



Illinois Municipal Retirement Fund

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Member Services Representatives 1-800-ASK-IMRF

www.imrf.org

SPECIAL MEMORANDUM

Number: 313

Date: August 21, 2009

To: County employers that adopted the Elected County Official plan prior to January 26, 2000

Subject: State Fiscal Year 2010 stipends for elected officials—Deadline date change

Executive Summary

If a member retires under the original Elected County Official plan (original ECO), the ECO pension calculation includes:

- a. The member's final salary for his/her elected county office, plus
- b. Any stipend funded by the state of Illinois (assuming the state funded the stipend in the same fiscal year in which the member stops participating in ECO).

Because of the uncertainty regarding funding of stipends for the state's fiscal year 2010, this year original ECO members have until **December 31, 2009** to opt out of ECO participation and freeze their final earnings rate to include the FY 2009 stipend. *Note: This date has been revised since we sent our previous communications, which listed September 30, 2009 as the opt-out deadline.*

Dear Authorized Agent:

In two previous memos, IMRF informed you that any elected officials participating in the original ECO plan may opt to terminate ECO participation by September 30, 2009, in order to freeze their final salary to include the full state stipend paid in the state's fiscal year 2009. **That date has now been moved forward to December 31, 2009.**

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The earnings used to calculate an original ECO pension include the salary of the elected official plus any stipend paid or to be paid at the date the official terminates ECO participation. Because of the uncertainty surrounding stipend payments for fiscal year 2010, IMRF agreed to allow original ECO participants a grace period in which to opt out of ECO and freeze the final salary to include the fiscal year 2009 stipend.

After talking to various officials throughout the state, we have become aware of the importance to the final salary rate of compensation increases scheduled for December. Therefore, original ECO participants who wish to opt out of ECO and freeze their final rate to include the fiscal year 2009 stipend may have until December 31, 2009 to do so.

If you or your county officials have any questions, please call IMRF General Counsel Kathy O'Brien at (630) 368-5352. You can also refer to Special Memos 310 and 311 for more detailed information.

Sincerely,

A handwritten signature in black ink, appearing to read "Louis W. Kosiba". The signature is fluid and cursive, with the first name "Louis" being the most prominent part.

Louis W. Kosiba
Executive Director