	786	1,252	1,323	974	793	490	547	6,165
2017								
Avg Monthly Annuity	\$374	\$569	\$965	\$1,495	\$2,186	\$3,059	\$4,161	\$1,548
Avg Monthly FRE	\$2,661	\$2,868	\$3,341	\$3,887	\$4,522	\$5,301	\$5,879	\$3,825
Number of Retirees	694	1,243	1,345	1,143	823	549	580	6,377
2018								
Avg Monthly Annuity	\$384	\$591	\$1,004	\$1,471	\$2,245	\$3,128	\$4,263	\$1,603
Avg Monthly FRE	\$2,713	\$2,966	\$3,428	\$3,826	\$4,615	\$5,386	\$6,007	\$3,913
Number of Retirees	561	1,232	1,305	1,204	786	594	549	6,231
2019								
Avg Monthly Annuity	\$390	\$600	\$1,007	\$1,514	\$2,210	\$3,211	\$4,476	\$1,638
Avg Monthly FRE	\$2,739	\$2,981	\$3,457	\$3,930	\$4,577	\$5,535	\$6,300	\$3,987
Number of Retirees	447	1,267	1,226	1,140	803	613	481	5,977
2020								
Avg Monthly Annuity	\$388	\$638	\$1,000	\$1,522	\$2,212	\$3,149	\$4,540	\$1,733
Avg Monthly FRE	\$2,753	\$3,128	\$3,405	\$3,939	\$4,573	\$5,436	\$6,419	\$4,089
Number of Retirees	295	1,252	1,243	1,292	860	670	568	6,180
2021								
Avg Monthly Annuity	\$405	\$642	\$1,058	\$1,628	\$2,336	\$3,516	\$4,636	\$1,859
Avg Monthly FRE	\$2,907	\$3,196	\$3,636	\$4,202	\$4,853	\$6,066	\$6,575	\$4,357
Number of Retirees	262	1,260	1,316	1,423	883	714	610	6,468
2022								
Avg Monthly Annuity	\$418	\$638	\$1,086	\$1,659	\$2,326	\$3,548	\$4,782	\$1,860
Avg Monthly FRE	\$2,966	\$3,172	\$3,765	\$4,260	\$4,848	\$6,072	\$6,805	\$4,390
Number of Retirees	235	1,176	1,240	1,322	796	596	557	5,922
2023								
Avg Monthly Annuity	\$415	\$631	\$1,140	\$1,683	\$2,407	\$3,582	\$4,644	\$1,934
Avg Monthly FRE	\$2,945	\$3,282	\$3,925	\$4,315	\$4,965	\$6,138	\$6,637	\$4,517
Number of Retirees	213	904	1,031	1,216	824	575	474	5,237

FRE = Final Rate of Earnings used to calculate retirement benefit.

Note: This schedule excludes members retiring with money purchase benefits, reciprocal benefits, or multiple plans.

TABLE XXI

Analysis of Initial Retirement Benefits: Sheriff's Law Enforcement Personnel (SLEP) Plan (Last ten years)

	Years of Credited Service						Total
	10-14	15-19	20-24	25-29	30-34	35+	
2014							
Avg Monthly Annuity	\$-	\$-	\$3,439	\$5,142	\$5,220	\$5,868	\$4,547
Avg Monthly FRE	\$-	\$-	\$6,430	\$7,631	\$6,706	\$7,448	\$6,998
Number of Retirees	-	-	39	39	18	6	102
2015							
Avg Monthly Annuity	\$-	\$-	\$3,508	\$5,179	\$5,511	\$7,123	\$4,690
Avg Monthly FRE	\$-	\$-	\$6,642	\$7,685	\$7,480	\$8,904	\$7,316
Number of Retirees	-	-	39	59	18	1	117
2016							
Avg Monthly Annuity	\$-	\$-	\$3,613	\$5,241	\$6,012	\$2,567	\$4,825
Avg Monthly FRE	\$-	\$-	\$6,964	\$7,692	\$7,859	\$3,209	\$7,448
Number of Retirees	-	-	38	59	20	1	118
2017							
Avg Monthly Annuity	\$-	\$-	\$3,796	\$5,580	\$6,389	\$-	\$5,116
Avg Monthly FRE	\$-	\$-	\$7,328	\$8,084	\$8,436	\$-	\$7,889
Number of Retirees	-	-	39	59	19	-	117
2018							
Avg Monthly Annuity	\$-	\$-	\$4,092	\$5,025	\$5,706	\$6,995	\$4,851
Avg Monthly FRE	\$-	\$-	\$7,575	\$7,668	\$7,576	\$8,744	\$7,649
Number of Retirees	-	-	46	38	23	4	111
2019							
Avg Monthly Annuity	\$-	\$-	\$4,443	\$6,085	\$6,674	\$5,921	\$5,662
Avg Monthly FRE	\$-	\$-	\$8,122	\$8,808	\$8,571	\$7,402	\$8,512
Number of Retirees	-	-	31	45	18	2	96
2020							
Avg Monthly Annuity	\$-	\$2,145	\$3,903	\$5,447	\$6,767	\$-	\$4,913
Avg Monthly FRE	\$-	\$5,722	\$7,322	\$8,123	\$8,702	\$-	\$7,824
Number of Retirees	-	1	57	47	19	-	124
2021							
Avg Monthly Annuity	\$-	\$-	\$4,160	\$5,789	\$6,998	\$7,281	\$5,267
Avg Monthly FRE	\$-	\$-	\$7,739	\$8,886	\$8,905	\$9,101	\$8,380
Number of Retirees	-	-	124	106	38	8	276
2022							
Avg Monthly Annuity	\$1,071	\$-	\$4,124	\$6,149	\$7,401	\$3,850	\$5,234
Avg Monthly FRE	\$5,190	\$-	\$7,770	\$9,069	\$9,750	\$4,813	\$8,411
Number of Retirees	1	-	67	53	15	1	137
2023							
Avg Monthly Annuity	\$1,559	\$-	\$4,771	\$6,487	\$6,890	\$6,394	\$5,705
Avg Monthly FRE	\$5,059	\$-	\$8,932	\$9,575	\$9,071	\$9,133	\$9,229
Number of Retirees	1	-	62	58	10	1	131

FRE = Final Rate of Earnings used to calculate retirement benefit.

Note: This schedule excludes members retiring with money purchase benefits, reciprocal benefits, or multiple plans.

TABLE XXII

Analysis of Initial Retirement Benefits: Elected County Official (ECO) Plan (Last ten years)

	Years of Credited Service							Total
	8-9	10-14	15-19	20-24	25-29	30-34	35+	
2014								
Avg Monthly Annuity	\$-	\$840	\$553	\$2,204	\$891	\$330	\$3,877	\$647
Avg Monthly FRE	\$-	\$1,940	\$779	\$2,756	\$1,136	\$413	\$4,846	\$844
Number of Retirees	-	3	7	6	5	1	2	24
2015								
Avg Monthly Annuity	\$-	\$1,204	\$-	\$-	\$-	\$-	\$-	\$1,204
Avg Monthly FRE	\$-	\$2,988	\$-	\$-	\$-	\$-	\$-	\$2,988
Number of Retirees	-	2	-	-	-	-	-	2
2016								
Avg Monthly Annuity	\$-	\$990	\$3,088	\$4,568	\$4,725	\$966	\$-	\$3,126
Avg Monthly FRE	\$-	\$2,170	\$5,537	\$5,711	\$5,907	\$1,207	\$-	\$4,378
Number of Retirees	-	6	2	6	4	1	-	19
2017								
Avg Monthly Annuity	\$481	\$405	\$2,323	\$1,104	\$-	\$-	\$-	\$1,432
Avg Monthly FRE	\$1,953	\$854	\$3,403	\$1,380	\$-	\$-	\$-	\$2,175
Number of Retirees	1	3	6	4	-	-	-	14
2018								
Avg Monthly Annuity	\$635	\$2,701	\$3,295	\$4,126	\$6,215	\$5,565	\$12,608	\$4,414
Avg Monthly FRE	\$2,215	\$5,447	\$4,632	\$5,157	\$7,768	\$6,957	\$15,760	\$5,941
Number of Retirees	2	1	2	5	2	1	1	14
2019								
Avg Monthly Annuity	\$151	\$192	\$-	\$6,368	\$3,672	\$-	\$-	\$2,824
Avg Monthly FRE	\$606	\$461	\$-	\$7,959	\$5,325	\$-	\$-	\$3,795
Number of Retirees	1	2	-	2	1	-	-	6
2020								
Avg Monthly Annuity	\$-	\$4,372	\$-	\$1,641	\$4,284	\$-	\$-	\$2,611
Avg Monthly FRE	\$-	\$9,775	\$-	\$2,052	\$5,355	\$-	\$-	\$4,495
Number of Retirees	-	2	1	3	1	-	-	7
2021								
Avg Monthly Annuity	\$-	\$5,686	\$-	\$-	\$10,867	\$-	\$5,291	\$6,784
Avg Monthly FRE	\$-	\$10,746	\$-	\$-	\$13,584	\$-	\$6,614	\$9,390
Number of Retirees	-	1	-	-	1	-	2	4
2022								
Avg Monthly Annuity	\$626	\$247	\$-	\$3,141	\$-	\$-	\$-	\$2,245
Avg Monthly FRE	\$2,000	\$701	\$-	\$3,926	\$-	\$-	\$-	\$3,262
Number of Retirees	1	1	3	2	-	-	-	7
2023								
Avg Monthly Annuity	\$-	\$3,661	\$4,225	\$5,311	\$-	\$-	\$-	\$4,399
Avg Monthly FRE	\$-	\$8,894	\$6,011	\$6,707	\$-	\$-	\$-	\$7,204
Number of Retirees	-	2	2	2	-	-	-	6

FRE = Final Rate of Earnings used to calculate retirement benefit.

Note: This schedule excludes members retiring with money purchase benefits, reciprocal benefits, or multiple plans.

TABLE XXIII
Distribution of Current Annuitants by Pension Amount

Monthly Pension Amount	Retirement Number of		Survivor Number of		All Annuities Number of	
	Males	Females	Males	Females	Males	Females
Under \$100	802	4,396	437	424	1,239	4,820
\$100 to under \$250	1,759	9,821	1,210	1,348	2,969	11,169
\$250 to under \$500	3,913	17,518	1,350	2,064	5,263	19,582
\$500 to under \$750	3,771	13,723	768	1,485	4,539	15,208
\$750 to under \$1,000	3,273	10,365	470	1,090	3,743	11,455
\$1,000 to under \$2,000	9,529	22,386	561	2,425	10,090	24,811
\$2,000 to under \$3,000	6,068	9,272	79	856	6,147	10,128
\$3,000 to under \$4,000	4,884	4,067	16	295	4,900	4,362
\$4,000 to under \$5,000	3,539	1,874	7	114	3,546	1,988
\$5,000 to under \$6,000	2,493	884	4	44	2,497	928
\$6,000 and over	3,923	811	-	31	3,923	842
Total	43,954	95,117	4,902	10,176	48,856	105,293

Note: Counts do not include disabilities.

TABLE XXIV
Membership By Tier

	2023			2022		
	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total
Annuitants/Beneficiaries						
Total Retirees	153,716	838	154,554	151,085	483	151,568
Active						
Vested	56,763	10,054	66,817	61,418	6,493	67,911
Non-Vested	12,609	101,779	114,388	13,114	94,199	107,313
Total	69,372	111,833	181,205	74,532	100,692	175,224
Inactive						
Vested	14,544	977	15,521	14,834	547	15,381
Non-Vested	65,605	76,074	141,679	66,100	66,647	132,747
Total	80,149	77,051	157,200	80,934	67,194	148,128
Active/Inactive						
Vested	71,307	11,031	82,338	76,252	7,040	83,292
Non-Vested	78,214	177,853	256,067	79,214	160,846	240,060
Total Active/Inactive	149,521	188,884	338,405	155,466	167,886	323,352
Total Membership	303,237	189,722	492,959	306,551	168,369	474,920

2023-2025 STRATEGIC PLAN

IMRF's Strategic Plan for 2023-2025 includes four Key Result Areas that address internal and external strategic advantages, challenges, and opportunities. The Strategic Plan not only highlights the four Strategic Objectives, it also provides an overview of the key strategies designed to support the objectives.



2023-2025

STRATEGIC PLAN



- Achieving top decile funding level on a market-value basis relative to a universe of public pension funds
- Achieving progress toward a 100% funding goal
- Achieving or exceeding a 7.25% annual return over the long term (over 5, 10, and 15 year basis)
- Outperforming the total portfolio benchmark (over 3, 5, and 10 year basis)



- Achieving top decile "American Customer Satisfaction Index" (ACSI) ranking on Cobalt Survey
- Achieving 90% "Overall Satisfaction" ratings on member and employer satisfaction surveys
- Exceeding the 3 NPS Benchmarks (Financial, Business Services, and Government) on member and employer engagement surveys



- Achieving top decile ranking on the employee engagement survey
- Achieving employee turnover levels below averages, as measured by CompData Surveys



- Achieving top decile "Overall Service Score" ranking for the CEM Benchmarking Survey
- Achieving per-member cost at or below the median of the CEM administrative cost measure

IMRF will continue to develop and implement Strategic Plans to periodically reassess the best direction to take in fulfilling its promise of world-class service to our members, employers, and stakeholders.



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