

• • • Illinois Municipal



Retirement Fund • • •

2025

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

• • • • • For the years ended • • • • •

**DECEMBER 31, 2025 & DECEMBER 31, 2024**

• • • • • Offices in Oak Brook and Springfield Illinois • • • • •



**FOR THE YEARS ENDED  
DECEMBER 31, 2025 &  
DECEMBER 31, 2024**

**PREPARED BY**

The Finance Department of the  
Illinois Municipal Retirement Fund

**OAK BROOK OFFICE**

800 Commerce Drive  
Oak Brook, IL 60523-2196

**SPRINGFIELD REGIONAL  
COUNSELING CENTER**

3000 Professional Drive, Suite 101  
Springfield, IL 62703-5934

**CONTACT IMRF**

1-800-ASK-IMRF (275-4673)  
[www.imrf.org](http://www.imrf.org)

**Vladimir Shuliga**

*Interim Executive Director  
& General Counsel*

# 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



# TABLE OF CONTENTS

## INTRODUCTION

- 3 Board of Trustees
- 4 IMRF Directors
- 5 Organization Chart
- 6 Certificate of Achievement
- 7 Formal Transmittal
- 16 Revenue and Expense Charts

## FINANCIAL

- 18 Independent Auditor's Report
- 20 Management's Discussion and Analysis

### *Basic Financial Statements*

- 24 Statements of Fiduciary Net Position
- 25 Statements of Changes in Fiduciary Net Position
- 26 Notes to Basic Financial Statements\*

*\*The Notes are an integral part of the Basic Financial Statements.*

### *Required Supplementary Information*

- 58 Required Supplementary Information
- 63 Notes to Required Supplementary Information

### *Supplementary Information*

- 65 Supplementary Information

## INVESTMENTS

- 67 Investment Consultant's Report
- 69 Master Trustee's Report
- 70 Investment Consultants
- 72 Investment Policies
- 76 Returns by Asset Class
- 77 Investment Portfolio Summary
- 77 Asset Allocation
- 78 Investment Portfolio Charts
- 79 Ten Largest Holdings
- 80 Domestic Brokerage Commissions
- 81 International Brokerage Commissions
- 82 Schedule of Investment Fees

## ACTUARIAL

- 84 Actuary's Certification Letter
- 87 Summary of Actuarial Assumptions
- 88 Funded Status and Funding Progress
- 89 Schedule of Aggregate Funding Progress
- 89 Schedule of Aggregate Employer Contributions
- 90 Solvency Test
- 90 Participating Member Statistics
- 91 Schedules of Adds and Removals from Rolls

- 92 Contribution Rates
- 93 Actuarial Balance Sheet
- 93 Analysis of Under Funded Liability
- 94 Derivation of Experience (Loss)/Gain
- 95 Summary of Benefits

## STATISTICAL

### *Financial Tables*

- 101 Changes in Fiduciary Net Position
- 102 Benefit Expense by Type

### *Operating and Demographic Tables*

- 103 Net Cash Flow from Contributions After Benefits
- 103 Operating Statistics: Number of Initial Benefit Payments
- 104 Number of Employees
- 104 Number of Actively Participating Employers
- 105 Principal Participating Employers
- 105 Number of Actively Participating Members
- 106 Participating Members' Length of Service
- 106 Active Members by Age

### *Benefit Payment Tables*

- 107 Annuitants by Age
- 107 Average Initial Benefit Payment Amounts
- 108 Analysis of Initial Retirement Benefits: Regular Plan
- 109 Analysis of Initial Retirement Benefits: SLEP Plan
- 110 Analysis of Initial Retirement Benefits: ECO Plan
- 111 Distribution of Annuitants by Pension Amount
- 111 Membership by Tier

## STRATEGIC PLAN

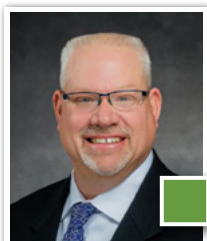
- 112 2026-2028 Strategic Plan

# 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

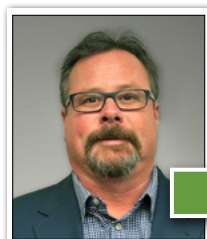
The Board meets at least four times a year and may meet monthly as needed. Trustees are elected to five-year terms and serve without compensation. In their five-year term, each Trustee will have the opportunity to hold each officer position at least one time. Trustees are not subject to term limits.



**DOUGLAS CYCHOLL**

**2026 PRESIDENT**  
**EMPLOYEE TRUSTEE**

Current term ending Dec. 31, 2030  
City of Springfield



**JASON ISAAC**

**EMPLOYEE TRUSTEE**

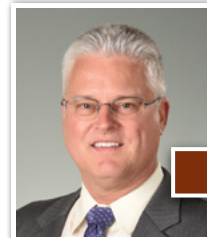
Current term ending Dec. 31, 2030  
Champaign Unit 4 School District



**BRIAN TOWNSEND**

**2026 VICE PRESIDENT**  
**EXECUTIVE TRUSTEE**

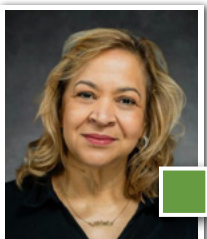
Current term ending Dec. 31, 2030  
Village of Schaumburg



**TOM KUEHNE**

**ANNUITANT TRUSTEE**

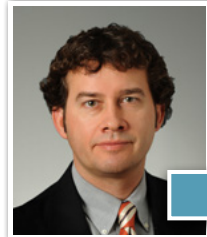
Current term ending Dec. 31, 2030  
Village of Arlington Heights



**NATALIE COPPER**

**2026 SECRETARY**  
**EMPLOYEE TRUSTEE**

Current term ending Dec. 31, 2029  
Dawes School in Evanston



**DAVID MILLER**

**EXECUTIVE TRUSTEE**

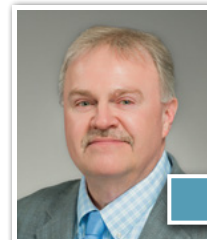
Current term ending Dec. 31, 2026  
North Shore Water Reclamation District



**GWEN HENRY**

**EXECUTIVE TRUSTEE**

Current term ending Dec. 31, 2027  
DuPage County



**PETER STEFAN**

**EXECUTIVE TRUSTEE**

Current term ending Dec. 31, 2028  
Village of Lake in the Hills

## IMRF DIRECTORS



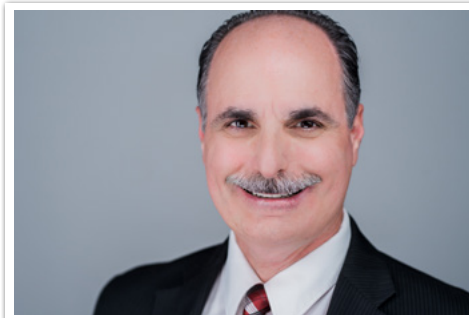
**VLADIMIR SHULIGA**  
*Interim Executive Director &  
General Counsel*



**CARA BANNON**  
*Director of Human Resources*



**ANGELA MILLER-MAY**  
*Chief Investment Officer*



**MARK NANNINI**  
*Chief Financial Officer*

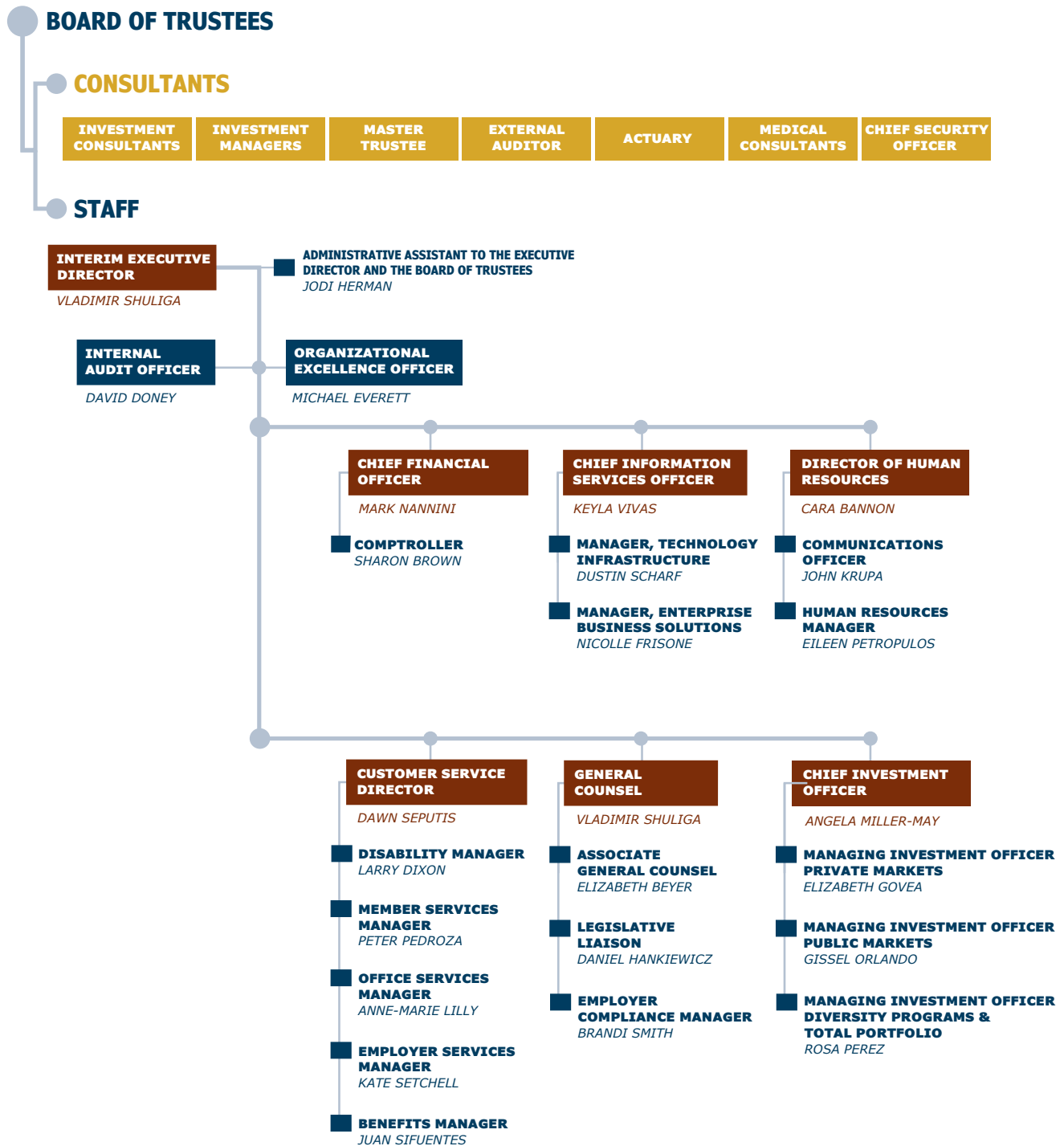


**DAWN SEPUTIS**  
*Customer Service Director*



**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  
Timothy Lennon  
Senior Vice President  
Chicago, Illinois

**MEDICAL CONSULTANT**

MMRO, Inc.  
Novi, Michigan

**HEARING OFFICERS**

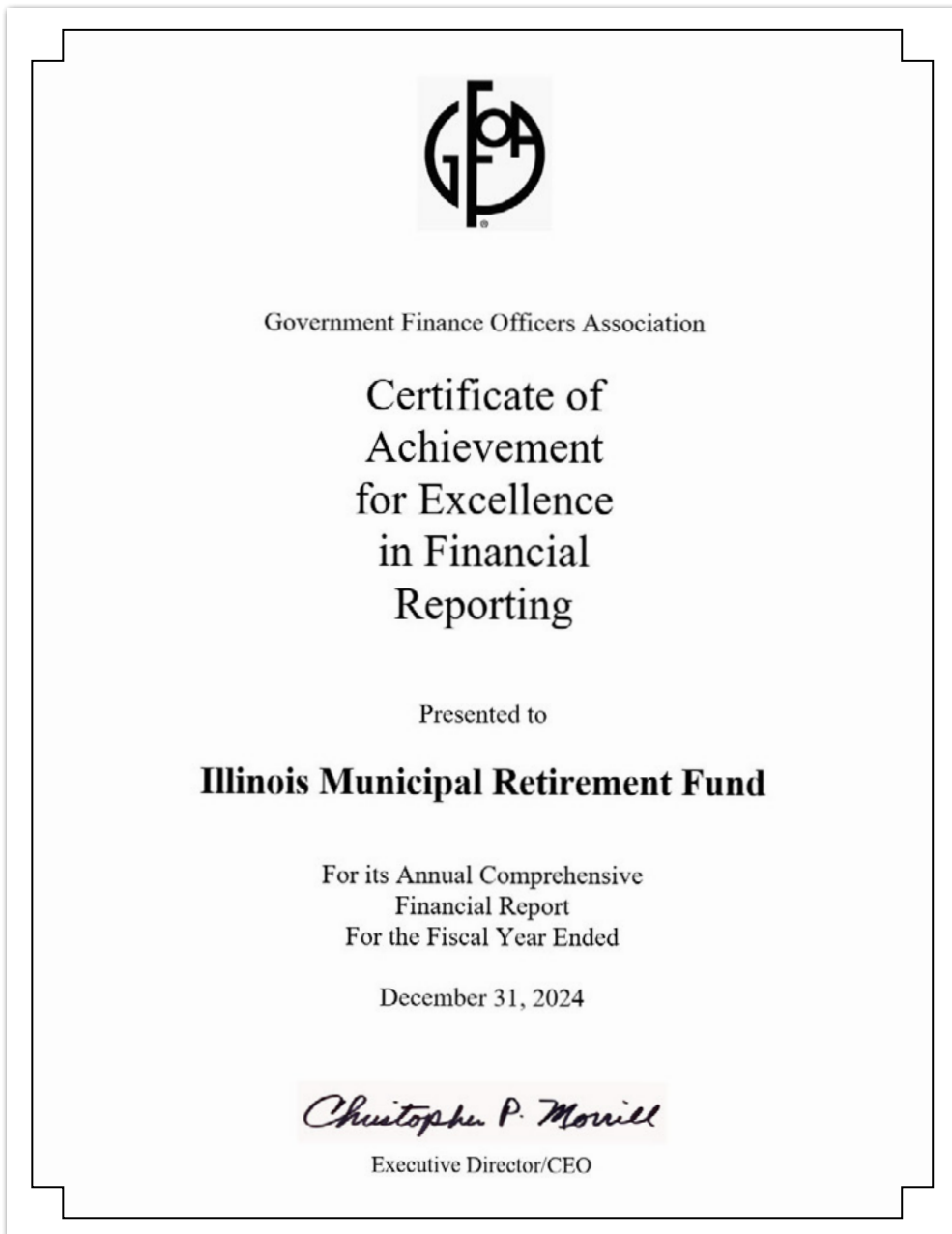
Ottosen DiNolfo Hasenbalg  
& Castaldo, Ltd.  
  
Susan Davis Brunner, LLC.

## 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 2024, IMRF received the Certificate of Achievement for Excellence in Financial Reporting for the 45th 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.





June 8, 2026

Board of Trustees, IMRF Members, Benefit Recipients, and Employers  
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, 2025. 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.

2025 was a remarkably strong year for financial markets, fueled by technology and communications sectors. In 2025, IMRF's portfolio had a net rate of return of 14.7%. This was an improvement over last year's rate of return of 9.2%. The fiscal year ended with \$62.7 billion in assets. This helps to balance the pension plan risk and funding while providing less volatility in contribution rates.

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 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.

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. The Internal Audit department is comprised of four full-time employees, including an Internal Audit Officer. IMRF engages an independent public accounting/technology consulting firm annually to review and test internal controls over our information systems.

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. 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 our 3,076 employer auditors 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 report was issued in April 2026.

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 2025 Financial Statements is included in this report. The independent auditors meet at least twice a year with the Audit Committee, once reporting on the planned scope of their audit and a second time to report on its results.

In line with best practices a Request for Proposal (RFP) for Audit Services, SOC 1 Type 2 engagement and related services will be issued in the spring of 2026. The Board of Trustees will consider proposals for audit services at its May 2026 meeting. The result of this process will be the selection of a firm providing audit services for the next five years.

IMRF’s Building for the Future Program to evaluate how we work as an organization came to realization during 2025. While the lease for our main office at 2211 York Road, Oak Brook expired at the end of 2025, IMRF signed a new lease for a new, modern headquarters beginning in 2026 at 800 Commerce Drive, Oak Brook, Illinois.

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 serves 3,076 different employers, 196,691 participating members, 181,629 inactive (not receiving benefits), and 159,455 benefit recipients as of December 31, 2025. 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](http://www.imrf.org). IMRF is committed to accountability and transparency, holding the line on costs, and watchful for the best interests of our members.

**ECONOMIC CONDITIONS**

**SUMMARY OF FINANCIAL INFORMATION**

The following table summarizes additions and deductions to the Fund’s fiduciary net position for 2025 and 2024.

	2025 (millions)	2024 (millions)	Dollar Change (millions)	Percent Change
Additions	\$ 9,993.1	\$ 6,388.3	\$ 3,604.8	56.4%
Deductions	3,403.7	3,234.0	169.7	5.2%
<b>Net increase</b>	<b>\$ 6,589.4</b>	<b>\$ 3,154.3</b>	<b>\$ 3,435.1</b>	<b>108.9%</b>

The increase in Additions between 2025 and 2024 is primarily due to a \$3,480 million increase in investment income. The 2025 financial markets increased significantly over 2024 markets, impacted by resilience in the global economy despite geopolitical tensions, volatility of the global economy, U.S. tariffs increasing trade wars, the Federal Reserve’s rate cuts due to cooling inflation, the U.S. presidential election, steady unemployment, job growth narrowing in the second half of the year, private equities assets reaching a record high, stronger consumer spending, and a surge in gold and silver prices. The result of the Federal Reserve’s lowered interest rates based on cooling inflation appeared to work with inflation ranging around 3.0% throughout most of the year.

The increase in Deductions is primarily due to increased benefit payment amounts and an increase in the number of benefit recipients from 158,379 to 159,455. 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 demographics, wages, and experience. The final and most important component of funding the plan is investment income. IMRF has advocated a 100% funding goal as it, in the long run, is the most cost-effective 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 December 31, 2025, valuation, the aggregate actuarial value of assets was \$58.0 billion. The aggregate actuarial liability for all IMRF employers was \$59.6 billion. The aggregate actuarial funding ratio is currently 97.4% (an increase from the 2024 ratio of 95.8%). If the fair value of assets is used (i.e., no actuarial smoothing), the aggregate funding ratio is 104.7% as of December 31, 2025, an increase from 96.9% as of December 31, 2024.

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. IMRF's fair value based funding value change was more than the actuarial funding value, since there were \$3,304.9 million of unrecognized actuarial investment gains, which will be reflected in the 2026 through 2029 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 2025. The annual assumed investment rate of return is 7.25%.

## INVESTMENTS

The investment portfolio is a major contributor to the Fund. The 2025 investment returns resulted in a gain of \$8.6 billion or 14.7% gross return. Looking at it from a long-term perspective of 3, 5, and 10 years, the rates of return are 12.3%, 7.6%, and 9.0%, respectively. The 2025 investment gain represented 85.8% 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 2021 through 2025, investment income/losses represented the following percentage of additions/subtractions to fiduciary net position:

Year	Percentage of Additions/Subtractions
2025	85.8%
2024	79.7%
2023	84.2%
2022	(120.0)%
2021	85.4%

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 30 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 142

investment firms across 385 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 \$8.0 billion in assets as of December 31, 2025.

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 Callan Associates as the investment consultant in January 2025; that contract continues through 2029.

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

- Gwen Henry, who has served as Trustee since 2009, was re-elected to a 2-year term as Executive Trustee in December 2025. Her term will run through 2027.
- Peter Stefan, who has served as Trustee since 2021, was re-elected to a 3-year term as Executive Trustee in December 2025. His term will run through 2028.
- Brian Townsend, who has served as Executive Trustee during 2025, was re-elected to a 5-year term as Executive Trustee in December 2025. His term will run through 2030.
- Jason Issac, who has served as Employee Trustee during 2025, was re-elected to a 5-year term as Employer Trustee in December 2025. His term will run through 2030.
- Douglas Cycholl, who has served as Employee Trustee since 2024, was re-elected to a 5-year term as Employee Trustee in December 2025. His term will run through 2030.
- Thomas Kuehne, who previously served as Executive Trustee from 2013 through February 2025, was elected to a five-year term as Annuitant Trustee. His term will run through 2030.

### B. LEGISLATIVE ACTIVITY APPLICABLE TO IMRF (PASSED IN 2025)

Two bills and One Federal Law that affect IMRF passed the General Assembly in 2025:

#### **Public Act 104-0284**

This act makes three changes to the Pension Code:

- This law requires the employer repayment period for accelerated payment charges to be increased from three years to seven years. It is effective from August 15, 2025.
- This law opens a window from January 1, 2026 to June 30, 2026 to allow the Sheriff's Law Enforcement Plan (SLEP) members to transfer Article 3 service to IMRF, with no limit on the amount of service that can be transferred. Effective January 1, 2026.
- This law allows elected officials to be considered to have opted in to participation without a separate election if the member participated with that same employer in a non-elected position, the employer continued to report the member and make member and employer contributions in the new position and there was no gap in service between the two positions.

#### **Public Act 104-0631**

This act allows SLEP retirees to return to work for up to 1,000 hours as a school security guard regardless of the hourly standard of the annuitant or employer. Effective August 15, 2025.

## C. SYSTEMS DEVELOPMENT

IMRF’s major 2025 system development priorities focused on:

- Moved the data center to IMRF’s new location at 800 Commerce.
- Upgraded Horizon to the latest version of the product.
- Removed the point-to-point circuit between the Oak Brook and Springfield offices and established a site-to-site VPN firewall.
- Rebuilt/migrated Horizon servers to a clustered system to improve disaster recovery (DR) data replication consistency.
- Moved from VMWare NSX network segregation to Cisco & Palo Alto network segregation.
- Implemented additional security software to support more detailed audit requirements stemming from the latest SOC audit.
- Supported the CRM upgrade for Horizon.
- Updated the network link to support server replication and backup replication.

IMRF’s major 2026 system development priorities will focus on:

- Upgrading our telephone and communications platform.
- Research and test potential replacements for VMware.
- Complete permanent UPS and generator installation into the data center at 800 Commerce.
- Support Sitecore replacement/upgrade project to rebuild of IMRF.org public site.
- Install secondary network hardware and improve network redundancy.
- Install a secondary internet service provider (ISP).
- Work with TELUS on Horizon 1.1b implementation preparation (expected to be deployed 1st Quarter 2027).
- Implement upgrade to VMware 8 before EOL of VMware 7 this year.

## D. INVESTMENT ACTIVITIES

On February 21, 2025, IMRF staff and its consultants presented the 2025 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, 2025. The 2025 and 2024 asset allocation targets are listed in the table below for comparison purposes:

Asset Class	2025 Target	2026 Target
U.S. Equity	32.5%	31.5%
International Equity	18.0%	18.0%
Fixed Income	24.0%	25.0%
Private Real Assets	10.5%	11.0%
Alternative Investments	14.0%	13.5%
Cash Equivalents	1.0%	1.0%

Major investment activities in 2025 through February 26, 2026, were as follows:

- The 2024 IMRF Investment Committee Charter and Statement of Investment Policy were revised by staff and approved by the Board.
- The 2025 IMRF Investment Committee Charter and Statement of Investment Policy were revised by staff and approved by the Board.
- Commitments were approved for 12 Private Real Assets mandates totaling \$545 million.
- Commitments were approved for 22 Private Equity mandates totaling \$612 million.
- Commitments were approved for 6 Private Credit mandates totaling \$500 million.
- The Capital Markets Assumptions and 2025 Annual Asset Allocation Review were presented by staff and the consultants 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 2026-2028 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 2025. 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 2026-2028 Strategic Plan was approved by the Board of Trustees at the November 21, 2025, 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 2027.

## 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. For fiscal year 2025, IMRF achieved lower cost and higher service when compared against the average participant in the CEM universe. IMRF's costs per active member and annuitant were \$43 below the peer group average of \$159. 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 2025 and 2024 activity. We provide Employer Statements every month. We issued annuitant statements in December 2025, Active Member Statements, and Inactive Member Statements in February 2026. 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 2026 that this report, as well as our Popular Annual Financial Report, is available on our website, [www.imrf.org](http://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 (ACFR) for the year ended December 31, 2024. IMRF has received a Certificate of Achievement from the GFOA for the last 46 consecutive years (fiscal years 1980-2024).

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 (PAFR) for the year ended December 31, 2024. In order to receive an award for the PAFR the content must conform to program standards of creativity, presentation, understandability, and reader appeal.



**Malcolm Baldrige National Quality Award**

IMRF received the GFOA Distinguished Budget Award for its 2026 budget. GFOA awarded the Distinguished Budget Presentation Award for the thirteenth consecutive time to IMRF. The award is for a one-year period.

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



In 2025, 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.

## ACKNOWLEDGEMENTS

The production of this report reflects the combined effort of the IMRF staff under the leadership of the Board of Trustees and the Interim Executive Director, Vladimir Shuliga. The Finance department, under the direction of Mark Nannini, compiled the report. A special thank you to the 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 3,076 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.

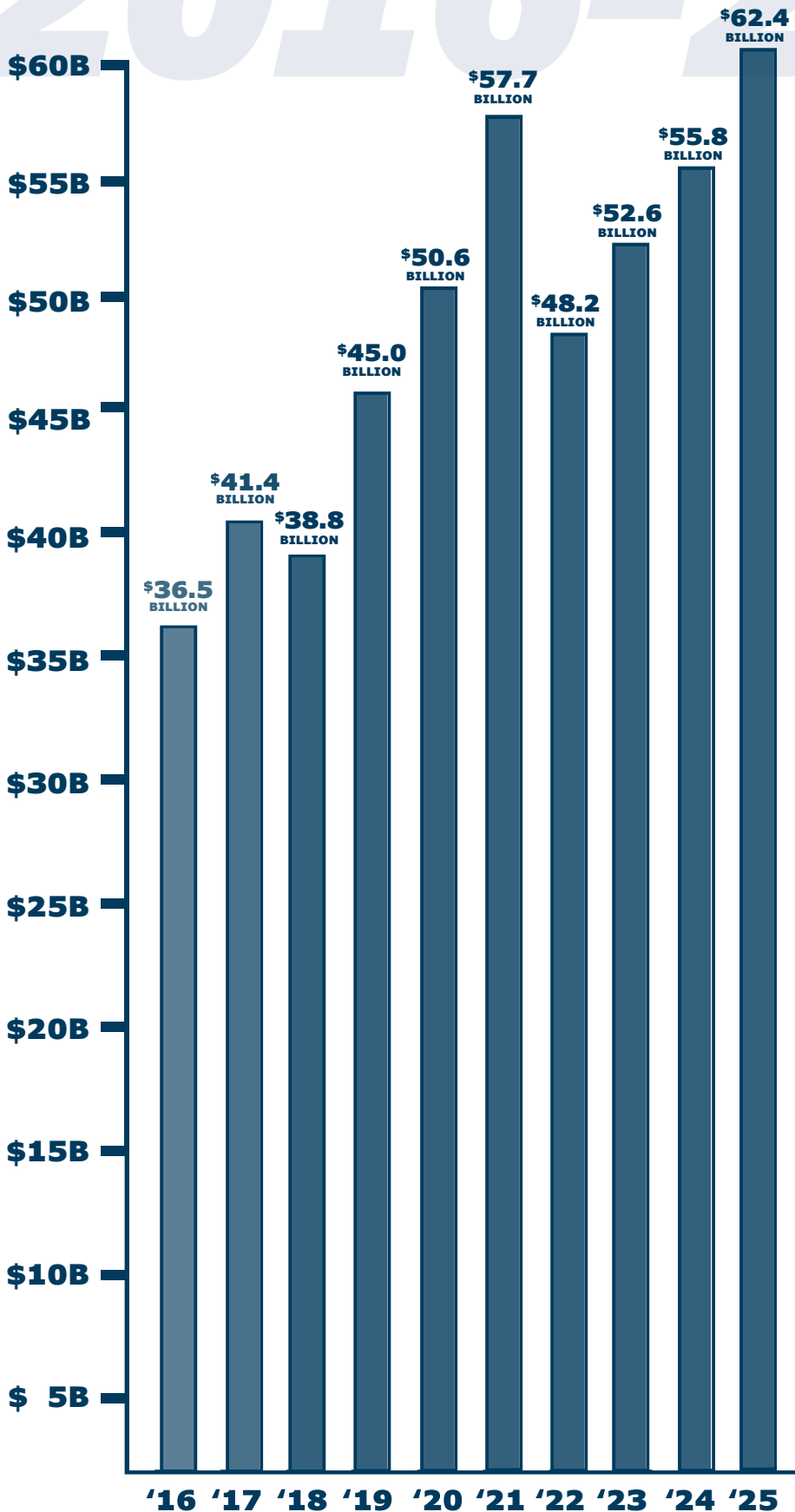
Respectfully submitted,

Vladimir Shuliga  
Interim Executive Director  
and General Counsel

Mark F. Nannini  
Chief Financial Officer

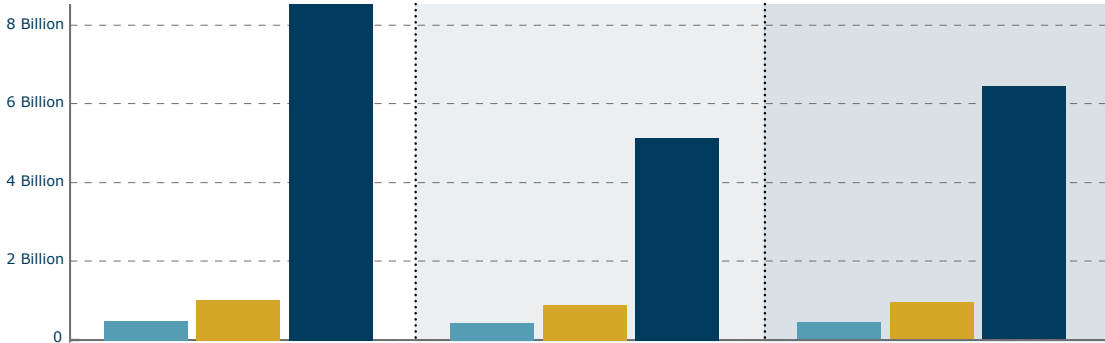
# IMRF FIDUCIARY NET POSITION

# 2016-2025



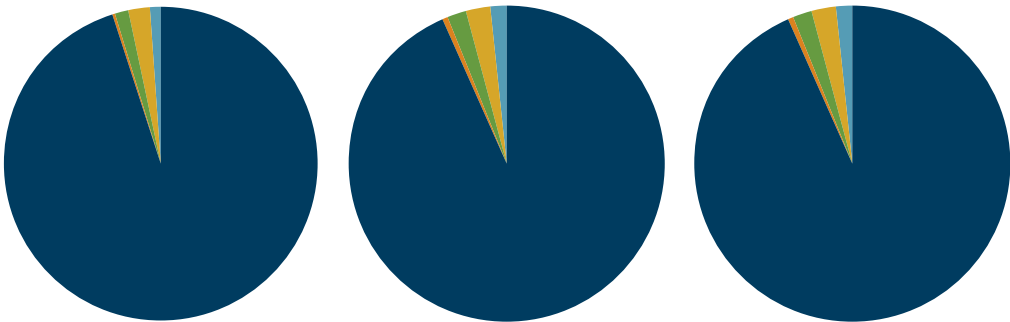
IMRF's financial position remains strong. With 71.0% growth from 2016 to 2025—an addition of \$25.9 billion—IMRF will continue to provide secure and stable retirements for thousands of public employees in Illinois while limiting employer costs long into the future.

## REVENUES BY SOURCE



	2025	2024	2023
<b>Members</b>	\$ 609,675,346	\$ 584,525,889	\$ 540,661,005
<b>Employers</b>	809,880,130	710,714,255	653,081,876
<b>Investments</b>	8,573,588,449	5,093,026,476	6,356,172,679
<b>Total</b>	<b>\$ 9,993,143,925</b>	<b>\$ 6,388,266,620</b>	<b>\$ 7,549,915,560</b>

## EXPENSES BY TYPE



	2025	2024	2023
<b>Annuities</b>	\$ 3,241,607,879	\$ 3,090,605,690	\$ 2,954,908,958
<b>Disability</b>	6,927,033	7,811,028	7,555,712
<b>Death</b>	29,194,077	23,159,313	35,011,610
<b>Refunds</b>	72,094,612	55,547,076	76,872,729
<b>Administrative</b>	53,897,655	56,885,394	34,111,319
<b>Total</b>	<b>\$ 3,403,721,256</b>	<b>\$ 3,234,008,501</b>	<b>\$ 3,108,460,328</b>

# FINANCIAL

- 18 Independent Auditor's Report
- 20 Management's Discussion and Analysis

## Basic Financial Statements

- 24 Statements of Fiduciary Net Position
- 25 Statements of Changes in Fiduciary Net Position
- 26 Notes to Basic Financial Statements\*

*\*The Notes are an integral part of the Basic Financial Statements.*

## Required Supplementary Information

- 58 Required Supplementary Information
- 63 Notes to Required Supplementary Information

## Supplementary Information

- 65 Supplementary Information

**Plante & Moran, PLLC**3434 Granite Circle  
Toledo, OH 43617  
Tel: 419.843.6000  
Fax: 419.843.6099  
plantemoran.com

## 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, 2025 and 2024 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, 2025 and 2024 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 audit 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 audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Illinois Municipal Retirement Fund's basic financial statements. 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 audit 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 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*

June 12, 2026

## 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, 2025, and December 31, 2024. 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 includes 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 2025, contributions of \$1,420 million, investment gains of \$8,573 million, and deductions to fiduciary net position of \$3,404 million resulted in a net increase of \$6,589 million. This net increase brought the Fund's fiduciary net position to \$62.4 billion.

### FIDUCIARY NET POSITION

To begin the financial analysis, IMRF's Fiduciary Net Position for 2025, 2024, and 2023 are summarized below.

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

	2025	2024	2023
Receivables and prepaids	\$ 727.5	\$ 571.5	\$ 517.0
Investments	61,666.1	55,235.4	52,114.0
Invested securities lending cash collateral	236.5	321.6	278.8
Capital assets, net	82.4	71.8	77.0
<b>Total assets</b>	<b>62,712.5</b>	<b>56,200.3</b>	<b>52,986.8</b>
<b>Deferred outflow of resources</b>	<b>3.8</b>	<b>7.2</b>	<b>8.8</b>
Overdraft of cash and cash equivalents	6.6	6.6	5.9
Liabilities	327.1	413.9	356.7
<b>Total liabilities</b>	<b>333.7</b>	<b>420.5</b>	<b>362.6</b>
<b>Deferred inflow of resources</b>	<b>6.7</b>	<b>0.5</b>	<b>0.7</b>
<b>Fiduciary net position</b>	<b>\$ 62,375.9</b>	<b>\$ 55,786.5</b>	<b>\$ 52,632.3</b>

Fiduciary net position increased by \$6,589 million, or 11.8% in 2025. This increase reflects the continued positive investment returns in 2025. The increase in receivables and prepaids in 2025 is largely due to an increase in investment income and in the receivables for contributions as well as an increase to receivables from brokers for unsettled trades at year-end due to a larger number of trades outstanding at year-end 2025 compared to 2024. The decrease in liabilities in 2025 is due primarily to the decrease in securities lending cash collateral.

The increase in the net position from 2024 to 2023 reflects the continued positive investment returns in 2024. The increase in receivables and prepaids in 2024 is largely due to the decrease in the receivables for contributions as well as to brokers for unsettled trades at year end due to a smaller number of trades outstanding at year-end 2024 compared to 2023. The increase in liabilities in 2024 is due primarily to the increase in the payables to brokers for unsettled trades at year-end 2024.

The following table presents the investment allocation as of year-end 2025 and 2024, as compared to IMRF’s target allocation as of December 31, 2025.

	2025	2025 Target	2024
U.S. equities	31.0%	32.5%	34.1%
International equities	21.0%	18.0%	20.9%
Fixed income	22.9%	24.0%	21.4%
Real estate	8.8%	10.5%	9.1%
Alternative investments	14.6%	14.0%	13.3%
Short-term	1.7%	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 2024. IMRF continuously monitors its actual investment allocations in relation to its targets and rebalances as appropriate.

Fiduciary net position increased by \$3,154 million, or 6.0% in 2024.

## CHANGES IN FIDUCIARY NET POSITION

IMRF's Changes in Fiduciary Net Position for 2025, 2024, and 2023 are summarized below.

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

	2025	2024	2023
<b>Additions</b>			
Member contributions	\$ 609.7	\$ 584.5	\$ 540.7
Employer contributions	809.9	710.7	653.1
Net investment (loss)/gain	8,573.2	5,092.4	6,356.0
Other	0.3	0.6	0.1
<b>Total Additions</b>	<b>9,993.1</b>	<b>6,388.2</b>	<b>7,549.9</b>
<b>Deductions</b>			
Benefits	3,277.7	3,121.6	2,997.5
Refunds	72.1	55.5	76.9
Administrative expenses	53.9	56.9	34.0
<b>Total Deductions</b>	<b>3,403.7</b>	<b>3,234.0</b>	<b>3,108.4</b>
<b>Net increase in fiduciary net position</b>	<b>6,589.4</b>	<b>3,154.2</b>	<b>4,441.5</b>
<b>Net position restricted for pensions</b>			
<b>Beginning</b>	<b>55,786.5</b>	<b>52,632.3</b>	<b>48,190.8</b>
<b>Ending</b>	<b>\$ 62,375.9</b>	<b>\$ 55,786.5</b>	<b>\$ 52,632.3</b>

Additions needed to fund benefits are accumulated through contributions and returns on invested funds. Contributions for 2025 totaled \$1,420 million, which was 9.6% more than 2024. The increase is largely due to an increase in member payroll in 2025. Member payroll increased from 9.7 billion in 2024 to 10.5 billion in 2025. The average employer contribution rate increased slightly from 7.2% in 2024 to 7.5% in 2025. 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 table below shows the money-weighted rate of return for the past 3 years.

For the year ended	Return
December 31, 2025	15.78%
December 31, 2024	9.93%
December 31, 2023	13.55%

The \$8,573 million investment gain in 2025 represents a \$3,480 million change from the \$5,092 million gain in 2024. IMRF's 2025 total investment portfolio increased due to economic resilience, optimism of lower interest rates, record equity returns and strong global asset performance. Interest, dividends, and equity fund income totaled \$1,448 million, an increase from \$1,291 million in 2024. Securities lending income net of related expenses was \$8 million for 2025, an increase from \$7 million in 2024. Direct investment expenses increased to \$253 million in 2025 from \$233 million in 2024.

In 2024, IMRF had net appreciation in the value of investments of \$5,092 million, a \$1,761 million decrease from the \$6,347 million of appreciation recorded in 2023.

The total rate of return for the portfolio in 2025 was 14.7% compared to 9.2% in 2024 and 13.2% in 2023. For 2025, IMRF's U.S. stock portfolio returned 14.3% compared to 17.0% custom benchmark. The fixed income portfolio returned 7.4% compared to 7.3% for the custom benchmark. The international stock portfolio returned 32.3% compared to 32.4% for the MSCI All-Country World Index ex-US. The real estate portfolio returned 2.1% compared to 2.9% for the custom benchmark. The alternative investment portfolio returned 15.2%.

The expenses paid by IMRF include benefit payments, refunds, and administrative expenses. Expenses for 2025 totaled \$3,404 million, \$170 million greater than 2024. The increase in benefit payments to members and beneficiaries resulted primarily from growth in the number of annuitants to 159,455 in 2025 as compared to 158,379 in 2024.

## SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITIES

Net capital assets totaled \$82 million as of December 31, 2025 compared to \$72 million in 2024 and \$77 million in 2023.

IMRF does not issue long-term debt. Pension obligations are funded through actuarially determined contributions and long-term investment earnings. The absence of bonded indebtedness reduces financial risk and supports long-term sustainability.

## CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Despite market volatility experienced in 2025, the Fund reached a record fiduciary net position of \$62.4 billion in 2025 and remains well positioned to meet its long-term pension obligations.

IMRF continues to monitor economic conditions, including inflation trends, interest rate movements, capital market volatility, and payroll growth among participating employers.

Plan maturation will continue to result in gradual increases in benefit payments. Future changes in fiduciary net position will be influenced primarily by long-term capital market performance and actuarially determined funding requirements.

**STATEMENTS OF FIDUCIARY NET POSITION**

As of December 31	2025	2024
<b>Assets</b>		
<b>Receivables and prepaid expenses</b>		
Contributions	\$ 155,437,612	\$ 140,926,997
Investment income	182,745,029	156,859,721
Receivables from brokers for unsettled trades	144,995,880	39,314,837
Prepaid expenses	244,340,159	234,439,882
<b>Total receivables and prepaid expenses</b>	<b>727,518,680</b>	<b>571,541,437</b>
<b>Investments, at fair value</b>		
Fixed income	14,159,440,184	11,846,589,147
Stocks	32,032,137,217	30,355,619,127
Short term investments	1,067,864,382	662,592,672
Real estate	5,428,407,522	4,997,653,103
Alternative investments	8,978,227,201	7,372,906,855
<b>Total investments</b>	<b>61,666,076,506</b>	<b>55,235,360,904</b>
<b>Invested securities lending cash collateral</b>	<b>236,452,698</b>	<b>321,635,885</b>
<b>Capital assets</b>		
Equipment, at cost	113,172,700	98,159,627
Accumulated depreciation	(32,404,358)	(29,527,621)
Right to use assets - buildings	4,484,743	4,484,743
Accumulated amortization	(4,468,378)	(3,314,461)
Right to use assets subscriptions	3,839,350	3,962,547
Accumulated amortization	(2,174,221)	(1,996,530)
<b>Total capital assets</b>	<b>82,449,836</b>	<b>71,768,305</b>
<b>Total assets</b>	<b>62,712,497,720</b>	<b>56,200,306,531</b>
<b>Total deferred outflow of resources</b>	<b>3,811,573</b>	<b>7,209,053</b>
<b>Liabilities</b>		
Overdraft of cash and cash equivalents	6,593,303	6,569,727
Securities lending cash collateral	236,452,698	321,635,885
Payables to brokers for unsettled trades	45,396,993	37,722,270
Accrued expenses and benefits payable	44,627,064	53,263,599
Lease liability	15,407	1,140,070
Subscription liability	582,314	179,726
<b>Total liabilities</b>	<b>333,667,779</b>	<b>420,511,277</b>
<b>Total deferred inflow of resources</b>	<b>6,700,999</b>	<b>486,461</b>
<b>Net position restricted for pensions</b>	<b>\$ 62,375,940,515</b>	<b>\$ 55,786,517,846</b>

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

## STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

For the Years Ended December 31	2025	2024
<b>Additions</b>		
<b>Contributions</b>		
Members for retirement coverage	\$ 609,675,346	\$ 584,525,889
Employers for benefit plan coverage	809,880,130	710,714,255
<b>Total contributions</b>	<b>1,419,555,476</b>	<b>1,295,240,144</b>
<b>Investment income</b>		
<b>From investing activities</b>		
Interest	479,692,603	470,536,062
Dividends	512,602,368	487,325,513
Equity fund income, net	455,878,609	333,041,104
Net appreciation in fair value of investments	7,369,691,946	4,026,992,896
<b>Investment activity gain</b>	<b>8,817,865,526</b>	<b>5,317,895,575</b>
Less: Direct investment expense	(252,836,135)	(232,910,058)
<b>Net investment activity gain</b>	<b>8,565,029,391</b>	<b>5,084,985,517</b>
<b>From security lending activity</b>		
Securities lending income	21,879,273	22,139,438
Net securities lending management fees and borrower rebates	(13,658,724)	(14,741,353)
<b>Net security lending activity income</b>	<b>8,220,549</b>	<b>7,398,085</b>
<b>Total investment gain</b>	<b>8,573,249,940</b>	<b>5,092,383,602</b>
<b>Other</b>	<b>338,509</b>	<b>642,874</b>
<b>Total additions</b>	<b>9,993,143,925</b>	<b>6,388,266,620</b>
<b>Deductions</b>		
Annuities	3,241,607,879	3,090,605,690
Disability benefits	6,927,033	7,811,028
Death benefits	29,194,077	23,159,313
Refunds	72,094,612	55,547,076
Administrative expenses	53,897,655	56,885,394
<b>Total deductions</b>	<b>3,403,721,256</b>	<b>3,234,008,501</b>
<b>Net increase</b>	<b>6,589,422,669</b>	<b>3,154,258,119</b>
<b>Net position restricted for pensions</b>		
<b>Beginning of year</b>	<b>55,786,517,846</b>	<b>52,632,259,727</b>
<b>End of year</b>	<b>\$ 62,375,940,515</b>	<b>\$ 55,786,517,846</b>

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

**NOTES TO BASIC FINANCIAL STATEMENTS** *(December 31, 2025 and 2024)*
**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 reached the vesting requirement based on their pension tier 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**

	2025	2024
Participating employers	3,076	3,062

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**

	2025	2024
<b>Inactive members</b>		
Retirees and beneficiaries currently receiving benefits	159,455	158,379
Terminated members entitled to benefits but not yet receiving them	16,688	15,837
Terminated members—non-vested	164,941	153,229
<b>Total inactive members</b>	<b>341,084</b>	<b>327,445</b>
<b>Active members</b>		
Non-vested	130,610	130,831
Vested	66,081	66,028
<b>Total active members</b>	<b>196,691</b>	<b>196,859</b>
<b>Grand total</b>	<b>537,775</b>	<b>524,304</b>

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, 2025, and December 31, 2024. 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 \$127,783.01 for 2025 increasing annually by 3% or ½ 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 \$127,783.01 for 2025 increasing annually by 3% or ½ 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 \$127,783.01 for 2025 increasing annually by 3% or ½ 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. 102, "Certain Risk Disclosures." IMRF has determined no disclosures were required for the current reporting period. This will be monitored going forward and will be disclosed in the future if necessary.

### C. NEW ACCOUNTING PRONOUNCEMENTS

In April 2024, GASB issued Statement No. 103, "Financial Reporting Model Improvements." The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The statement also addresses certain application issues. IMRF will adopt Statement No. 103 for its December 31, 2026, financial statements.

In September 2024, GASB issues Statement No. 104, "Disclosure of Certain Capital Assets." The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. IMRF will adopt Statement No. 104 for its December 31, 2026, financial statements.

In December 2025, GASB issues Statement No. 105, "Subsequent Events." The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. IMRF will adopt Statement No. 105 for its December 31, 2027, 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 A+ Long Term Deposit/Debt rating by Standard & Poor and an A2 rating by Moody's.

	2025	2024
<b>Carrying amounts at December 31</b>		
Overdraft of cash and cash equivalents	\$ (6,593,303)	\$ (6,569,727)
<b>Bank balances at December 31</b>		
Bank balances at December 31	\$ 107,314	\$ 119,366
<b>Amount exposed to custodial credit risk</b>		
Cash balance held with investment manager exposed to custodial credit risk	\$ 680,124	\$ 418,933

### 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, 2025.

	Asset Class					
	U.S. equities	International equities	Fixed income	Real estate	Alternative investments	Short term
Target	32.5%	18.0%	24.0%	10.5%	14.0%	1.0%

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 15.78%. For the year ended December 31, 2024, it was 9.93%.

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, 2025 and 2024:

	2025	2024
U.S. government & agency fixed income	\$ 4,256,769,465	\$ 3,877,908,436
U.S. corporate fixed income	3,160,820,845	3,175,568,995
U.S. fixed income funds	4,994,580,420	2,947,482,538
Foreign fixed income securities	479,798,197	557,653,511
Foreign fixed income funds	1,267,471,257	1,287,975,667
U.S. equities	18,231,924,583	17,329,219,754
U.S. equity funds	866,858,086	1,464,993,121
Foreign equities	10,027,981,383	8,226,207,058
Foreign equity funds	2,905,373,165	3,335,199,194
Foreign currency forward contracts	(45,592,328)	(16,666,922)
Pooled short-term investment funds	1,065,403,064	658,178,353
Real estate	5,428,407,522	4,997,653,103
Private equity	8,978,227,201	7,372,893,298
Absolute return funds	-	13,557
Swaps	-	(1,461,896)
Options	-	201,539
Other	48,053,646	22,341,598
<b>Total investments at fair value</b>	<b>\$ 61,666,076,506</b>	<b>\$ 55,235,360,904</b>

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 Aggregate Bond Index Fund does represent greater than 5% of fiduciary net position for the year ended 2025 and the NT Collective All Country World Equity Index Fund does represent greater than 5% of fiduciary net position for the years ended 2024.

	2025	2024
NT Collective Aggregate Bond Index Fund	\$ 3,156,929,150	\$ 1,176,318,632
NT Collective All Country World	2,197,816,068	2,825,471,463
BlackRock US Debt Index Fund	1,837,651,270	1,713,621,374
Babson Capital Global Fund	1,267,471,257	1,287,975,667
NT Collective U.S. Marketcap Equity Index Fund	848,094,373	1,449,381,287
Arrowstreet Emerging Market Fund	691,629,970	492,206,209

### 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:

	2025	2024
Investments in foreign currency	\$ 32,172,131	\$ 27,881,937

## 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

	2025	2024
<b>Corporate and International</b>		
AAA	\$ 185,198,745	\$ 237,548,465
AA	124,039,449	134,119,287
A	538,480,817	644,777,315
BBB	909,863,896	1,101,754,690
BB	860,429,314	774,469,566
B	442,898,920	438,513,686
CCC	73,114,475	67,166,763
CC	-	171,082
C	-	208,648
D	1,431,821	-
Not Rated	365,712,464	259,104,389
<b>Government and Agencies</b>		
Agency	3,859,929,777	3,337,040,646
AAA	38,955,622	306,984,903
AA	443,166,143	251,593,943
A	47,369,724	36,859,063
BBB	6,016,001	13,495,803
BB	745,674	3,405,220
B	-	-
Not Rated	35,665	3,917,473
<b>Fixed Income Funds</b>		
Index	6,262,051,677	4,235,458,205
<b>Total</b>	<b>\$ 14,159,440,184</b>	<b>\$ 11,846,589,147</b>

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 AA for 2025 and 2024. The international fixed income fund had an average quality rating BBB for 2025 and BB for 2024.

## 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, 2025 and December 31, 2024, the effective duration of the Bloomberg Barclays Aggregate Bond Index was 5.98 and 6.02, respectively. At the same points in time, the effective duration of IMRF debt securities portfolio was 3.89 and 4.09, respectively.

Investment	2025 Fair Value	Effective Weighted Duration Rate	2024 Fair Value	Effective Weighted Duration Rate
U.S. Corporate	\$ 3,160,820,845	4.19	\$ 3,175,568,995	3.88
U.S. Government & Agencies	4,256,769,465	6.81	3,877,908,436	6.14
U.S. Fixed Income Funds	4,994,580,420	2.12	2,947,482,538	3.42
Foreign	479,798,197	4.26	557,653,511	3.58
Foreign Fixed Income Fund	1,267,471,257	0.21	1,287,975,667	0.20
<b>Total</b>	<b>\$ 14,159,440,184</b>	<b>3.89</b>	<b>\$ 11,846,589,147</b>	<b>4.09</b>

## 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:

	2025		2024	
<b>Foreign Equities</b>				
Australian dollar	\$	173,043,879	\$	229,902,732
Brazilian real		203,280,076		131,555,745
British pound sterling		929,088,371		847,532,346
Canadian dollar		575,543,285		592,422,014
Chilean peso		3,336,141		1,788,772
Colombian peso		6,627,142		3,487,638
Czech korona		351,861		372,112
Danish krone		72,244,256		96,300,628
Egyptian pound		5,435,165		3,533,873
Euro		2,389,427,814		1,929,539,982
Hong Kong dollar		886,041,676		623,857,511
Hungarian forint		14,986,313		9,168,809
Indian rupee		174,213,562		163,434,015
Indonesian rupiah		48,345,679		35,752,430
Japanese yen		1,220,889,001		997,811,853
Kuwaiti dinar		475,335		-
Malaysian ringgit		25,870,143		20,312,425
Mexican peso		149,848,833		102,957,374
New Israeli shekel		11,214,249		8,387,005
New Taiwan dollar		352,197,483		287,485,310
New Zealand dollar		7,946,589		23,830,633
Norwegian krone		77,309,716		49,234,302
Philippine peso		44,518,167		36,595,758
Polish zloty		13,376,695		5,473,197
Qatari riyal		5,211,762		-
Russian ruble		13,370,518		9,636,519
Singapore dollar		99,690,428		84,397,392
South African rand		66,141,794		20,499,211
South Korean won		370,103,555		184,609,017
Swedish krona		128,674,960		143,204,194
Swiss franc		419,962,164		365,403,161
Thai baht		17,548,140		30,888,621
Turkish lira		4,176,412		13,348,103
United Arab Emirates dirham		68,094,265		45,234,886
United States dollar		4,354,769,119		4,463,448,684
<b>Total Foreign Equities</b>	<b>\$</b>	<b>12,933,354,548</b>	<b>\$</b>	<b>11,561,406,252</b>

	2025	2024
<b>Foreign Fixed Income</b>		
Australian dollar	\$ 8,239,668	\$ -
Euro	7,990,345	-
Mexican peso	-	20,208,381
Norwegian krone	7,773,238	-
United States dollar	1,723,266,203	1,825,420,797
<b>Total Foreign Fixed Income</b>	<b>\$ 1,747,269,454</b>	<b>\$ 1,845,629,178</b>
<b>Total</b>	<b>\$ 14,680,624,002</b>	<b>\$ 13,407,035,430</b>

## 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 52 days as of December 31, 2025, and 108 days as of December 31, 2024. 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 22 days as of December 31, 2025, and 21 days as of December 31, 2024. 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 2025 and 2024, 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, 2025 and 2024.

Securities lent are included in the Statements of Fiduciary Net Position. The fair value of collateral received includes cash collateral of \$236,452,698 and \$321,635,885 at December 31, 2025 and December 31, 2024, respectively.

Loans outstanding as of	December 31, 2025	December 31, 2024
Fair value of securities loaned	\$ 2,518,913,308	\$ 2,094,210,268
Fair value of collateral received	\$ 2,585,175,329	\$ 2,150,309,336

## 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, 2025 and December 31, 2024 is as follows:

Fair Value as of	December 31, 2025	December 31, 2024
<b>Pending Foreign Exchange Purchases</b>		
Australian dollar	\$ 182,111,056	\$ 117,555,241
Brazilian real	1,120,528,316	684,547,072
British pound sterling	133,291,541	51,272,731
Canadian dollar	282,637,391	69,849,259
Chilean peso	109,123,586	10,213,702
Colombian peso	452,421,976	71,447,051
Czech koruna	584,046	251,035
Danish krone	2,771,378	11,715,539
Egyptian pound	10,091,556	9,114,681
Euro	186,663,488	298,429,587
Hong Kong dollar	933,679	84,399,538
Hong Kong offshore Chinese yuan renminbi	193,978,618	114,883,142
Hungarian forint	4,731	461,388
Indian rupee	818,206,771	179,438,197
Indonesian rupiah	96,266,830	140,331,369
Japanese yen	113,278,979	339,560,302
Kuwaiti dinar	418,799	70,258,357
Malaysian ringgit	-	831,269
Mexican peso	33,227,171	63,103,345
New Israeli shekel	16,157,378	762,962
New Taiwan dollar	388,824,105	252,074,919
New Zealand dollar	63,353,938	6,396,516
Norwegian krone	59,156,094	7,924,230
Peruvian nuevo sol	73,044,960	58,303,458
Philippine peso	19,201,387	217,543,237
Polish zloty	45,498,622	313,963
Qatari riyal	9,754,080	6,725,157
Saudi riyal	92,752,881	1,995,171
Singapore dollar	-	24,065,709
South African rand	20,740,482	131,895
South Korean won	364,149,166	164,702,175
Swedish krona	46,639,138	2,660,858
Swiss franc	473,403,456	327,693,094
Thai baht	349	955,536
Turkish lira	13,941,126	871,783
United Arab Emirates dirham	5,628,095	15,198,215
United States dollar	5,676,859,386	3,742,975,865
<b>Total Purchases</b>	<b>\$ 11,105,644,555</b>	<b>\$ 7,148,957,548</b>

Fair Value as of	December 31, 2025	December 31, 2024
<b>Pending Foreign Exchange Sales</b>		
Australian dollar	\$ (145,175,102)	\$ (74,068,729)
Brazilian real	(1,154,468,630)	(674,705,929)
British pound sterling	(92,798,931)	(72,092,560)
Canadian dollar	(403,158,703)	(250,886,815)
Chilean peso	(109,589,089)	(11,920,563)
Colombian peso	(447,880,408)	(71,641,699)
Czech koruna	(406,365)	(384,678)
Danish krone	(19,907,703)	(25,436,954)
Egyptian pound	(10,136,272)	(9,169,865)
Euro	(376,473,816)	(432,357,029)
Hong Kong dollar	(67,515,389)	(118,174,487)
Hong Kong offshore Chinese yuan renminbi	(378,001,615)	(113,324,831)
Hungarian forint	(765,800)	(1,138,611)
Indian rupee	(725,357,927)	(174,354,902)
Indonesian rupiah	(89,402,644)	(139,778,780)
Japanese yen	(9,700,436)	(228,437,267)
Kuwaiti dinar	(611,037)	(69,270,937)
Mexican peso	(35,563,056)	(71,018,658)
New Israeli shekel	(17,832,931)	(2,170,264)
New Taiwan dollar	(346,208,882)	(266,034,710)
New Zealand dollar	(61,974,485)	(5,041,528)
Norwegian krone	(15,190,746)	(16,026,061)
Peruvian nuevo sol	(68,447,066)	(57,573,040)
Philippine peso	(14,403,396)	(217,850,722)
Polish zloty	(50,404,647)	(1,902,480)
Qatari riyal	(7,608,425)	(6,738,799)
Saudi riyal	(93,100,276)	(1,854,294)
Singapore dollar	(3,476,798)	(37,904,938)
South African rand	(25,298,057)	(2,339,563)
South Korean won	(449,047,559)	(201,849,835)
Swedish krona	(60,759,152)	(34,418,273)
Swiss franc	(407,940,502)	(182,373,047)
Thai baht	(350)	(966,624)
Turkish lira	(15,057,078)	(8,280,825)
United Arab Emirates dirham	(5,629,409)	(14,741,914)
United States dollar	(5,441,944,201)	(3,569,394,259)
<b>Total Sales</b>	<b>(11,151,236,883)</b>	<b>(7,165,624,470)</b>
<b>Net Unrealized Gain/(Loss)</b>	<b>\$ (45,592,328)</b>	<b>\$ (16,666,922)</b>

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, 2025 and December 31, 2024 are as follows:

Fair Value as of	December 31, 2025		December 31, 2024		Change
	Amount	Number of Contracts	Amount	Number of Contracts	Amount
Fixed income derivative futures sold	\$ -	-	\$ 122,388,800	865	\$ (122,388,800)
Fixed income derivative offset futures purchased	-	-	122,388,800	865	(122,388,800)
Fixed income derivative offset futures sold	\$ -	-	\$ 214,114,525	1,922	\$ (214,114,525)
Fixed income derivative futures purchased	-	-	214,114,525	1,922	(214,114,525)
Equity derivative offset futures sold	\$ 2,376,060	-	\$ 14,063,522	-	\$ (11,687,462)
Equity derivative futures purchased	2,376,060	7	14,063,522	46	(11,687,462)
Cash and cash equivalent derivative offset futures sold	\$ -	-	\$ 195,231,788	813	\$ (195,231,788)
Cash and cash equivalent derivative futures purchased	-	-	195,231,788	813	(195,231,788)

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, 2025 and December 31, 2024 are as follows:

Fair Value as of	December 31, 2025		December 31, 2024		Change in Fair Value
	Amount	Notional Value	Amount	Notional Value	Amount
Financial put options	\$ -	\$ -	\$ 76,734	\$ 1,569	\$ (76,734)
Financial call options	-	-	124,805	2,161	(124,805)

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, 2025 and December 31, 2024 are as follows:

Fair Value as of	December 31, 2025	December 31, 2024	Change
Swaps, gain/(loss)	\$ -	\$ (1,461,896)	\$ 1,461,896

As of December 31, 2025				Change in Fair Value
Type of Swap	Notional Value	Fair Value	Counterparty Credit Rating	Amount
Credit Default Swap	\$ -	\$ -	NA	\$ (1,620,259)
Credit Default Swap	-	-	NA	122,065
Interest Rate Swap	-	-	NA	(442,719)
Interest Rate Swap	-	-	NA	3,402,809
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 1,461,896</b>

As of December 31, 2024			
Type of Swap	Notional Value	Fair Value	Counterparty Credit Rating
Credit Default Swap	\$ 71,522,000	\$ 1,620,259	NR *
Credit Default Swap	1,552,500	(122,065)	NR *
Interest Rate Swap	2,981,000	442,719	NR *
Interest Rate Swap	626,925,301	(3,402,809)	NR *
<b>Total</b>	<b>\$ 702,980,801</b>	<b>\$ (1,461,896)</b>	

NR\* = Not rated.

## G. FUTURE INVESTMENT COMMITMENTS

At December 31, 2025 and December 31, 2024, IMRF had future commitments for additional contributions to real estate and alternative investment managers totaling \$5,928,671,308 and \$5,413,771,190, 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, 2025 and December 31, 2024.

	As of December 31, 2025				
	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	\$ 4,256,769,465	\$ 1,841,094,192	\$ 2,350,833,191	\$ 64,842,082	\$ -
U.S. corporate fixed income	3,160,820,845	-	3,054,221,457	106,599,388	-
U.S. fixed income funds	4,994,580,420	-	-	-	4,994,580,420
Foreign fixed income funds	1,747,269,454	-	479,275,500	522,697	1,267,471,257
<b>Fixed income</b>	<b>14,159,440,184</b>	<b>1,841,094,192</b>	<b>5,884,330,148</b>	<b>171,964,167</b>	<b>6,262,051,677</b>
U.S. equities	18,231,924,583	18,218,997,252	-	12,927,331	-
U.S. equity funds	866,858,086	18,763,713	-	-	848,094,373
Foreign equities	10,027,981,383	9,999,923,217	-	28,058,166	-
Foreign equity funds	2,905,373,165	9,720,992	-	6,206,135	2,889,446,038
<b>Equity</b>	<b>32,032,137,217</b>	<b>28,247,405,174</b>	<b>-</b>	<b>47,191,632</b>	<b>3,737,540,411</b>
<b>Real estate</b>	<b>5,428,407,522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,428,407,522</b>
<b>Private equity</b>	<b>8,978,151,249</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,978,151,249</b>
<b>Absolute return funds</b>	<b>75,952</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,952</b>
<b>Options</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Swaps</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments measured at fair value</b>	<b>\$ 60,598,212,124</b>	<b>\$ 30,088,499,366</b>	<b>\$ 5,884,330,148</b>	<b>\$ 219,155,799</b>	<b>\$ 24,406,226,811</b>
<b>Investments measured at amortized cost</b>	<b>1,067,864,382</b>				
<b>Total</b>	<b>\$ 61,666,076,506</b>				

Year Ended December 31, 2025	Investments measured at Net Asset Value (NAV)			
	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
U.S. fixed income funds	\$ 4,994,580,420	\$ -	Daily	0-2 Days
Foreign fixed income	1,267,471,257	-	Daily	30 Days
<b>Commingled fixed income funds total</b>	<b>6,262,051,677</b>	<b>-</b>		
U.S. equity funds	848,094,373	-	Daily	5-15 Days
Foreign equity funds	2,889,446,038	-	Daily	15-30 Days
<b>Commingled equity funds</b>	<b>3,737,540,411</b>	<b>-</b>		
<b>Real estate</b>	<b>5,428,407,522</b>	<b>2,004,109,310</b>	<b>Quarterly, Not Eligible</b>	<b>30-60 days, N/A</b>
<b>Private equity</b>	<b>8,978,151,249</b>	<b>3,924,561,998</b>	<b>Quarterly, Not Eligible</b>	<b>60 days, N/A</b>
<b>Absolute return funds</b>	<b>75,952</b>	<b>-</b>	<b>Monthly, Quarterly</b>	<b>Notice in Place</b>
<b>Investments measured at NAV</b>	<b>\$ 24,406,226,811</b>	<b>\$ 5,928,671,308</b>		

As of December 31, 2024					
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	\$ 3,877,908,436	\$ 1,502,252,014	\$ 2,339,628,410	\$ 36,028,012	\$ -
U.S. corporate fixed income	3,175,568,995	-	3,007,561,562	168,007,433	-
U.S. fixed income funds	2,947,482,538	-	-	-	2,947,482,538
Foreign fixed income funds	1,845,629,178	-	552,885,435	4,768,076	1,287,975,667
<b>Fixed income</b>	<b>11,846,589,147</b>	<b>1,502,252,014</b>	<b>5,900,075,407</b>	<b>208,803,521</b>	<b>4,235,458,205</b>
U.S. equities	17,329,219,754	17,317,797,166	2,367,085	9,055,503	-
U.S. equity funds	1,464,993,121	15,611,834	-	-	1,449,381,287
Foreign equities	8,226,207,058	8,206,261,919	-	19,945,139	-
Foreign equity funds	3,335,199,194	11,315,387	-	6,206,135	3,317,677,672
<b>Equity</b>	<b>30,355,619,127</b>	<b>25,550,986,306</b>	<b>2,367,085</b>	<b>35,206,777</b>	<b>4,767,058,959</b>
<b>Real estate</b>	<b>4,997,653,103</b>	-	-	-	<b>4,997,653,103</b>
<b>Private equity</b>	<b>7,372,830,903</b>	-	-	<b>303,707,017</b>	<b>7,069,123,886</b>
<b>Absolute return funds</b>	<b>75,952</b>	-	-	-	<b>75,952</b>
<b>Options</b>	<b>201,539</b>	<b>201,539</b>	-	-	-
<b>Swaps</b>	<b>(1,461,896)</b>	-	<b>(1,461,896)</b>	-	-
<b>Investments measured at fair value</b>	<b>\$ 54,571,507,875</b>	<b>\$ 27,053,439,859</b>	<b>\$ 5,900,980,596</b>	<b>\$ 547,717,315</b>	<b>\$ 21,069,370,105</b>
<b>Investments measured at amortized cost</b>	<b>663,853,029</b>				
<b>Total</b>	<b>\$ 55,235,360,904</b>				

Investments measured at Net Asset Value (NAV)					
Year Ended December 31, 2024	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period	
U.S. fixed income funds	\$ 2,947,482,538	\$ -	Daily	0-2 Days	
Foreign fixed income	1,287,975,667	-	Daily	30 Days	
<b>Commingled fixed income funds total</b>	<b>4,235,458,205</b>	<b>-</b>			
U.S. equity funds	1,449,381,287	-	Daily	5-15 Days	
Foreign equity funds	3,317,677,672	-	Daily	15-30 Days	
<b>Commingled equity funds</b>	<b>4,767,058,959</b>	<b>-</b>			
<b>Real estate</b>	<b>4,997,653,103</b>	<b>1,874,257,317</b>	<b>Quarterly, Not Eligible</b>	<b>30-60 days, N/A</b>	
<b>Private equity</b>	<b>7,069,123,886</b>	<b>3,539,513,873</b>	<b>Quarterly, Not Eligible</b>	<b>60 days, N/A</b>	
<b>Absolute return funds</b>	<b>75,952</b>	<b>-</b>	<b>Monthly, Quarterly</b>	<b>Notice in Place</b>	
<b>Investments measured at NAV</b>	<b>\$ 21,069,370,105</b>	<b>\$ 5,413,771,190</b>			

## 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.

**Commingled Equity Funds.** This type includes open-ended commingled funds and separate account vehicles structured as commingled funds that invest primarily in publicly traded domestic and international equity securities. 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 values are based upon the fair value of the underlying investments. IMRF's strategy for investing in equity commingled funds is to achieve broad market exposure, portfolio diversification, and capital appreciation through a combination of passive and enhanced indexing strategies. These investments span large-cap, small-cap, and international equity markets, and are benchmarked to indices such as the U.S. Equity Custom Benchmark and the International Equity Custom Benchmark. Commingled funds are typically open-ended and are generally eligible for periodic redemption, subject to fund-specific terms. The overall objective of the equity portfolio is to achieve a total return that exceeds the respective equity benchmarks, net of fees, over a full market cycle.

**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's 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.

**Absolute Return Funds.** This type includes private, actively managed investment funds that seek to provide returns to investors by investing in a diverse range of markets, investment instruments, and strategies. Most common strategies include: long/short equity, event driven, credit, relative value, macro and opportunistic.

## I. EMPLOYEE RETIREMENT DEFINED BENEFIT PLAN

### 1. GENERAL INFORMATION ABOUT THE DEFINED BENEFIT PLAN

#### A. IMRF PLAN DESCRIPTION

IMRF staff participates in IMRF. The following information is related to IMRF’s staff membership in the plan. 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 spouses, and/or 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, 2025, and December 31, 2024, the following employees were covered by the benefit terms:

	2025	2024
Retirees and Beneficiaries currently receiving benefits	223	217
Inactive Plan Members entitled to but not yet receiving benefits	92	87
Active Plan Members	250	228
<b>Total</b>	<b>565</b>	<b>532</b>

## 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 2025 and 2024 was 7.65% and 7.63% respectively. For the fiscal year ended December 31, 2025, and December 31, 2024, IMRF contributed \$2,152,714 and \$1,637,592 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, 2025, and December 31, 2024. 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 as of December 31, 2025, and December 31, 2024:

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%
Projected Retirement Age	Projected Retirement Age 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.
<b>Mortality</b>	
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.
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.
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.

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, 2025, and December 31, 2024:

	2025		2024	
	Portfolio Target Percentage	Long-Term Expected Real Rate of Return	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	32.5%	7.35%	33.5%	4.35%
International Equity	18.0	7.45	18.0	5.40
Fixed Income	24.0	4.75	24.5	5.20
Real Estate	10.5	6.25	10.5	6.40
Alternative Investments	14.0	3.90-8.50	12.5	2.85-6.25
Cash Equivalents	1.0	3.00	1.0	3.60
<b>Total</b>	<b>100.0%</b>		<b>100.0%</b>	

### 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 4.83% and 4.08% as of December 31, 2025, and December 31, 2024, respectively, and the resulting single discount rate is 7.25% as of both December 31, 2025 and December 31, 2024.

## 4. CHANGES IN THE NET PENSION LIABILITY

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A)-(B)
<b>Balances at December 31, 2023</b>	<b>\$ 111,878,873</b>	<b>\$ 102,921,580</b>	<b>\$ 8,957,293</b>
<b>Changes for the year:</b>			
Service Cost	1,709,372	-	1,709,372
Interest on the Total Pension Liability	7,941,960	-	7,941,960
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	3,164,522	-	3,164,522
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,708,998	(1,708,998)
Contributions - Employees	-	946,670	(946,670)
Net Investment Income	-	10,257,887	(10,257,887)
Benefit Payments, including Refunds of Employee Contributions	(6,378,555)	(6,378,555)	
Other (Net Transfer)	-	(1,341,348)	1,341,348
<b>Net Changes</b>	<b>6,437,299</b>	<b>5,193,652</b>	<b>1,243,647</b>
<b>Balances at December 31, 2024</b>	<b>\$ 118,316,172</b>	<b>\$ 108,115,232</b>	<b>\$ 10,200,940</b>
<b>Changes for the year:</b>			
Service Cost	1,812,712	-	1,812,712
Interest on the Total Pension Liability	8,392,735	-	8,392,735
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,005,951	-	1,005,951
Changes of Assumptions	-	-	-
Contributions - Employer	-	2,201,028	(2,201,028)
Contributions - Employees	-	1,030,988	(1,030,988)
Net Investment Income	-	16,877,402	(16,877,402)
Benefit Payments, including Refunds of Employee Contributions	(6,921,340)	(6,921,340)	
Other (Net Transfer)	-	261,483	(261,483)
<b>Net Changes</b>	<b>4,290,058</b>	<b>13,449,561</b>	<b>(9,159,503)</b>
<b>Balances at December 31, 2025</b>	<b>\$ 122,606,230</b>	<b>\$ 121,564,793</b>	<b>\$ 1,041,437</b>

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, 2025		
	Current Single Discount Rate Assumption		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$ 135,732,204	\$ 122,606,230	\$ 111,963,916
Plan Fiduciary Net Position	121,564,793	121,564,793	121,564,793
<b>Net Pension Liability/(Asset)</b>	<b>\$ 14,167,411</b>	<b>\$ 1,041,437</b>	<b>\$ (9,600,877)</b>

	December 31, 2024		
	Current Single Discount Rate Assumption		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$ 131,182,124	\$ 118,316,172	\$ 107,874,741
Plan Fiduciary Net Position	108,115,232	108,115,232	108,115,232
<b>Net Pension Liability/(Asset)</b>	<b>\$ 23,066,892</b>	<b>\$ 10,200,940</b>	<b>\$ (240,491)</b>

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

For the year's ended December 31, 2025, and December 31, 2024, IMRF recognized pension expenses of \$2,368,146 and \$4,439,072 respectively. At December 31, 2025, and December 31, 2024, IMRF reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	As of December 31, 2025		As of December 31, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>Deferred Amounts to be Recognized in Pension Expense in Future Periods</b>				
Differences between expected and actual experience	\$ 3,332,999	\$ -	\$ 4,098,081	\$ 23,121
Changes of assumptions	-	21,255	-	34,672
Net difference between projected and actual earnings on pension plan investments	-	6,083,688	2,514,389	-
<b>Total</b>	<b>\$ 3,332,999</b>	<b>\$ 6,104,943</b>	<b>\$ 6,612,470</b>	<b>\$ 57,793</b>

As of December 31, 2025, and December 31, 2024, 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, 2025		Year Ending December 31, 2024	
Net Deferred Outflows/(Inflows) of Resources		Net Deferred Outflows/(Inflows) of Resources	
2026	\$ 3,007,079	2025	\$ 2,753,592
2027	(1,900,647)	2026	4,591,406
2028	(2,058,328)	2027	(316,320)
2029	(1,820,048)	2028	(474,001)
2030	-	2029	-
Thereafter	-	Thereafter	-
<b>Total</b>	<b>\$ (2,771,944)</b>	<b>Total</b>	<b>\$ 6,554,677</b>

**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:

<b>Years of Service</b>	<b>IMRF Percent</b>	<b>Retiree Percent</b>
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, 2025 and December 31, 2024:

	<b>2025</b>	<b>2024</b>
Inactive employees or beneficiaries currently receiving benefits	21	23
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	250	226
<b>Total</b>	<b>271</b>	<b>249</b>

## 2. TOTAL OPEB LIABILITY

IMRF's total OPEB liability of \$2,221,177 and \$2,522,447 was measured as of December 31, 2025, and December 31, 2024, respectively, and was determined by an actuarial valuation as of those dates.

The total OPEB liability in the December 31 2025 and December 31, 2024 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	2025 - 4.83%      2024 - 4.08%      2023 - 3.77%
Price Inflation	2025 - 2.25%      2024 - 2.25%      2023 - 2.25%
Wage Inflation	2025 - 2.75%      2024 - 2.75%      2023 - 2.75%
Salary Increases	2025, 2024 and 2023 - 2.90% to 12.00%, 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 valuation) as conducted for the Illinois Municipal Retirement System.
<b>Mortality</b>	
Active members	2025, 2024 and 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.
Retirees	2025, 2024 and 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.
Disability	2025, 2024 and 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.
Health Care Trend Rates	2025- Initial trend of 7.75% gradually decreasing to an ultimate trend rate of 3.5% in year 15. 2024 and 2023 - Initial trend of 7.25% gradually decreasing to an ultimate trend rate of 3.50% in year 15.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"

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 the 2025 and 2024 valuation, Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA was used. For the 2023 valuation, the Fidelity 20 Year Municipal GO AA Index was used.

### 3. CHANGES IN THE TOTAL OPEB LIABILITY

	2025	2024
Total OPEB Liability – Beginning of the Year	\$ 2,522,447	\$ 2,374,424
Service Cost	105,841	99,428
Interest on the Total OPEB Liability	101,205	87,866
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(259,241)	51,572
Changes in Assumptions	(59,346)	96,110
Benefit Payments	(189,729)	(186,953)
<b>Net Changes</b>	<b>(301,270)</b>	<b>148,023</b>
<b>Total OPEB Liability – End of the Year</b>	<b>\$ 2,221,177</b>	<b>\$ 2,522,447</b>

Changes in assumptions for 2025 and 2024 reflected in the current valuation:  
 • a change in the discount rate from 3.77% in 2023 to 4.08% in 2024 to 4.83% in 2025.

#### 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
2025	3.83%	\$ 2,357,995	4.83%	\$ 2,221,177	5.83%	\$ 2,091,622
2024	3.08	2,671,419	4.08	2,522,447	5.08	2,380,254

#### 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 health-care cost trend rates:

	Total OPEB Liability		
	Current Health Care Cost		
	1% Decrease	Trend Rate Assumption	1% Increase
2025	\$ 2,041,999	\$ 2,221,177	\$ 2,425,483
2024	2,325,474	2,522,447	2,746,418

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

For the years ended December 31, 2025, and December 31, 2024, IMRF recognized OPEB expense of \$173,856 and \$191,815 respectively. At December 31, 2025 and December 31, 2024, IMRF reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2025		December 31, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 188,127	\$ 413,386	\$ 220,552	\$ 273,384
Changes in assumptions or other inputs	290,447	182,670	376,031	155,284
<b>Total</b>	<b>\$ 478,574</b>	<b>\$ 596,056</b>	<b>\$ 596,583</b>	<b>\$ 428,668</b>

As of December 31, 2025, 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, 2025	
Net Deferred Outflows/(Inflows) of Resources	
2026	\$ (27,767)
2027	7,113
2028	(2,433)
2029	(20,791)
2030	(36,041)
Thereafter	(37,563)
<b>Total</b>	<b>\$ (117,482)</b>

As of December 31, 2024	
Net Deferred Outflows/(Inflows) of Resources	
2025	\$ 4,521
2026	9,944
2027	44,824
2028	35,278
2029	16,920
Thereafter	56,428
<b>Total</b>	<b>\$ 167,915</b>

## 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, 2025, the retirement reserves exceeded the present value of expected retirement benefits for all employers combined by \$2,783,785,351. As of December 31, 2024, the present value of expected retirement benefits for all employers combined exceeded retirement reserves by \$1,809,396,693.

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

	2025	2024
<b>Member Contribution Reserve</b>		
<b>Balance at December 31</b>	<b>\$ 9,125,284,261</b>	<b>\$ 8,579,285,597</b>
<b>Annuity Reserve</b>		
<b>Balance at December 31</b>	<b>\$ 34,424,159,295</b>	<b>\$ 33,559,163,756</b>
<b>Employer Reserves</b>		
Retirement contribution reserve	\$ 17,591,887,248	\$ 13,109,884,174
Earnings and experience reserve	1,217,950,194	495,592,718
Supplemental retirement benefit reserve	(3,176,454)	11,930,087
Death benefit reserve	7,928,249	16,664,077
Disability benefit reserve	11,907,722	13,997,436
<b>Balance at December 31</b>	<b>\$ 18,826,496,959</b>	<b>\$ 13,648,068,492</b>

## L. OTHER NOTES

### 1. 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. Additional details on leases and subscriptions can be found in subsequent footnote disclosures.

	Year ended December 31, 2025			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets</b>				
Leasehold improvements	\$ 1,796,347	\$ 38,110	\$ (405,846)	\$ 1,428,611
Furniture and equipment	82,998,921	144,992	(2,661,518)	80,482,395
Software	13,364,359	-	-	13,364,359
<b>Total in service</b>	<b>98,159,627</b>	<b>183,102</b>	<b>(3,067,364)</b>	<b>95,275,365</b>
Construction in Progress *	-	16,193,278	-	16,193,278
Software under development	-	1,704,057	-	1,704,057
Right to use assets - buildings	4,484,743	-	-	4,484,743
Right to use assets - subscriptions	3,962,547	942,118	(1,065,315)	3,839,350
<b>Total ending balance</b>	<b>106,606,917</b>	<b>19,022,555</b>	<b>(4,132,679)</b>	<b>121,496,793</b>
<b>Accumulated Depreciation &amp; Amortization</b>				
Leasehold improvements	1,600,271	175,925	(328,061)	1,448,135
Furniture and equipment	18,580,654	5,681,451	(2,652,578)	21,609,527
Software	9,346,696	-	-	9,346,696
Right to use assets - buildings	3,314,461	1,153,917	-	4,468,378
Right to use assets - subscriptions	1,996,530	1,243,006	(1,065,315)	2,174,221
<b>Ending balance</b>	<b>34,838,612</b>	<b>8,254,299</b>	<b>(4,045,954)</b>	<b>39,046,957</b>
<b>Capital Assets, net</b>	<b>\$ 71,768,305</b>	<b>\$ 10,768,256</b>	<b>\$ (86,725)</b>	<b>\$ 82,449,836</b>
	Year ended December 31, 2024			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets</b>				
Leasehold improvements	\$ 1,796,347	\$ -	\$ -	\$ 1,796,347
Furniture and equipment	18,149,441	73,133,139	(8,283,659)	82,998,921
Software	13,364,359	-	-	13,364,359
<b>Total in service</b>	<b>33,310,147</b>	<b>73,133,139</b>	<b>(8,283,659)</b>	<b>98,159,627</b>
Software under development	67,471,470	-	(67,471,470)	-
Right to use assets - buildings	4,497,614	130,922	(143,793)	4,484,743
Right to use assets - subscriptions	2,943,798	1,219,851	(201,102)	3,962,547
<b>Total ending balance</b>	<b>108,223,029</b>	<b>74,483,912</b>	<b>(76,100,024)</b>	<b>106,606,917</b>
<b>Accumulated Depreciation &amp; Amortization</b>				
Leasehold improvements	\$ 1,390,566	\$ 209,705	\$ -	\$ 1,600,271
Furniture and equipment	17,405,924	8,565,764	(7,391,034)	18,580,654
Software	9,346,696	-	-	9,346,696
Right to use assets - buildings	2,304,727	1,153,527	(143,793)	3,314,461
Right to use assets - subscriptions	783,281	1,414,351	(201,102)	1,996,530
<b>Ending balance</b>	<b>31,231,194</b>	<b>11,343,347</b>	<b>(7,735,929)</b>	<b>34,838,612</b>
<b>Capital Assets, net</b>	<b>\$ 76,991,835</b>	<b>\$ 63,140,565</b>	<b>\$ (68,364,095)</b>	<b>\$ 71,768,305</b>

## 2. LEASES

The Fund leased its headquarters facilities 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, 2031. 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, 2025			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Right to Use Assets (Lessee)</b>				
Buildings	\$ 4,484,743	\$ -	\$ -	\$ 4,484,743
<b>Accumulated Amortization</b>				
Buildings	3,314,461	1,153,917	-	4,468,378
<b>Right to Use Assets, net</b>	<b>\$ 1,170,282</b>	<b>\$ (1,153,917)</b>	<b>\$ -</b>	<b>\$ 16,365</b>

	Year ended December 31, 2024			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Right to Use Assets (Lessee)</b>				
Buildings	\$ 4,497,614	\$ 130,922	\$ (143,793)	\$ 4,484,743
<b>Accumulated Amortization</b>				
Buildings	2,304,727	1,153,527	(143,793)	3,314,461
<b>Right to Use Assets, net</b>	<b>\$ 2,192,887</b>	<b>\$ (1,022,605)</b>	<b>\$ -</b>	<b>\$ 1,170,282</b>

During the year ended December 31, 2025, and December 31, 2024, IMRF recognized the following outflows as a result of certain items that were properly excluded from the initial measurement of the lease liability of \$696,761 and \$841,753, respectively. These amounts include building maintenance costs, parking, storage fees, and 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
2026	\$ 15,335	\$ 2,576	\$ 17,911

### 3. SUBSCRIPTIONS

The Fund obtains the right to use vendors' information technology software through various long-term contracts. The right to use assets are initially measured at the present value of payments expected to be made during the subscription term, which is equal to the initial measurement of the related subscription liability, and are amortized on a straight-line basis over the life of the agreement. The subscription liability is also measured at the present value of payments expected to be made during the subscription term. The liability is reduced by the principal portion of the payments made. Most of the contracts have been paid in full at the beginning of the term. There are seven contracts remaining that have quarterly or annual payments.

Subscription asset activity of the Fund was as follows:

	Year ended December 31, 2025			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Right to Use Subscriptions</b>				
Subscriptions	\$ 3,962,547	\$ 942,118	\$ (1,065,315)	\$ 3,839,350
<b>Accumulated Amortization</b>				
Subscriptions	1,996,530	1,243,006	(1,065,315)	2,174,221
<b>Right to Use Assets, net</b>	<b>\$ 1,966,017</b>	<b>\$ (300,888)</b>	<b>\$ -</b>	<b>\$ 1,665,129</b>

	Year ended December 31, 2024			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Right to Use Subscriptions</b>				
Subscriptions	\$ 2,943,798	\$ 1,219,851	\$ (201,102)	\$ 3,962,547
<b>Accumulated Amortization</b>				
Subscriptions	783,281	1,414,351	(201,102)	1,996,530
<b>Right to Use Assets, net</b>	<b>\$ 2,160,517</b>	<b>\$ (194,500)</b>	<b>\$ -</b>	<b>\$ 1,966,017</b>

As of December 31, 2025, and December 31, 2024, respectively, the Fund has \$582,314 and \$203,125 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
2026	\$ 306,406	\$ 31,014	\$ 337,420
2027	204,645	29,839	234,484
2028	55,814	13,776	69,590
2029	15,449	5,375	20,824
<b>Total</b>	<b>\$ 582,314</b>	<b>\$ 80,004</b>	<b>\$ 662,318</b>

#### 4. COMPENSATED ABSENCES

Annual vacation leave is earned bi-weekly by all employees and carries over up to 210 hours. Some employees working extensively on our Modernization Project were allowed to carry over up to 245 hours. Upon termination, employees are eligible to receive compensation for their accrued vacation leave balances. The liability is calculated at the employee's pay rate on December 31, 2025.

Annual sick leave is earned bi-weekly and carries over without limits at the end of the fiscal year. 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 based on an annual analysis if they are more likely than not to meet the five year threshold in the future as well as if accumulated sick time will be converted to service at retirement. The liability is calculated at the employee's pay rate on December 31, 2025.

Additionally, an estimated liability is also calculated for IMRF employer contributions and Medicare and Social Security payroll taxes related to the accrued compensated absences as of the end of the fiscal year.

These amounts are reflected in the Statements of Fiduciary Net Position in accrued expenses and benefits payable. The following table shows the net change in the total leave liability as of December 31, 2025, and December 31, 2024:

	Year ended December 31, 2025		
	Beginning Balance	Net Increase	Ending Balance
Accrued sick leave	\$ 3,706,186	\$ 301,158	\$ 4,007,344
Accrued vacation leave	1,321,403	115,856	1,437,259
Accrued employer contributions and payroll taxes	485,434	48,933	534,367
<b>Balance at December 31</b>	<b>\$ 5,513,023</b>	<b>\$ 465,947</b>	<b>\$ 5,978,970</b>

	Year ended December 31, 2024		
	Beginning Balance	Net Increase	Ending Balance
Accrued sick leave	\$ 3,276,889	\$ 429,297	\$ 3,706,186
Accrued vacation leave	1,273,787	47,616	1,321,403
Accrued employer contributions and payroll taxes	440,094	45,340	485,434
<b>Balance at December 31</b>	<b>\$ 4,990,770</b>	<b>\$ 522,253</b>	<b>\$ 5,513,023</b>

#### 5. PREPAID EXPENSES

	2025	2024
Prepaid administrative expenses	\$ 3,077,534	\$ 3,443,039
January 1 benefits charged to bank account in December	241,262,625	230,996,843
<b>Balance at December 31</b>	<b>\$ 244,340,159</b>	<b>\$ 234,439,882</b>

#### 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,	2025	2024	2023	2022
<b>Total Pension Liability</b>				
Service Cost	\$ 1,812,712	\$ 1,709,372	\$ 1,634,199	\$ 1,591,628
Interest on the Total Pension Liability	8,392,735	7,941,960	7,580,373	7,270,377
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,005,951	3,164,522	2,081,886	1,444,330
Changes of Assumptions	-	-	(61,506)	-
Benefit Payments, including Refunds of Employee Contributions	(6,921,340)	(6,378,555)	(6,191,696)	(5,911,939)
<b>Net Change in Total Pension Liability</b>	<b>4,290,058</b>	<b>6,437,299</b>	<b>5,043,256</b>	<b>4,394,396</b>
<b>Total Pension Liability - Beginning</b>	<b>118,316,172</b>	<b>111,878,873</b>	<b>106,835,617</b>	<b>102,441,221</b>
<b>Total Pension Liability - Ending (A)</b>	<b>\$ 122,606,230</b>	<b>\$ 118,316,172</b>	<b>\$ 111,878,873</b>	<b>\$ 106,835,617</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$2,201,028	\$1,708,998	\$1,442,466	\$1,760,286
Contributions - Employees	1,030,988	946,670	875,755	813,941
Net Investment Income	16,877,402	10,257,887	10,456,583	(14,544,490)
Benefit Payments, including Refunds of Employee Contributions	(6,921,340)	(6,378,555)	(6,191,696)	(5,911,939)
<b>Other (Net Transfers)</b>	<b>261,483</b>	<b>(1,341,348)</b>	<b>2,209,576</b>	<b>(401,430)</b>
<b>Net Change in Plan Fiduciary Net Position</b>	<b>13,449,561</b>	<b>5,193,652</b>	<b>8,792,684</b>	<b>(18,283,632)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>108,115,232</b>	<b>102,921,580</b>	<b>94,128,896</b>	<b>112,412,528</b>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<b>\$ 121,564,793</b>	<b>\$ 108,115,232</b>	<b>\$ 102,921,580</b>	<b>\$ 94,128,896</b>
<b>Net Pension Liability/(Asset) - Ending (A) - (B)</b>	<b>\$ 1,041,437</b>	<b>\$ 10,200,940</b>	<b>\$ 8,957,293</b>	<b>\$ 12,706,721</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>99.15%</b>	<b>91.38%</b>	<b>91.99%</b>	<b>88.11%</b>
<b>Covered Valuation Payroll</b>	<b>\$ 22,863,755</b>	<b>\$ 22,398,406</b>	<b>\$ 19,441,586</b>	<b>\$ 18,087,521</b>
<b>Net Pension Liability/(Asset) as a Percentage of Covered Valuation Payroll</b>	<b>4.55%</b>	<b>45.54%</b>	<b>46.07%</b>	<b>70.25%</b>

## 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.

2021	2020	2019	2018	2017	2016
\$ 1,651,203	\$ 1,607,047	\$ 1,513,237	\$ 1,457,827	\$ 1,482,033	\$ 1,479,003
7,062,415	6,736,777	6,323,492	6,062,850	5,957,587	5,639,112
-	-	-	-	-	-
(148,957)	2,020,379	2,443,448	701,372	271,862	701,699
-	(759,061)	-	2,380,154	(2,506,327)	(288,716)
(5,420,913)	(4,850,421)	(4,402,776)	(4,091,876)	(3,487,205)	(3,689,282)
<b>3,143,748</b>	<b>4,754,721</b>	<b>5,877,401</b>	<b>6,510,327</b>	<b>1,717,950</b>	<b>3,841,816</b>
<b>99,297,473</b>	<b>94,542,752</b>	<b>88,665,351</b>	<b>82,155,024</b>	<b>80,437,074</b>	<b>76,595,258</b>
<b>\$102,441,221</b>	<b>\$99,297,473</b>	<b>\$94,542,752</b>	<b>\$88,665,351</b>	<b>\$82,155,024</b>	<b>\$80,437,074</b>
\$1,863,644	\$1,977,839	\$1,461,295	\$1,727,695	\$1,633,408	\$1,618,248
799,505	811,431	734,433	703,059	671,827	682,515
16,608,903	12,683,764	14,073,185	(4,294,135)	12,369,122	4,560,348
(5,420,913)	(4,850,421)	(4,402,776)	(4,091,876)	(3,487,205)	(3,689,282)
<b>(377,387)</b>	<b>(106,927)</b>	<b>1,176,751</b>	<b>1,073,349</b>	<b>(1,129,485)</b>	<b>423,297</b>
<b>13,473,752</b>	<b>10,515,686</b>	<b>13,042,888</b>	<b>(4,881,908)</b>	<b>10,057,667</b>	<b>3,595,126</b>
<b>98,938,776</b>	<b>88,423,090</b>	<b>75,380,202</b>	<b>80,262,110</b>	<b>70,204,443</b>	<b>66,609,317</b>
<b>\$ 112,412,528</b>	<b>\$ 98,938,776</b>	<b>\$ 88,423,090</b>	<b>\$ 75,380,202</b>	<b>\$ 80,262,110</b>	<b>\$ 70,204,443</b>
<b>\$ (9,971,307)</b>	<b>\$ 358,697</b>	<b>\$ 6,119,662</b>	<b>\$ 13,285,149</b>	<b>\$ 1,892,914</b>	<b>\$ 10,232,631</b>
<b>109.73%</b>	<b>99.64%</b>	<b>93.53%</b>	<b>85.02%</b>	<b>97.70%</b>	<b>87.28%</b>
<b>\$ 17,766,731</b>	<b>\$ 18,031,700</b>	<b>\$ 16,320,688</b>	<b>\$ 15,370,885</b>	<b>\$ 14,929,525</b>	<b>\$ 14,459,727</b>
<b>(56.12)%</b>	<b>1.99%</b>	<b>37.50%</b>	<b>86.43%</b>	<b>12.68%</b>	<b>70.77%</b>

NOTES TO SCHEDULE CONTINUED

Changes in assumptions:

- For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.
- 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.

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

Calendar Year Ended December 31,	2025	2024	2023
<b>Total OPEB Liability</b>			
Service Cost	\$ 105,841	\$ 99,428	\$ 91,578
Interest on the Total OPEB Liability	101,205	87,866	83,898
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(259,241)	51,572	162,799
Changes of Assumptions	(59,346)	96,110	102,231
Health Insurance Subsidy Payments *	(189,729)	(186,953)	(183,715)
<b>Net Change in the Total OPEB Liability</b>	<b>(301,270)</b>	<b>148,023</b>	<b>256,791</b>
<b>Total OPEB Liability – Beginning</b>	<b>2,522,447</b>	<b>2,374,424</b>	<b>2,117,633</b>
<b>Total OPEB Liability – Ending</b>	<b>\$ 2,221,177</b>	<b>\$ 2,522,447</b>	<b>\$ 2,374,424</b>
<b>Covered Employee Payroll</b>	<b>\$ 24,560,807</b>	<b>\$21,639,977</b>	<b>\$ 20,096,348</b>
<b>Total OPEB Liability as a Percentage of Covered Employee Payroll</b>	<b>9.04%</b>	<b>11.66%</b>	<b>11.82%</b>

**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.

2022	2021	2020	2019	2018
\$ 132,620	\$ 137,431	\$ 117,971	\$ 101,836	\$ 119,612
46,463	46,924	58,602	72,003	74,519
-	-	-	-	-
(205,464)	83,035	(30,919)	(10,076)	(393,995)
(230,089)	74,291	210,501	165,579	23,037
(169,515)	(151,105)	(150,212)	(144,210)	(105,440)
<b>(425,985)</b>	<b>190,576</b>	<b>205,943</b>	<b>185,132</b>	<b>(282,267)</b>
<b>2,543,618</b>	<b>2,353,042</b>	<b>2,147,099</b>	<b>1,961,967</b>	<b>2,244,234</b>
\$ <b>2,117,633</b>	\$ <b>2,543,618</b>	\$ <b>2,353,042</b>	\$ <b>2,147,099</b>	\$ <b>1,961,967</b>
\$ <b>18,343,118</b>	\$ <b>17,866,862</b>	\$ <b>17,523,905</b>	\$ <b>17,067,031</b>	\$ <b>15,549,200</b>
<b>11.54%</b>	<b>14.24%</b>	<b>13.43%</b>	<b>12.58%</b>	<b>12.62%</b>

## 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
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
2024	1,708,998	1,708,998	-	22,398,406	7.63
2025	1,874,828	2,201,028	(326,200)	22,863,755	9.63

## 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									
2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
15.78%	9.93%	13.55%	(13.93)%	17.02%	15.20%	19.82%	(4.25)%	15.69%	7.81%

*Unaudited; see accompanying independent auditor's report*

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

### SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2025 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 2025 Contribution Rates	
Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	18-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 2023 valuation pursuant to an experience study of the period 2020 to 2022.
Mortality:	For non-disabled retirees, the 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.
	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.
Other Information	
Benefit Changes:	None.

\* Based on Valuation Assumptions used in the December 31, 2023, 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 2024 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 2024 Contribution Rates	
Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	19-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:	<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, 2022, 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								
2025	2024	2023	2022	2021	2020	2019	2018	2017
4.83%	4.08%	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	2025	2024
Personal services	\$ 32,720,279	\$ 31,211,416
Supplies	353,894	285,294
Professional services	3,960,789	5,528,361
Occupancy and utilities	1,668,953	1,758,555
Postage and delivery	482,581	315,081
Equipment service and rental	3,535,133	3,269,623
Expendable equipment	210,757	296,358
Miscellaneous	2,601,206	3,456,410
Depreciation	8,364,063	10,764,296
<b>Total</b>	<b>\$ 53,897,655</b>	<b>\$ 56,885,394</b>

Schedule of Payments for Professional Services	2025	2024
Actuary	\$ 474,650	\$ 445,000
External auditor	381,200	302,100
Modernization consulting	422,578	787,875
Compensation and benefit consultants	129,653	78,607
Internal auditing	136,602	173,565
Medical consultant	46,586	36,829
Legal services	85,032	100,112
Other consulting	9,900	47,180
IT consultants	2,249,272	3,475,737
Hearing officer	15,285	35,125
Tax consultant	9,030	45,210
Public relations consultant	1,001	1,021
<b>Total</b>	<b>\$ 3,960,789</b>	<b>\$ 5,528,361</b>

Schedule of Investment Expenses	2025	2024
Investment manager fees	\$ 247,019,183	\$ 227,612,898
Equity Internal Management expenses	1,004,476	1,026,834
Master trustee fees	373,000	323,000
Investment consultants	750,000	795,000
Investment information service providers	2,926,713	2,563,029
Investment legal fees	518,834	428,025
Tax preparation fees	82,320	11,610
Miscellaneous	161,609	149,662
<b>Total</b>	<b>\$ 252,836,135</b>	<b>\$ 232,910,058</b>

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

# INVESTMENTS

67	Investment Consultant's Report
69	Master Trustee's Report
70	Investment Consultants
72	Investment Policies
76	Returns by Asset Class
77	Investment Portfolio Summary
77	Asset Allocation
78	Investment Portfolio Charts
79	Ten Largest Holdings
80	Domestic Brokerage Commissions
81	International Brokerage Commissions
82	Schedule of Investment Fees

# Callan

Callan LLC  
One Bush Street  
Suite 700  
San Francisco, CA 94104



Main 415.974.5060

[www.callan.com](http://www.callan.com)

April 2, 2026

The Board of Trustees  
The Executive Director  
Illinois Municipal Retirement Fund  
800 Commerce Drive  
Oak Brook, IL 60523

Dear Trustees and Executive Director,

Callan is pleased to report the results of the Illinois Municipal Retirement Fund (IMRF) investment program for the calendar year 2025.

Capital markets in the calendar year were defined by shifting policy signals and unexpectedly resilient performance. Fiscal negotiations, central bank actions, and uneven global growth shaped the macroeconomic backdrop, yet risk assets extended gains and closed a volatile year on a constructive note. As the year ended, investors were balancing strong returns against an increasingly complex policy environment. In the United States, the Federal Reserve cut interest rates during the year, ending with a target range of 3.50%–3.75% as concerns about labor market softening grew. GDP growth was uneven, initially supported by consumer spending that moderated later in the year. U.S. equities, as measured by the Russell 3000 Index, rose 17.2%, led by large-cap technology and AI-driven companies. International equities, as measured by the MSCI All Country World ex-U.S. Index, advanced 32.4%, supported by U.S. dollar weakness and strong performance in financials. In fixed income, rate cuts helped drive the Bloomberg U.S. Aggregate Bond Index to a 7.3% gain.

The Illinois Municipal Retirement Fund reported assets of \$60.8 billion as of December 31, 2025. This represented an increase of roughly \$5.9 billion from December 31, 2024 as investment gains more than offset cash outflows from benefit payments.

The Total Fund returned 14.75% net of fees in 2025, trailing the Total Fund Benchmark of 15.77%. The Total Fund Benchmark is comprised of individual asset class benchmarks weighted in the same proportion as the target asset class allocations. Gross of fees, the Total Fund ranked at the 21<sup>st</sup> percentile of Callan's Large Public Fund Sponsor Database for the one-year period, and at the 44<sup>th</sup> and 25<sup>th</sup> percentile for the trailing five- and ten-year periods, respectively. All asset classes contributed positively to the Total Fund results for the year, however, global equities and alternative investments led results.

The IMRF Domestic Equity portfolio, with a current target allocation of 32.5%, gained 14.3% net of fees for the year. This return trailed the IMRF Domestic Equity Custom Benchmark return of 15.4%. IMRF's

## Callan

Domestic Equity portfolio ranked at the 78<sup>th</sup> percentile compared to other public fund domestic equity portfolios on a gross of fees basis. The domestic equity portfolio is well diversified across market capitalizations and styles.

The IMRF International Equity portfolio returned 32.3% net of fees for the calendar year, which slightly trailed the MSCI All Country World ex-U.S. Index which returned 32.4%. The portfolio's gross of fees return ranked at the 42<sup>nd</sup> percentile of public fund international equity peers. The asset class, which has a target of 18%, is broadly invested across developed and emerging markets.

In a period of declining interest rates, the Fund's Fixed Income portfolio returned 7.4% net of fees, outperforming the Bloomberg U.S. Aggregate Bond index by 0.1%. The gross of fee return of 7.5% ranked at the 55<sup>th</sup> percentile compared to peers. The fixed income portfolio has a current target allocation of 24% and is well diversified across core and non-core fixed income strategies.

Investment measurements and comparisons have been made using standard performance evaluation methods and results are presented in a manner consistent with the investment industry. Rates of return were determined using a time-weighted return calculation.

Sincerely,



Brianne R. Weymouth, CAIA  
Senior Vice President



April 7, 2026

Board of Trustees and Executive Director  
 Illinois Municipal Retirement Fund  
 800 Commerce Drive  
 Oak Brook, IL 60523-2337

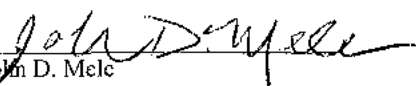
To the Board of Trustees and the Executive Director

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, 2025 through December 31, 2025. Also, a statement of assets together with their fair market value was provided, showing the properties held as of December 31, 2025. 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 form.
9. Employ agents with the consent of the Board of Trustees.
10. Provide disbursement and security fail 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

**Callan, LLC**  
**Brianne R. Weymouth, Senior Vice President, Fund Sponsor Consulting**  
**Ann O’Bradovich, Senior Vice President, Managing Director, Fund Sponsor Consulting**  
 Chicago, Illinois

### INVESTMENT CONSULTANT

**Callan, LLC**  
**Brianne R. Weymouth, Senior Vice President, Fund Sponsor Consulting**  
**Ann O’Bradovich, Senior Vice President, Managing Director, Fund Sponsor Consulting**  
 Chicago, Illinois

### 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, LP**  
 Cambridge, Massachusetts

**Artemis Real Estate Partners**  
 Chevy Chase, Maryland

**AshGrove Capital, LLP**  
 London, England

**AUA Private Equity Partners**  
 New York, New York

**Baring Private Equity Asia**  
 Central, Hong Kong

**Barings Capital Management**  
 Charlotte, North Carolina

**Baring’s, LLC**  
 Hartford, Connecticut

**Basis Investment Group**  
 New York, New York

**Base10 Partners**  
 San Francisco, California

**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, LP**  
 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

**Charlesbank Capital Partners**  
 Boston, Massachusetts

**Chicago Pacific Founders**  
 Chicago, Illinois

**ChrysCapital**  
 Maharashtra, India

**Clearlake Capital Group**  
 Santa Monica, California

**Coalesce Capital**  
 New York, New York

**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, LP**  
 Houston, Texas

**Estancia Capital Partners, LP**  
 Scottsdale, Arizona

**Fidelity Institutional Asset Management**  
 Boston, Massachusetts

**Forest Investment Associates**  
 Atlanta, Georgia

**Francisco Partners**  
 San Francisco, California

**FirstMark Capital**  
 New York, New York

**Frontier Capital Management Company**  
 Boston, Massachusetts

**Garcia Hamilton & Associates, LP**  
 Houston, Texas

**Genesis Asset Managers International, Ltd.**  
 London, England

**GlobeFlex Capital, LP**  
 San Diego, California

**Goldman Sachs**  
 New York, New York

**Grandview Property Partners**  
 Greenwich, Connecticut

**Grain Management**  
 Washington, DC

**Great Hill Partners**  
 Boston, Massachusetts

## INVESTMENT CONSULTANTS (CONTINUED)

<b>GTIS Partners</b> New York, New York	<b>Longpoint Realty Partners</b> Boston, Massachusetts	<b>Rockwood Capital, LLC</b> New York, New York
<b>Hancock Natural Resource Group, Inc.</b> Boston, Massachusetts	<b>LSV Asset Management</b> Chicago, Illinois	<b>S2 Capital</b> Dallas, Texas
<b>Harpoon Ventures</b> San Diego, California	<b>MacKay Shields, LLC</b> New York, New York	<b>Sands Capital Management, LLC</b> Arlington, Virginia
<b>HarbourVest Partners</b> Boston, Massachusetts	<b>Mayfield Fund</b> Menlo Park, California	<b>Security Capital Markets Group, Inc.</b> Chicago, Illinois
<b>Hg Saturn</b> London, England	<b>MC Credit Partners, LP</b> Stamford, Connecticut	<b>Starwood Capital Group</b> Greenwich, Connecticut
<b>H.I.G. Bayside Capital</b> Miami, Florida	<b>Mesirow Financial Holdings, Inc.</b> Chicago, Illinois	<b>Strategic Value Partners</b> Greenwich, Connecticut
<b>ICV Partners</b> New York, New York	<b>MGG Investment Group</b> New York, New York	<b>Summit Partners</b> Boston, Massachusetts
<b>IK Investment Partners</b> London, England	<b>Mondrian Investment Partners Limited</b> London, England	<b>Symphony Technology Group</b> Palo Alto, California
<b>Inflexion Private Equity Partners, LLP</b> London, England	<b>Muller &amp; Monroe Asset Management, LLC</b> Chicago, Illinois	<b>TA Associates Realty</b> Boston, Massachusetts
<b>Insight Venture Management, LLC</b> New York, New York	<b>New Enterprise Associates</b> Chevy Chase, Maryland	<b>Templeton Investment Counsel, LLC</b> Fort Lauderdale, Florida
<b>Invesco Real Estate</b> Dallas, Texas	<b>Newport Capital Group, LLC</b> Chicago, Illinois	<b>Turning Rock Partners</b> New York, New York
<b>Investment Counselors of Maryland, LLC</b> Baltimore, Maryland	<b>New Mainstream Capital</b> New York, New York	<b>The Sterling Group</b> Houston, Texas
<b>JLC Infrastructure</b> Chicago, Illinois	<b>Northern Trust Investments, Inc.</b> Chicago, Illinois	<b>The Vistria Group</b> Chicago, Illinois
<b>JPMorgan Chase &amp; Co.</b> New York, New York	<b>OceanSound Partners</b> New York, New York	<b>Torchlight Investors</b> New York, New York
<b>Kayne Anderson Capital Advisors, LP</b> Los Angeles, California	<b>Pantheon Ventures, Inc.</b> San Francisco, California	<b>True North</b> Maharashtra, India
<b>Khosla Ventures</b> Mento Park, California	<b>Parthenon Capital Partners</b> Boston, Massachusetts	<b>Valor Equity Partners</b> Chicago, Illinois
<b>Kohlberg Kravis Roberts &amp; Co., LP</b> New York, New York	<b>Partners Group</b> Zug, Switzerland	<b>Versant Venture Management, LLC</b> Menlo Park, California
<b>LaSalle Investment Management</b> Chicago, Illinois	<b>Pemberton Asset Management</b> London, United Kingdom	<b>Virtus Real Estate Capital, LLC</b> Austin, Texas
<b>Lightspeed Venture Partners</b> Menlo Park, California	<b>Pretium</b> New York, New York	<b>Vista Equity Partners, LLC</b> Austin, Texas
<b>Lightbank LLC</b> Chicago, Illinois	<b>Red Arts Capital</b> Chicago, Illinois	<b>Waud Capital Partners</b> Chicago, Illinois
<b>LM Capital Group, LLC</b> San Diego, California	<b>Ramirez Asset Management, Inc.</b> New York, New York	<b>William Blair &amp; Company</b> Chicago, Illinois
<b>Longfellow Investment Management Co.</b> Boston, Massachusetts	<b>Resolution Real Estate Advisors, LLP</b> London, England	<b>Xponance, Inc.</b> Durham, North Carolina
<b>LongWharf Capital</b> Boston, Massachusetts		

## INVESTMENT POLICIES

The Board of Trustees, operating within the prudent man 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 fair 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 fair 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 fair value.
5. The exposure to any one GIC sector shall not exceed the higher of 25% or two times the benchmark weighting at fair 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 fair value.
5. 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 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 fair 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 fair 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 fair 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 fair 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 23% of the total Fund’s assets under management and (ii) to utilize firms owned by minorities, women, and persons with disabilities for at least 22% of the total Fund’s assets under management.



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

						Annualized		
	2025	2024	2023	2022	2021	3 Yrs	5 Yrs	10 Yrs
<b>Total Fund Time - Weighted Returns</b>								
IMRF - Gross of Fees	14.80%	9.33%	13.42%	(12.74)%	16.82%	12.50%	7.73%	9.14%
IMRF - Net of Fees	14.65%	9.15%	13.24%	(12.86)%	16.63%	12.32%	7.56%	8.95%
CPI (Inflation)	2.74%	2.95%	4.12%	8.00%	4.70%	3.27%	4.50%	3.14%
<b>Equities - U.S.</b>								
IMRF - Gross of Fees	14.44%	19.02%	23.30%	(19.12)%	24.89%	18.86%	11.15%	12.99%
IMRF - Net of Fees	14.27%	18.84%	23.10%	(19.25)%	24.69%	18.68%	10.98%	12.79%
Russell 3000	17.01%	22.80%	24.16%	(18.53)%	25.66%	21.28%	12.80%	14.11%
Russell 2000	15.37%	19.67%	21.36%	(18.21)%	25.68%	18.77%	11.49%	12.84%
<b>Equities - International</b>								
IMRF - Gross of Fees	32.71%	6.35%	19.64%	(17.86)%	9.78%	19.08%	8.77%	9.30%
IMRF - Net of Fees	32.33%	6.00%	19.22%	(18.14)%	9.37%	18.70%	8.41%	8.94%
MSCI ACWI Ex-U.S.	32.39%	5.53%	15.62%	(16.00)%	7.82%	17.33%	7.91%	8.41%
MSCI EAFE	32.44%	5.45%	15.11%	(16.70)%	7.30%	17.15%	7.52%	8.24%
<b>Fixed Income</b>								
IMRF - Gross of Fees	7.50%	3.14%	7.62%	(11.83)%	(0.44)%	6.09%	0.96%	3.11%
IMRF - Net of Fees	7.39%	3.00%	7.53%	(11.90)%	(0.53)%	5.77%	0.83%	2.70%
Custom Benchmark (Fixed Income)	7.28%	2.58%	7.26%	(11.58)%	(1.55)%	5.95%	0.55%	2.98%
Fixed Income IMRF Custom Benchmark	7.28%	2.82%	7.27%	(11.99)%	(0.85)%	5.69%	0.64%	2.47%
<b>Real Estate</b>								
IMRF - Net of Fees	2.08%	(2.33)%	(4.21)%	12.76%	21.95%	(1.53)%	5.39%	6.80%
Blended Benchmark (Real Estate)	2.90%	(2.26)%	(12.73)%	6.54%	21.02%	(4.26)%	2.51%	3.88%
<b>Alternative Investments</b>								
IMRF - Gross of Fees	15.24%	6.72%	2.60%	3.99%	46.46%	8.07%	14.05%	12.64%
IMRF - Net of Fees	15.24%	6.72%	2.60%	3.99%	46.44%	8.07%	14.05%	12.55%
Custom Benchmark (Alternative Investments)	17.97%	32.89%	25.15%	(18.08)%	9.00%	25.19%	11.87%	10.42%
<b>Cash &amp; Cash Equivalents</b>								
IMRF	4.35%	5.57%	5.23%	3.18%	2.44%	5.05%	4.15%	3.15%
U.S. Treasury Bills	4.18%	5.52%	5.02%	1.46%	0.01%	4.81%	3.17%	2.18%

*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)*

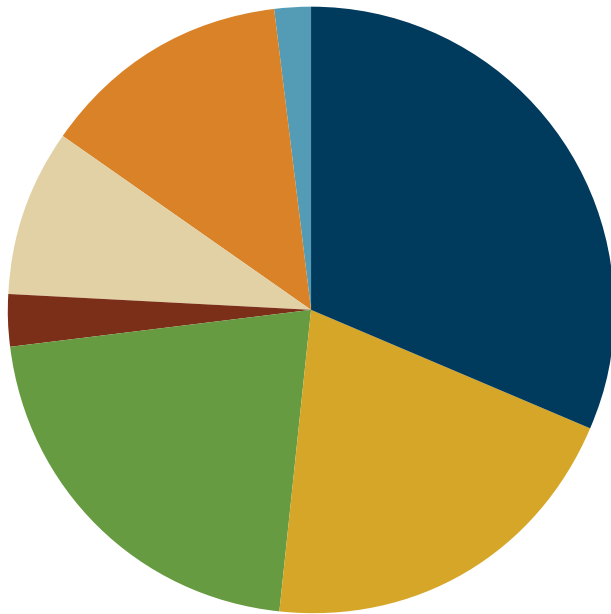
	As of December 31, 2025		As of December 31, 2024	
	Fair Value	Percent of Total Fair Value	Fair Value	Percent of Total Fair Value
<b>Fixed Income</b>				
Government & Agencies	\$ 4,256.8	6.9%	\$ 3,877.9	7.1%
Corporate	3,160.8	5.1	3,175.6	5.8
Index Funds	4,994.6	8.1	2,947.5	5.4
Foreign	1,747.2	2.9	1,845.6	3.3
<b>Total Fixed Income</b>	<b>14,159.4</b>	<b>23.0</b>	<b>11,846.6</b>	<b>21.6</b>
<b>Stocks</b>				
U.S. Common & Preferred	18,231.9	29.5	17,329.2	31.6
U.S. Stock Funds	866.9	1.4	1,465.0	2.7
Foreign Common & Preferred	10,028.0	16.3	8,226.2	15.0
Foreign Stock Funds	2,905.4	4.7	3,335.2	6.1
<b>Total Stocks</b>	<b>32,032.2</b>	<b>51.9</b>	<b>30,355.6</b>	<b>55.4</b>
<b>Real Estate</b>	<b>5,428.4</b>	<b>8.8</b>	<b>4,997.7</b>	<b>9.2</b>
<b>Private Equity Investments</b>	<b>8,978.2</b>	<b>14.6</b>	<b>7,372.9</b>	<b>12.6</b>
<b>Short-Term Investments</b>	<b>1,067.9</b>	<b>1.7</b>	<b>662.6</b>	<b>1.2</b>
<b>Total Portfolio</b>	<b>\$ 61,666.1</b>	<b>100.0%</b>	<b>\$ 55,235.4</b>	<b>100.0%</b>

**SCHEDULE II***Asset Allocation (Last five years)*

	Fair Value as a Percent of Portfolio				
	2025	2024	2023	2022	2021
<b>Fixed Income</b>					
U.S. Government & Agencies	6.9%	7.1%	7.4%	7.6%	6.8%
Corporate	5.1	5.8	6.3	7.1	6.6
Index Fund	8.1	5.4	5.6	5.8	6.5
Foreign	2.9	3.3	4.2	4.3	2.7
<b>Total Fixed Income</b>	<b>23.0</b>	<b>21.6</b>	<b>23.5</b>	<b>24.8</b>	<b>22.6</b>
<b>Stocks</b>					
U.S. Common & Preferred	29.5	31.6	30.6	29.3	33.7
U.S. Stock Funds	1.4	2.7	4.0	5.2	6.6
Foreign Common & Preferred	16.3	15.0	14.4	13.1	13.5
Foreign Stock Funds	4.7	6.1	6.0	5.8	5.9
<b>Total Stocks</b>	<b>51.9</b>	<b>55.4</b>	<b>55.0</b>	<b>53.4</b>	<b>59.7</b>
<b>Real Estate</b>	<b>8.8</b>	<b>9.2</b>	<b>8.9</b>	<b>9.6</b>	<b>7.8</b>
<b>Private Equity Investments</b>	<b>14.6</b>	<b>12.6</b>	<b>11.4</b>	<b>11.0</b>	<b>8.7</b>
<b>Short-Term Investments</b>	<b>1.7</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>
<b>Total Portfolio</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

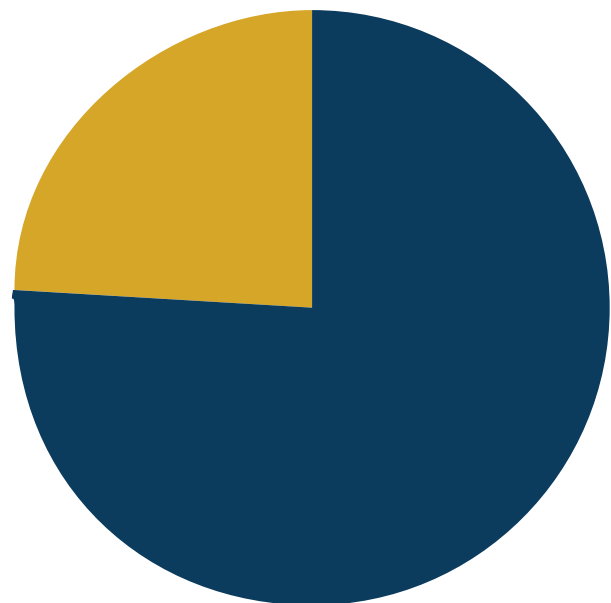
# IMRF INVESTMENT PORTFOLIO (AS OF DECEMBER 31, 2025)

## ALLOCATION BY ASSET CLASS



- U.S. Stocks - 31.0%
- U.S. Fixed Income - 20.1%
- International Stocks - 21.0%
- International Fixed Income - 2.8%
- Real Estate - 8.8%
- Alternative - 14.6%
- Short-Term Investments - 1.7%

## TOTAL INVESTMENTS BY REGION



- Domestic - 75.8%
- International - 24.2%

## TEN LARGEST FIXED INCOME INVESTMENT HOLDINGS

As of December 31, 2025 (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	\$ 200,130,719	0.33%
U.S. Treasury Notes Due 2/15/2032	113,756,822	0.19
U.S. Treasury Bonds Due 2/15/2045	98,647,673	0.16
U.S. Treasury Notes Due 5/15/2029	67,035,170	0.11
U.S. Treasury Notes Due 2/15/2031	65,719,860	0.11
U.S. Treasury Notes Due 3/31/2028	65,316,617	0.11
U.S. Treasury Notes Due 2/25/2034	60,243,616	0.10
Federal Home Loan Mortgage Corp. Due 11/1/2052	47,456,116	0.08
U.S. Treasury Bonds Due 2/15/2037	47,366,263	0.08
U.S. Treasury Bonds Due 8/15/2041	45,390,291	0.07
	<b>\$ 811,063,147</b>	<b>1.34%</b>

## TEN LARGEST EQUITY INVESTMENT HOLDINGS

As of December 31, 2025 (Excludes commingled funds and short-term investments)

Equity Investment Holdings	Fair Value	Percent of Total Invested Market
Nvidia Corp.	\$ 907,131,151	1.50%
Microsoft Corp.	761,231,905	1.26%
Apple, Inc.	646,830,517	1.07%
Amazon.com, Inc.	500,028,136	0.82%
Alphabet Inc. Class A	463,406,203	0.76%
Meta Platforms, Inc.	396,683,066	0.65%
Broadcom, Inc.	372,720,628	0.61%
Alphabet, Inc. Class C	213,057,648	0.35%
Taiwan Semiconductor Manufacturing Co. Ltd.	202,520,501	0.33%
Visa, Inc.	178,558,034	0.29%
	<b>\$ 4,642,167,789</b>	<b>7.64%</b>

A complete listing of investments is available on IMRF's website, [www.imrf.org](http://www.imrf.org).



## SCHEDULE OF 2025 DOMESTIC BROKERAGE COMMISSIONS

(In order of commission received)

Broker Name	Total Shares	Commission	Per Share
National Financial Services, LLC	80,134,535.00	\$ 601,166.78	\$ 0.008
Liquidnet, Inc.	18,801,986.00	382,368.16	0.020
Loop Capital Markets, LLC	14,278,962.00	253,457.50	0.018
JP Morgan Securities, LLC	10,657,640.00	180,294.02	0.017
Academy Securities, Inc.	6,798,891.00	171,596.48	0.025
Instinet Europe Limited	11,808,116.00	163,874.41	0.014
Blaylock Robert Van , LLC	5,477,018.00	145,082.36	0.026
Pershing , LLC	8,614,071.00	123,065.58	0.014
Roberts & Ryan	5,634,573.00	114,029.59	0.020
Jefferies, LLC	4,620,781.00	106,546.46	0.023
Robert W. Baird & Company, Inc.	4,476,547.00	104,284.38	0.023
Piper Jaffray & Company	3,521,087.00	93,613.47	0.027
Stephens, Inc.	2,942,176.00	89,795.95	0.031
Raymond James & Associates, Inc.	3,380,271.00	87,432.23	0.026
CL King	2,997,826.00	85,844.01	0.029
Instinet, LLC	3,817,376.00	79,903.84	0.021
Morgan Stanley and Company, LLC	5,966,655.00	75,314.58	0.013
Stifel, Nicolaus & Company, Inc.	2,694,004.00	69,477.70	0.026
Penserra Securities, LLC	2,641,377.00	68,684.10	0.026
Pershing, Ltd.	3,378,226.00	67,564.52	0.020
Bernstein Institutional Services, LLC	9,030,389.00	65,424.03	0.007
Cowen Execution Services, LLC	2,186,658.00	65,095.21	0.030
Oppenheimer & Company, Inc.	2,248,715.00	64,733.21	0.029
CastleOak Securities	2,079,513.00	58,775.31	0.028
Bank of America Merrill Lynch Securities	2,190,970.00	58,457.26	0.027
Wells Fargo Bank, NA	1,619,160.00	53,087.86	0.033
CLSA, Ltd.	6,975,072.00	52,039.86	0.007
Mischler Financial Group, Inc. - Equities	1,764,712.00	51,767.53	0.029
Citigroup Global Markets, Inc.	2,583,688.00	46,987.21	0.018
Morgan Stanley & Company, LLC	3,050,678.00	46,814.32	0.015
Williams Capital Group	1,950,795.00	46,104.93	0.024
Citigroup Global Markets, Inc.	1,338,563.00	44,730.74	0.033
Suntrust Capital Markets, Inc.	1,471,549.00	44,526.91	0.030
Merrill Lynch International, Limited	7,220,839.00	44,149.78	0.006
ISI Group, Inc.	2,168,842.00	42,272.87	0.019
<b>Other Brokers</b>	<b>3,932,179,477.73</b>	<b>1,417,384.99</b>	<b>0.000</b>
<b>Total</b>	<b>4,182,701,738.73</b>	<b>\$ 5,265,748.14</b>	<b>\$ 0.001</b>

## SCHEDULE OF 2025 INTERNATIONAL BROKERAGE COMMISSIONS

(In order of commission received)

Broker Name	Total Shares	Commission	Per Share
Instinet Europe , Ltd.	52,633,685.00	\$ 465,508.77	\$ 0.009
Goldman, Sachs and Co.	50,534,146.00	263,579.59	0.005
Bank of America Corporation	14,323,367.00	209,273.85	0.015
Caceis Bank France	5,956,269.00	171,735.95	0.029
Merrill Lynch International, Ltd.	40,779,819.00	150,858.15	0.004
Jefferies, LLC	19,122,820.00	146,905.37	0.008
CLSA Singapore Pte, Ltd.	24,401,077.00	132,456.98	0.005
UBS AG (London Branch)	42,063,301.00	122,347.70	0.003
JP Morgan Securities, PLC	11,405,825.00	106,130.00	0.009
ITG Canada Corp.	7,143,842.00	102,806.03	0.014
Jefferies Hong Kong, Ltd.	48,050,050.00	95,130.04	0.002
Morgan Stanley & Company, LLC	10,311,286.00	90,660.65	0.009
Barclays Capital	9,781,458.00	85,345.02	0.009
Paris Agency Business	30,620,910.00	77,292.65	0.003
Banque Paribas, Paris	12,488,502.00	65,867.67	0.005
CLSA, Ltd.	35,594,982.00	65,011.74	0.002
BNP Paribas Securities Services, UN	10,348,921.00	60,676.34	0.006
Jefferies International, Ltd.	8,491,279.00	59,426.69	0.007
BNY Convergenx Execution Solutions	8,384,326.00	58,073.76	0.007
CLSA, UK	1,900,766.00	55,792.87	0.029
JP Morgan Securities (Asia Pacific)	38,108,808.00	55,293.63	0.001
Northern Trust Securities, LLP	12,295,654.00	54,910.40	0.004
UBS Warburg Secs India Pvt, Ltd.	8,143,847.00	43,876.66	0.005
Citigroup Global Markets Korea Sec.	663,927.00	42,777.25	0.064
Societe Generale	3,387,060.00	41,173.41	0.012
Morgan Stanley India Company Pvt., Ltd.	1,271,774.00	39,223.25	0.031
HSBC Securities (USA), Inc.	5,142,058.00	38,797.30	0.008
Instinet, LLC	7,730,053.00	37,249.01	0.005
Instinet Pacific, Ltd.	45,650,489.00	36,832.91	0.001
DSP Merrill Lynch, Ltd.	4,590,696.00	36,503.03	0.008
CLSA Securities Korea, Ltd.	626,144.00	35,069.53	0.056
Investment Technology Group, Ltd.	1,731,059.00	35,060.09	0.020
Citigroup Global Markets Europe, AG	1,773,666.00	34,158.07	0.019
HSBC Bank, PLC.	4,413,740.00	34,043.42	0.008
UBS Securities Asia, Ltd.	35,505,046.00	33,595.59	0.001
<b>Other Brokers</b>	<b>4,757,721,360.53</b>	<b>1,073,765.57</b>	<b>0.000</b>
<b>Total</b>	<b>5,373,092,012.53</b>	<b>\$ 4,257,208.94</b>	<b>\$ 0.001</b>

## SCHEDULE OF INVESTMENT FEES

	2025 Fees	2025 Assets under management at year end (in thousands)*	Basis Points	2024 Fees	2024 Assets under management at year end (in thousands)*	Basis Points
<b>Investment manager fees</b>						
Fixed income managers	\$ 15,883,998	\$ 15,060,792	11	\$ 15,374,574	\$ 11,345,413	14
Stock managers**	19,745,453	8,033,682	25	21,730,361	8,924,389	24
International managers	60,603,140	25,340,993	24	60,776,033	23,610,585	26
Real estate managers	57,476,732	5,260,353	109	50,175,115	4,732,012	106
Alternative investment managers	94,314,336	8,253,281	114	80,583,649	6,781,833	119
<b>Total</b>	<b>\$ 248,023,659</b>	<b>\$61,949,101</b>		<b>\$ 228,639,732</b>	<b>\$ 55,394,232</b>	
<b>Other investment fees</b>						
Master trustee fees	373,000			323,000		
Investment consulting fees	750,000			795,000		
<b>Total investment fees</b>	<b>249,146,659</b>			<b>229,757,732</b>		
Non-fee investment expenses	3,689,476			3,152,326		
<b>Total direct investment expenses</b>	<b>\$ 252,836,135</b>			<b>\$ 232,910,058</b>		
<b>Securities lending fees</b>						
<b>(Borrower rebates) and management fees</b>	<b>\$ 13,658,724</b>			<b>\$ 14,741,354</b>		

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

\*\*Includes \$1,004,476 and \$1,026,834 for 2025 and 2024, respectively, in expenses related to IMRF's Equity Internal Management group.

# ACTUARIAL

- 84 Actuary's Certification Letter
- 87 Summary of Actuarial Assumptions
- 88 Funded Status and Funding Progress
- 89 Schedule of Aggregate Funding Progress
- 89 Schedule of Aggregate Employer Contributions
- 90 Solvency Test
- 90 Participating Member Statistics
- 91 Schedules of Adds and Removals from Rolls
- 92 Contribution Rates
- 93 Actuarial Balance Sheet
- 93 Analysis of Under Funded Liability
- 94 Derivation of Experience Gain/(Loss)
- 95 Summary of Benefits



June 3, 2026

Board of Trustees  
Illinois Municipal Retirement Fund  
800 Commerce Drive  
Oak Brook, Illinois 60523-2196

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 2027 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, 2025, and issued on June 2, 2026. 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 by IMRF Staff 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  
 June 3, 2026  
 Page 2

#### **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, 2025 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 used for funding purposes 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.

The Annual Recommended Contribution rates determined in funding valuation report are reasonable under Actuarial Standard of Practice (ASOP) No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, based on:

- The use of reasonable actuarial assumptions and cost methods;
- The use of reasonable amortization and asset valuation methods; and
- Application of the IMRF funding policy which will accumulate sufficient assets to make benefit payments when due, assuming all assumptions will be realized and Annual Recommended Contributions are made when due.

As of the valuation date, in the aggregate, IMRF is 97.4% funded based upon the smoothed value of assets and 102.9% 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, 2025 valuations, we are pleased to report to



Board of Trustees  
Illinois Municipal Retirement Fund  
June 3, 2026  
Page 3

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.

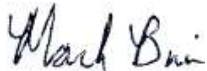
Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or 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.

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 Bonita 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/BJW:dj  
Enclosure



**Illinois Municipal Retirement Fund  
Brief Summary of Actuarial Assumptions Used in the 2025 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	0.47%	0.24%	0.05%	0.03%	2.94%	3.00%
65	0.68%	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%	2.2%	-	-	-	-	-	-
45	2.7%	3.9%	2.0%	-	-	-	-	-	-
50	2.2%	3.4%	2.0%	-	-	-	-	31.25%	31.50%
55	-	-	-	7.50%	6.40%	33.50%	29.75%	26.00%	31.50%
60	-	-	-	-	-	13.50%	12.00%	21.25%	31.50%
65	-	-	-	-	-	26.50%	27.75%	25.50%	31.50%
70	-	-	-	-	-	26.75%	26.00%	100.00%	100.00%

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%	80.00%
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%	100.00%	100.00%
75	-	-	-	-	-	16.00%	17.00%	100.00%	100.00%

Ages	Sample Probabilities (for Ages in 2025)			
	Annuitant Mortality			
	Healthy Annuitants		Disabled Annuitants	
	Male	Female	Male	Female
40	0.1442%	0.0605%	0.8967%	0.7617%
50	0.7361%	0.4016%	1.5173%	1.3327%
60	1.1746%	0.5745%	2.5137%	1.9814%
70	2.0570%	1.0900%	3.5618%	2.4658%
80	5.5799%	3.4649%	6.4270%	5.3477%

*This summary was provided by the Actuary.*

## FUNDED STATUS AND FUNDING PROGRESS

As of December 31, 2025, the most recent actuarial valuation date, the plan on an aggregate basis was 97.4% funded on an actuarial basis. The actuarial accrued liability for benefits was \$59.6 billion, and the actuarial value of assets was \$58 billion, resulting in an unfunded actuarial accrued liability (UAAL) of \$1.6 billion. The covered payroll (annual payroll of active employees covered by the plan) was \$10.5.0 billion, and the ratio of the UAAL to the covered payroll was 14.9%.

The schedule of funding progress presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## ADDITIONAL INFORMATION AS OF THE LATEST ACTUARIAL VALUATION FOLLOWS:

<b>Valuation date</b> .....	December 31, 2025
<b>Actuarial cost method</b> .....	Entry age normal
<b>Amortization method</b> .....	Level percent of payroll for Regular and SLEP; level dollars for ECO
<b>Amortization period</b> .....	Taxing bodies: closed, 16 years
	Entities over 120% funded on a market basis: varies by funding status
	Non-taxing bodies: open, 10 years
<b>Asset valuation method</b> .....	Five-year smoothed fair value related with a 20% corridor

## ACTUARIAL ASSUMPTIONS:

<b>Investment rate of return</b> .....	7.25%
<b>Projected salary increases</b> .....	2.94% to 13.75%
<b>Assumed wage inflation rate</b> .....	2.75%
<b>Group size growth rate</b> .....	0.00%
<b>Assumed payroll growth rate</b> .....	2.50%
<b>Post-retirement increase</b> .....	Tier 1 - 3.0%—simple
	Tier 2 - 3.0%—simple or 1/2 increase in CPI, whichever is less
<b>Mortality table</b> .....	For non-disabled retirees, the 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 were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male (adjusted 100%) and Female (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.

*This data 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
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
2024	57,595,914,539	55,198,764,752	95.8	2,397,149,787	9,749,063,986	24.6
2025	59,592,155,164	58,026,968,396	97.4	1,565,186,768	10,540,277,014	14.9

\* 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
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	455,754,177	117,305,269	24,540,439	55,481,991	653,081,876	100%
2024	533,629,493	93,579,596	24,205,285	59,299,881	710,714,255	100%
2025	490,254,251	238,748,352	16,999,737	63,877,790	809,880,130	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)
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
2024	8,196,428,413	33,559,163,756	15,840,322,370	55,198,764,752	100.0	100.0	84.9
2025	9,012,230,992	34,424,159,295	16,155,764,877	58,026,968,396	100.0	100.0	90.3

*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
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
2024	9,749,063,986	8.9	50,093	1.5	194,618	46.4	8.9
2025	10,540,277,014	8.1	52,270	4.3	201,651	46.1	8.8

*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		
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	5,677	(29,151,872)	154,554	2,884,117,008	18,661	5.5
2024	6,372	142,051,152	3,058	1,148,011	157,868	3,025,020,149	19,162	2.7
2025	5,621	306,744,886	4,115	60,127,248	159,374	3,271,637,786	20,528	7.1

**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		
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)
2024	262	10,027,327	287	3,437,176	511	13,498,282	26,415	105.0
2025	789	7,747,578	979	13,014,825	321	8,231,035	25,642	(2.9)

**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
<b>Regular members</b>							
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
2026	4.52	1.81	0.06	n/a	0.16	0.62	7.17
2027	4.41	1.07	0.08	n/a	0.19	0.62	6.37
<b>Sheriff's Law Enforcement Personnel (SLEP) members</b>							
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
2026	8.51	7.83	0.01	1.81	0.16	0.62	24.52
2027	8.01	5.80	0.01	1.64	0.20	0.62	16.28
<b>Elected County Official (ECO) members</b>							
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
2026	13.11	28.77	0.00	n/a	0.19	0.62	42.69
2027	12.70	10.84	0.00	n/a	0.25	0.62	24.41

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
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
2024	3.75	0.75	4.50	3.75	0.75	3.00	7.50	3.75	0.75	3.00	7.50
2025	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	
	2025	2024
<b>Sources of Funds</b>		
Actuarial value of assets	\$ 58,026,968,396	\$ 55,198,764,752
<b>Actuarial present value of future contributions</b>		
Member	3,552,637,807	3,264,357,315
Employer Normal Costs	3,368,543,977	3,190,183,268
Under Funded Actuarial Accrued Liability	1,565,186,768	2,397,149,787
<b>Total Sources</b>	<b>\$ 66,513,336,948</b>	<b>\$ 64,050,455,122</b>
<b>Uses of Funds</b>		
Retired members and beneficiaries	\$ 34,424,159,295	\$ 33,559,163,756
Inactive members	5,310,121,570	5,097,141,169
Active members	25,989,130,226	24,723,523,558
Voluntary additional members	770,089,886	659,931,790
Death and disability benefits	19,835,971	10,694,849
<b>Total Uses</b>	<b>\$ 66,513,336,948</b>	<b>\$ 64,050,455,122</b>

This data was provided by the Actuary.

## ANALYSIS OF UNDER FUNDED LIABILITY

	December 31	
	2025	2024
Underfunded liability beginning of year	\$ 2,397,149,787	\$ 1,869,342,158
Assumed net (payments) during year	(208,135,106)	(161,788,513)
Assumed interest	166,336,443	129,730,898
<b>Expected underfunded liability</b>	<b>\$ 2,355,351,124</b>	<b>\$ 1,837,284,543</b>
Increase due to change in assumptions	\$ -	\$ -
Increase due to experience study	-	-
(Decrease)/Increase due to investment performance	(826,216,029)	155,011,210
Increase due to other sources	36,051,673	404,854,031
<b>Under funded liability end of year</b>	<b>\$ 1,565,186,768</b>	<b>\$ 2,397,149,784</b>

This data was provided by the Actuary.

## DERIVATION OF EXPERIENCE GAIN/(LOSS)

	2025	2024
<b>Type of Risk Area</b>		
<b>Risks Related to Assumptions (in millions)</b>		
<b>Economic Risk Areas</b>		
Investment Return/(Loss)	\$ 826.2	\$ (155.0)
Pay Increases	(139.9)	(190.3)
<b>Demographic Risk Areas</b>		
Service Retirements	7.6	(6.8)
Early Retirements	(3.7)	(1.7)
Vested Deferred Retirements	(34.3)	(34.2)
Death and Survivor Benefits	3.3	1.3
Disability Benefits	7.1	7.7
Terminated with Refund	(50.6)	(51.4)
<b>Risks Not Related to Assumptions (1)</b>	<b>174.5</b>	<b>(129.5)</b>
<b>Total (Loss) During Year (2)</b>	<b>\$ 790.2</b>	<b>\$ (559.9)</b>

*This data was provided by the Actuary.*

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 3,076 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 and increased annually by 3% or one-half of the increase of the Consumer Price Index, whichever is less. The pensionable earnings cap for 2026 will be \$129,192.26, and in 2025 it was \$127,283.01. 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 (10 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.

# STATISTICAL

## Financial Tables

- 101 Changes in Fiduciary Net Position
- 102 Benefit Expense by Type

## Operating and Demographic Tables

- 103 Net Cash Flow from Contributions After Benefits
- 103 Operating Statistics
  - Number of Initial Benefit Payments
- 104 Number of Employees
- 104 Number of Actively Participating Employers
- 105 Principal Participating Employers
- 105 Number of Actively Participating Members
- 106 Participating Members' Length of Service
- 106 Active Members by Age

## Benefit Payment Tables

- 107 Annuitants by Age
- 107 Average Initial Benefit Payment Amounts
- 108 Analysis of Initial Retirement Benefits: Regular Plan
- 109 Analysis of Initial Retirement Benefits: SLEP Plan
- 110 Analysis of Initial Retirement Benefits: ECO Plan
- 111 Distribution of Current Annuitants
  - by Pension Amount
- 111 Membership by Tier

**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
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
2024	5,092,383,602	710,714,255	7.29	584,525,889	642,874	6,388,266,620
2025	8,573,249,940	809,880,130	7.68	609,675,346	338,509	9,993,143,925
Deductions						
Calendar Year	Benefits	Refunds	Administrative Expenses	Total Deductions	Change in Fiduciary Net Position	
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	
2024	3,121,576,031	55,547,076	56,885,394	3,234,008,501	3,154,258,119	
2025	3,277,728,989	72,094,612	53,897,655	3,403,721,256	6,589,422,669	

**TABLE IX**  
*Benefit Expense by Type (Last ten years)*

Calendar Year	Death				Disability	
	Supplemental	Refund	Burial	Residual	Permanent	Temporary
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
2024	6,897,069	7,881,742	6,274,246	2,106,256	2,520,207	5,290,821
2025	16,709,764	N/A	10,140,666	2,343,648	2,218,786	4,708,246

Calendar Year	Annuities				Refunds		Total
	Retirement	Surviving Spouse	Beneficiary	Supplemental	Separation	Other	
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
2024	2,852,727,630	171,906,988	6,368,792	59,602,280	22,284,143	33,262,933	3,177,123,107
2025	2,986,659,602	183,134,750	6,686,927	65,126,600	24,836,825	47,257,787	3,349,823,601

N/A - Not Available

**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
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)
2024	710,714,255	584,525,889	1,295,240,144	3,177,123,107	(1,881,882,963)
2025	809,880,130	609,675,346	1,419,555,476	3,349,823,601	(1,930,268,125)

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

Calendar Year	Annuity	Disability	Death	Refund	Total
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
2024	6,704	946	7,460	5,142	20,252
2025	5,289	789	3,600	4,471	14,149

**TABLE XII**  
*Number of Employees (Last ten years)*

Calendar Year End	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Administration (2)	5	6	6	2	2	2	2	2	2	2
Benefits (3)	31	35	33	19	20	20	14	23	24	22
Communications	9	8	8	9	9	9	9	8	8	9
Customer Service (2)	-	-	-	1	1	1	1	1	1	1
Disability (3)	-	-	-	15	13	13	11	11	10	11
Employer Services (4)	-	-	-	12	11	8	23	22	22	23
Finance	20	25	25	24	27	25	20	20	21	23
Human Resources	4	4	4	4	5	5	5	5	4	5
Information Services	32	40	43	41	43	44	43	43	44	49
Internal Audit (1)	8	8	8	8	8	4	3	3	4	4
Investments	14	14	14	17	17	15	16	17	17	17
Legal (1, 5)	5	5	6	8	8	13	12	13	13	15
Member Services (4)	37	38	40	28	29	30	28	30	37	48
Office Services (5)	19	19	19	18	18	18	16	17	17	17
Organizational Excellence (2)	-	-	-	3	3	3	2	2	2	4
Program Management (6)	6	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>190</b>	<b>202</b>	<b>206</b>	<b>209</b>	<b>214</b>	<b>210</b>	<b>205</b>	<b>217</b>	<b>226</b>	<b>250</b>

(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
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
2024	265	433	101	851	481	931	3,062
2025	265	436	101	851	483	940	3,076

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

Employer	2025			2016		
	Active Members	Rank	Percentage of Total Active Members	Active Members	Rank	Percentage of Total Active Members
DuPage County	2,866	1	1.45%	2,943	1	1.69%
Lake County	2,450	2	1.24%	2,468	2	1.42%
Union School District 46	2,311	3	1.17%	2,159	4	1.24%
Will County	2,226	4	1.13%	2,196	3	1.26%
Rockford School District 205	1,593	5	0.81%	1,508	5	0.87%
Winnebago County	1,374	6	0.70%	1,378	6	0.79%
Kane County	1,371	7	0.70%	1,275	7	0.73%
Peoria School District 150	1,252	8	0.64%	N/A*	N/A*	N/A*
Township High School District 211	1,163	9	0.59%	1,173	8	0.67%
Plainfield School District 202	1,152	10	0.58%	N/A*	N/A*	N/A*
Community Unit School District 203	N/A**	N/A**	N/A**	1,168	9	0.67%
McHenry County	N/A**	N/A**	N/A**	1,150	10	0.67%

\*In 2016, this entity did not rank in the Top Ten.

\*\* In 2025, 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
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
2024	72,743	124,116	196,859
2025	72,590	124,101	196,691

**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
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
2024	196,859	31,960	87,233	34,342	43,324	39.5
2025	196,691	26,587	92,283	36,105	41,716	39.6

**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	532	591	1,123	5	-	5	-	-	-
20 to 29	11,703	16,494	28,197	733	133	866	2	-	2
30 to 39	15,088	23,935	39,023	1,150	177	1,327	1	-	1
40 to 49	16,264	29,749	46,013	1,194	201	1,395	3	-	3
50 to 54	7,916	15,193	23,109	314	62	376	4	3	7
55 to 59	8,074	16,060	24,134	207	28	235	5	4	9
60 to 69	10,636	19,292	29,928	94	17	111	11	9	20
70 and Over	2,377	2,787	5,164	9	-	9	5	-	5
<b>Total</b>	<b>72,590</b>	<b>124,101</b>	<b>196,691</b>	<b>3,706</b>	<b>618</b>	<b>4,324</b>	<b>31</b>	<b>16</b>	<b>47</b>

**TABLE XVIII**  
Annuitants by Age

Age	Retirees			Surviving Spouses			Beneficiaries		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Under 55	376	103	479	10	89	99	130	174	304
55 to 59	2,517	3,429	5,946	34	168	202	37	53	90
60 to 64	6,181	12,230	18,411	132	469	601	27	120	147
65 to 69	10,305	22,095	32,400	386	1,054	1,440	41	86	127
70 to 74	10,595	22,728	33,323	740	1,512	2,252	44	83	127
75 to 79	7,949	17,703	25,652	1,065	2,004	3,069	25	63	88
80 to 84	4,228	10,525	14,753	1,062	2,002	3,064	12	46	58
85 to 89	2,122	5,661	7,783	943	1,616	2,559	6	24	30
90 to 94	737	2,551	3,288	506	979	1,485	2	8	10
95 to 99	166	795	961	155	350	505	-	5	5
100 and over	18	111	129	22	45	67	-	1	1
<b>Total</b>	<b>45,194</b>	<b>97,931</b>	<b>143,125</b>	<b>5,055</b>	<b>10,288</b>	<b>15,343</b>	<b>324</b>	<b>663</b>	<b>987</b>

**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)
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
2024	4,326	4,602	12,646	18,925
2025	4,930	46,094	27,081	26,316

(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+	
<b>2016</b>								
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
<b>2017</b>								
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
<b>2018</b>								
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
<b>2019</b>								
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
<b>2020</b>								
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
<b>2021</b>								
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
<b>2022</b>								
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
<b>2023</b>								
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
<b>2024</b>								
Avg Monthly Annuity	\$ 486	\$ 708	\$ 1,467	\$ 1,759	\$ 2,335	\$ 4,005	\$ 4,998	\$ 2,047
Avg Monthly FRE	\$ 2,559	\$ 2,782	\$ 3,244	\$ 3,573	\$ 4,196	\$ 4,947	\$ 5,679	\$ 3,608
Number of Retirees	2	31	23	31	21	13	12	133
<b>2025</b>								
Avg Monthly Annuity	\$ 590	\$ 653	\$ 1,275	\$ 1,799	\$ 2,539	\$ 3,801	\$ 5,139	\$ 2,139
Avg Monthly FRE	\$ 3,868	\$ 3,431	\$ 4,239	\$ 4,611	\$ 5,254	\$ 6,581	\$ 7,345	\$ 4,911
Number of Retirees	92	444	521	578	466	290	260	2,651

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

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+	
<b>2016</b>							
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
<b>2017</b>							
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
<b>2018</b>							
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
<b>2019</b>							
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
<b>2020</b>							
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
<b>2021</b>							
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
<b>2022</b>							
Avg Monthly Annuity	\$ 1,071	\$ -	\$ 4,124	\$ 6,149	\$ 7,401	\$ 3,850	\$ 5,242
Avg Monthly FRE	\$ 5,190	\$ -	\$ 7,770	\$ 9,069	\$ 9,750	\$ 4,813	\$ 8,449
Number of Retirees	1	-	67	53	15	1	137
<b>2023</b>							
Avg Monthly Annuity	\$ 1,559	\$ -	\$ 4,771	\$ 6,487	\$ 6,890	\$ 6,394	\$ 5,673
Avg Monthly FRE	\$ 5,059	\$ -	\$ 8,932	\$ 9,575	\$ 9,071	\$ 9,133	\$ 9,197
Number of Retirees	1	-	62	58	10	1	132
<b>2024</b>							
Avg Monthly Annuity	\$ -	\$ 3,908	\$ 5,457	\$ -	\$ -	\$ -	\$ 4,769
Avg Monthly FRE	\$ -	\$ 2,687	\$ 4,953	\$ 6,516	\$ 7,521	\$ 3,960	\$ 5,795
Number of Retirees	-	4	5	9,805	9,797	4,950	9
<b>2025</b>							
Avg Monthly Annuity	\$ -	\$ 2,687	\$ 4,953	\$ 6,516	\$ 7,521	\$ 3,960	\$ 5,795
Avg Monthly FRE	\$ -	\$ 7,973	\$ 9,003	\$ 9,805	\$ 9,797	\$ 4,950	\$ 9,297
Number of Retirees	-	2	33	21	12	1	69

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

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+	
<b>2016</b>								
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
<b>2017</b>								
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
<b>2018</b>								
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
<b>2019</b>								
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
<b>2020</b>								
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
<b>2021</b>								
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
<b>2022</b>								
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
<b>2023</b>								
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
<b>2024</b>								
Avg Monthly Annuity	\$ -	\$ 320	\$ -	\$ 7,287	\$ -	\$ 11,237	\$ 8,296	\$ 7,709
Avg Monthly FRE	\$ -	\$ 414	\$ -	\$ 8,847	\$ -	\$ 6,763	\$ 10,566	\$ 7,538
Number of Retirees	-	1	-	2	-	2	2	7
<b>2025</b>								
Avg Monthly Annuity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avg Monthly FRE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Number of Retirees	-	-	-	-	-	-	-	-

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

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	441	2,652	474	409	915	3,061
\$100 to under \$250	1,530	9,025	1,237	1,378	2,767	10,403
\$250 to under \$500	3,640	17,248	1,462	2,083	5,102	19,331
\$500 to under \$750	3,693	13,884	847	1,596	4,540	15,480
\$750 to under \$1,000	3,250	10,775	542	1,116	3,792	11,891
\$1,000 to under \$2,000	9,266	24,235	673	2,687	9,939	26,922
\$2,000 to under \$3,000	6,303	10,488	110	1,050	6,413	11,538
\$3,000 to under \$4,000	5,000	4,872	23	385	5,023	5,257
\$4,000 to under \$5,000	3,938	2,447	8	147	3,946	2,594
\$5,000 to under \$6,000	2,932	1,130	3	54	2,935	1,184
\$6,000 and over	5,201	1,173	1	47	5,202	1,220
<b>Total</b>	<b>45,194</b>	<b>97,929</b>	<b>5,380</b>	<b>10,952</b>	<b>50,574</b>	<b>108,881</b>

Note: Counts do not include disabilities.

**TABLE XXIV**  
Membership By Tier

	2025			2024		
	Tier 1	Tier 2	Total	Tier 1	Tier 2	Total
<b>Annuitants/Beneficiaries</b>						
<b>Total Retirees</b>	<b>157,454</b>	<b>2,001</b>	<b>159,455</b>	<b>156,860</b>	<b>1,519</b>	<b>158,379</b>
<b>Active</b>						
Vested	48,246	17,835	66,081	52,301	13,727	66,028
Non-Vested	11,815	118,795	130,610	17,966	112,865	130,831
<b>Total</b>	<b>60,061</b>	<b>136,630</b>	<b>196,691</b>	<b>70,267</b>	<b>126,592</b>	<b>196,859</b>
<b>Inactive</b>						
Vested	14,625	2,063	16,688	14,438	1,399	15,837
Non-Vested	67,055	97,886	164,941	66,951	86,278	153,229
<b>Total</b>	<b>81,680</b>	<b>99,949</b>	<b>181,629</b>	<b>81,389</b>	<b>87,677</b>	<b>169,066</b>
<b>Active/Inactive</b>						
Vested	62,871	19,898	82,769	66,739	15,126	81,865
Non-Vested	78,870	216,681	295,551	84,917	199,143	284,060
<b>Total Active/Inactive</b>	<b>141,741</b>	<b>236,579</b>	<b>378,320</b>	<b>151,656</b>	<b>214,269</b>	<b>365,925</b>
<b>Total Membership</b>	<b>299,195</b>	<b>238,580</b>	<b>537,775</b>	<b>308,516</b>	<b>215,788</b>	<b>524,304</b>

# 2026-2028 STRATEGIC PLAN

IMRF's Strategic Plan for 2026-2028 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.



## 2026-2028 STRATEGIC PLAN



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



**Oak Brook Office**  
800 COMMERCE DR  
OAK BROOK IL 60523-2196



**Springfield Regional  
Counseling Center**  
3000 PROFESSIONAL DRIVE, SUITE 101  
SPRINGFIELD IL 62703-5934

**Member Contact Center**  
1-800-ASK-IMRF (275-4673)

**Employer Contact Center**  
1-800-728-7971

[www.imrf.org](http://www.imrf.org)