



Illinois Municipal Retirement Fund

2211 York Road Suite 500 Oak Brook IL 60523-2337

Member Services Representatives 1-800-ASK-IMRF

www.imrf.org

GENERAL MEMORANDUM

Number: 641

Date: August 15, 2013

To: All Authorized Agents

Subject: Public Act 98-0218

Executive Summary

On August 9, 2013, the governor signed House Bill 1444 into law as Public Act 98-0218, effective immediately. This bill makes the following changes to the IMRF article of the Illinois Pension Code:

- Allows members to apply for a refund of their Voluntary Additional Contributions before they stop working for their IMRF employer or before they apply for their IMRF pension only to the extent permitted by the Internal Revenue Code.
- Changes the amortization period of an employer's unfunded liability to align it with the new GASB requirements.
- No longer requires the Township Supervisor to be the IMRF Authorized Agent for townships.
- Removes the requirement that the IMRF Board of Trustees meet monthly.

Dear Authorized Agent:

On August 9, 2013, the governor signed House Bill 1444 into law as Public Act 98-0218, effective immediately. This bill makes the following changes to the IMRF article of the Illinois Pension Code:

- **Voluntary Additional Contribution Withdrawals**

Effective date: August 09, 2013

Old law: Previously, members could apply for a refund of their Voluntary Additional Contributions at any time.

New law: Allows members to apply for a refund of their Voluntary Additional Contributions before they stop working for their IMRF employer or before they apply for their IMRF pension only to the extent permitted by the Internal Revenue Code. IMRF is currently working with our tax counsel to determine what is permitted.

- **Changes the amortization period of an employer's unfunded liability to align it with the new GASB requirements**

Effective date: August 9, 2013

Old law: The statute provided IMRF employer amortization periods would conform to generally accepted accounting principles

New law: This legislation codifies IMRF's current amortization policy. For taxing bodies, the unfunded liability is amortized over a period determined by the Board, not to exceed 30 years for participating municipalities or 10 years for participating instrumentalities.

- **No longer requires the Township Supervisor to be the IMRF Authorized Agent for townships.**

Effective date: August 9, 2013

Old law: In townships, the Pension Code designated the Township Supervisor as the IMRF Authorized Agent.

New law: Townships can now appoint any qualified party as the IMRF Authorized Agent using IMRF Form 2.20, "Notice of Appointment of Authorized Agent."

- **Removes the requirement that the IMRF Board of Trustees meet monthly.**

Effective date: August 9, 2013

Old law: Required the IMRF Board of Trustees to meet monthly.

New law: Requires the IMRF Board of Trustees to meet a minimum of four times a year. The Board may choose to meet more often.

Questions?

If you have any questions, please call an IMRF Member Services Representative at 1-800-ASK-IMRF (1-800-275-4673), 7:30 a.m. to 5:30 p.m., Monday through Friday.

Sincerely,



Louis W. Kosiba
Executive Director