



# PRE-RETIREMENT WORKSHOP WEBINAR





## COVID-19 and IMRF

*IMRF is secure, agile, and proactive.*

- Fully adapted to operational challenges posed by COVID-19
- Providing all key services to members and employers
- Pivoting staff between in-person and remote work



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# Supplement Pre-Retirement Information Page

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Member Access Employer Access  
User Name: Username Password: Password SIGN IN  
Forgot Username Forgot Password Register

MY ACCOUNT MEMBERS RETIREES EMPLOYERS INVESTMENTS ABOUT IMRF FORMS AND PUBLICATIONS ARCHIVE

**TIERS AND PLANS**

- Tier 1 Regular Plan
- Tier 2 Regular Plan
- Tier 1 SLEP Plan
- Tier 2 SLEP Plan
- Original ECO Plan
- Tier 1 Revised ECO Plan
- Alternative Members

**MEMBERS MUST KNOW**

- Your Member Access Account
- Member Support Videos
- Update Your Personal Information
- Naming Beneficiaries
- Member Statements Explained
- Retirement Estimates
- Member Workshops and Materials
- Reciprocal Service
- IMRF and Military Service
- IMRF Internal Audit

Leaving Your IMRF Employer

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

MY ACCOUNT MEMBERS RETIREES EMPLOYERS INVESTMENTS ABOUT IMRF FORMS AND PUBLICATIONS ARCHIVE

**Member Workshops and Materials**  
for Active IMRF Members

## Member Workshops Online for 2022!

For the health and safety of all involved, we will continue offering our Pre-Retirement Workshops and Glass Half Full Workshops online. They will be interactive webinars for IMRF members only, and you will have the opportunity to ask questions. These workshops are free for IMRF members.

## Pre-Retirement Workshop Webinar

### Plan Your Retirement

Pre-Retirement Workshops are intended for members within five years of retirement. We will address the steps you must take before and during the IMRF retirement application process.

**PRE-RETIREMENT WORKSHOP ADDITIONAL INFORMATION PAGE**

Plan your Retirement  
Click here for the Pre-Retirement Workshop Webinar presentation and links to supplemental information.



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## Topics of the Day

- Learn about your benefits
- Encourage you to review your records
- Understand how your benefits are calculated
- Review steps to get your pension
- Learn what you need to do before you retire
- Learn what to expect after you retire



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# Many Resources Available Online



## *A great tool for employees!*

- **Pension calculations**
- Wage & service information
- Personal Benefit Review registration
- Beneficiary changes
- **Retirement & disability applications**
- Address updates



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# Understanding Your Pension



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## Enrollment in IMRF

- Enrollment is based on number of hours expected to be worked during a 12 month period.
- Each employer has a specific hourly standard.

**600**  
**HOUR STANDARD**

**OR**

**1,000**  
**HOUR STANDARD**



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OR



*Member participation began  
prior to January 1, 2011*

*Member participation began  
on or after January 1, 2011*



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# 2022 Pension Dollar



Regular plan members pay 4.5% of their paycheck.

Contributions are tax-deferred.



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# What is Your IMRF Pension Amount Based On?



**Final Rate  
of Earnings (FRE)**



**Years & Months  
of Service**



**Age at  
Retirement**



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# How Do IMRF Employees Earn Service Credit?

- Working for an IMRF employer
  - Full-time
  - Part-time
- Being on IMRF disability
- Seasonal position
- Unused/unpaid sick time converted to service credit
  - can not be used to vest
- Purchasing service credit

- Military Service
- Reinstatement
- Retroactive
- Omitted
- Tier 1 SLEP Conversion
- Benefit Protection Leave
- Out of State



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## Unused/Unpaid Sick Time

- Based on your employer's sick time policy, upon termination

1-20	1 month
21-40	2 months
41-60	3 months
61-80	4 months
81-100	5 months
101-120	6 months

121-140	7 months
141-160	8 months
161-180	9 months
181-200	10 months
201-220	11 months
221-240	12 months

### Did You Know?

- Full days are applied
- Pension effective date needs to be within 60 days of the IMRF termination date
- Final employer only, unless retiring from certain educational employers



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## Regular Plan Benefits

### Eligibility

- 8 years service
- Age 60 (unreduced)

### Reduction if under age 60 or less than 35 years of service

- 0.25% per month
- Reduction is permanent
- Smallest reduction is applied
- Age 55 (earliest age)

AGE	REDUCTION	SERVICE
60	0%	35
59	3%	34
58	6%	33
57	9% <sup>+</sup>	32
56	12%	31
55	15%	30



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## Regular Plan Benefits

### Eligibility

- 10 years service
- Age 67 (unreduced)

### Reduction if under age 67 or less than 35 years of service

- 0.5% per month
- Reduction is permanent
- Smallest reduction is applied
- Age 62 (earliest age)

AGE	REDUCTION	SERVICE
67	0%	35
66	6%	34
65	12%	33
64	18%	32
63	24%	31
62	30%	30



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# Pension Calculation



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## Final Rate of Earnings



*Average of your highest consecutive*  
**\*48 months**



*Average of your highest consecutive*  
**\*96 months**

*\*\* Over the last 10 years of earnings*



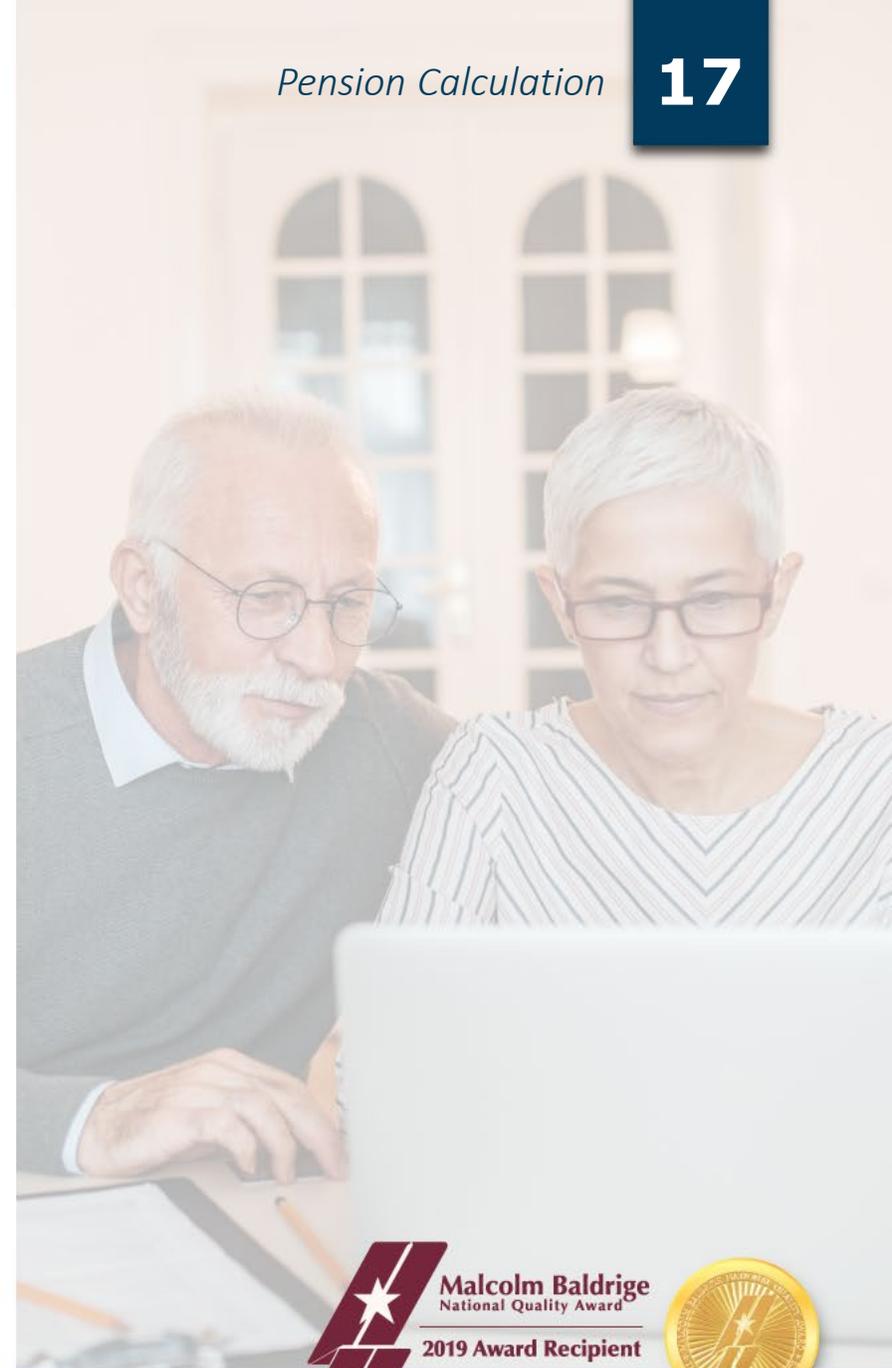
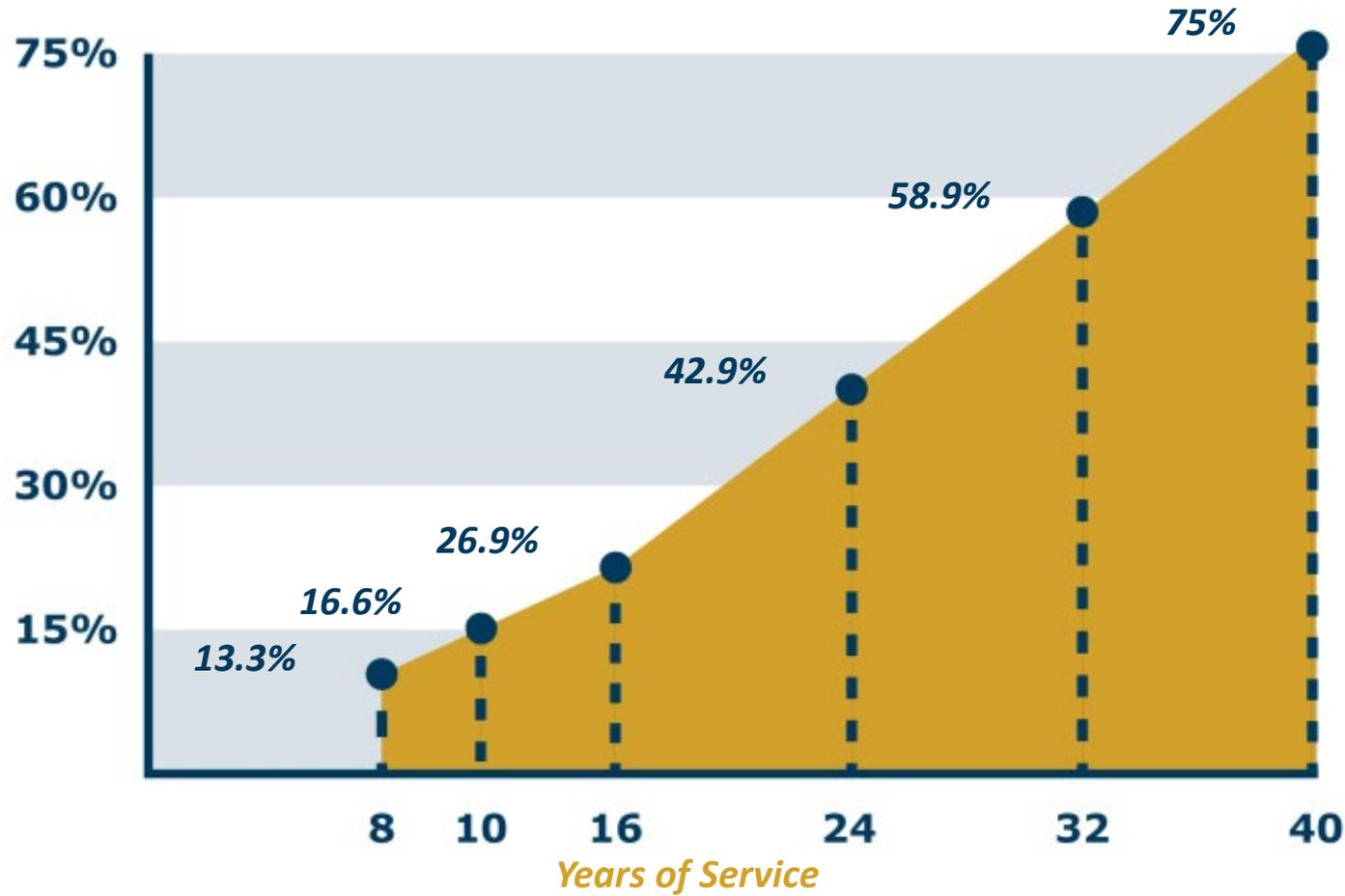
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National Quality Award  
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# Service and FRE % Comparison



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# How Can You Get a Pension Estimate?



You can use the pension calculator.

Here's how to find it...

Text Size: A A | Home | Contact Us | Español Search: Search IMRF

Member Access Employer Access  
 User Name: Username Password: Password SIGN IN  
 Forgot Username Forgot Password Register

MY ACCOUNT MEMBERS RETIREES EMPLOYERS INVESTMENTS ABOUT IMRF FORMS AND PUBLICATIONS ARCHIVE

MEMBER ACCESS EMPLOYER ACCESS

- My IMRF
- Account
- Documents
- Profile
- Upload Document
- Secure Online Forms
- Change Direct Deposit Instructions
- Account Summary
- Payment History
- Voluntary Additional Contributions
- Apply for a Refund of Contributions
- Apply for an IMRF Pension
- IRS Withholding Calculator
- Home
- Wages and Contributions
- Payments
- Members
- Documents
- Web Account
- Contact Us

TOOLS TOOLS FOR MY ACCOUNT

These tools help you communicate with IMRF and make informed decisions about your benefits.

- Tools Summary
- Pension Calculator
- IRS Withholding Calculator
- Refund Payment Calculator
- Find a Workshop
- Secure Message Center
- Upload Document
- Find an IMRF Employer



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## Online Estimate – Member Access

The estimate you can print from the online calculator will look different than one we mail you, but it has the same information.

### Pension Calculator

Pension Calculator

Scenario
Results
Projections
Charts
Help

**Member Information** ✕

<b>Birth Date:</b>		08/12/1960 (59 YEARS)
<b>Service Credit by Plan:</b>	REGULAR TIER 1:	17 YEARS 07 MONTHS
<b>Total Service Credit:</b>		17 YEARS 07 MONTHS
<b>Current Vesting Status:</b>		YOU ARE VESTED FOR AN IMRF PENSION

**Retirement Scenario** ✕

<b>Age at Retirement:</b>	59 <span style="float: right;">▼</span>
<b>Last Day of Work: (MM/DD/YYYY)</b>	10/17/2019 <span style="float: right;">📅</span>
<b>Average Annual Wage Increase: (%)</b>	0 <span style="float: right;">▼</span>

**Optional Service Enhancements** ✕

<b>Unused, Unpaid Sick Days: (days)</b>	0 <span style="float: right;">▼</span>
<b>Unused, Unpaid Sick Days Plan:</b>	REGULAR TIER 1 <span style="float: right;">▼</span>
<b>ERI Service Purchased: (months)</b>	N/A*
<b>ERI Service Plan:</b>	N/A*

\*Your employer does not have a current ERI Resolution on file.

Calc
Reset



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# Starting Your Retirement



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# IMRF Retirement Checklist



**IMRF** **RETIREMENT CHECKLIST**

IMRF has identified critical junctures when you should take action to make sure that everything is in order when you retire. Resources that can help you as you make your way through these steps include [www.imrf.org](http://www.imrf.org) and IMRF Member Access. If you have additional questions, contact us at 1-800-ASK-IMRF (275-4673).

**PRE-RETIREMENT BENCHMARKS**



ANY AGE    2 YEARS PRIOR    1 YEAR PRIOR    3 MONTHS PRIOR    1 MONTH PRIOR    BEGIN RECEIVING YOUR PENSION



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# Apply for Your Pension

## ■ Submit Pension Application

- 30 days in advance of your termination

## ■ Apply Online or Paper

## ■ Requires a Copy of Your:

- Birth certificate
- Marriage certificate or
- Divorce Decree



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National Quality Award

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# Once You've Applied for the Pension - What's Next?

You will receive information about your upcoming retirement:

- It will be mailed about two weeks after your Pension Application is received.
- You will find answers to many common questions about your retirement process, along with information about topics like taxes and health insurance options after retirement.



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# After You Retire

- Pension is *effective* on 1st of month following termination date
- 1st Payment is *typically issued* in the first half of the month following termination
- Thereafter – payment is deposited on 1st of the month
- An estimated pension is paid until IMRF receives final wages from employer



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# Retirement Options



- Under age 62:  
Optional pension
- Voluntary Additional Contributions
- Spousal Refund
- Special Needs Annuity

Option letter arrives  
about 60 days after  
retirement

# Optional Pension

Allows retirees take a larger pension until age 62, and then a reduced pension after.

*Standard benefit*

**\$1,601**



*Optional benefit until age 62*

**\$2,176**

*After age 62*

**\$1,535**

**ONLY**  
*available to*  
*members*  
*who retire*  
*prior to*  
*age 62.*



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## Spousal Refund Options

If you are not married at time of retirement...

- Lump sum payment - minus federal taxes
- Lifetime monthly annuity payments
- Rollover lump sum to a qualified retirement account



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## Voluntary Additional Contribution Plan (VAC)

If you contributed to VAC program...

- **Lifetime monthly annuity payments**
  - \$4,500+ balance
  
- **Lump sum payment (if selected)**
  - Taxable portion
  
- **Rollover to qualified retirement account**



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## Special Needs Annuity

- Also known as Reversionary Annuity
- Reduced pension - provide an additional annuity to beneficiary upon death
- Options based on tier and marital status
  - Set up at time of retirement
  - Irrevocable
  - One beneficiary
  - Call IMRF for estimate



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# During Your Retirement



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# Pension Increases



## ***3% increase each January***

- Based on original pension
- First year pro-rated

Cost of Living  
Adjustment  
— (COLA) —



## ***Lesser of 3% or ½% of CPI URBAN***

- 2022 increase is 2.70%
- After age 67



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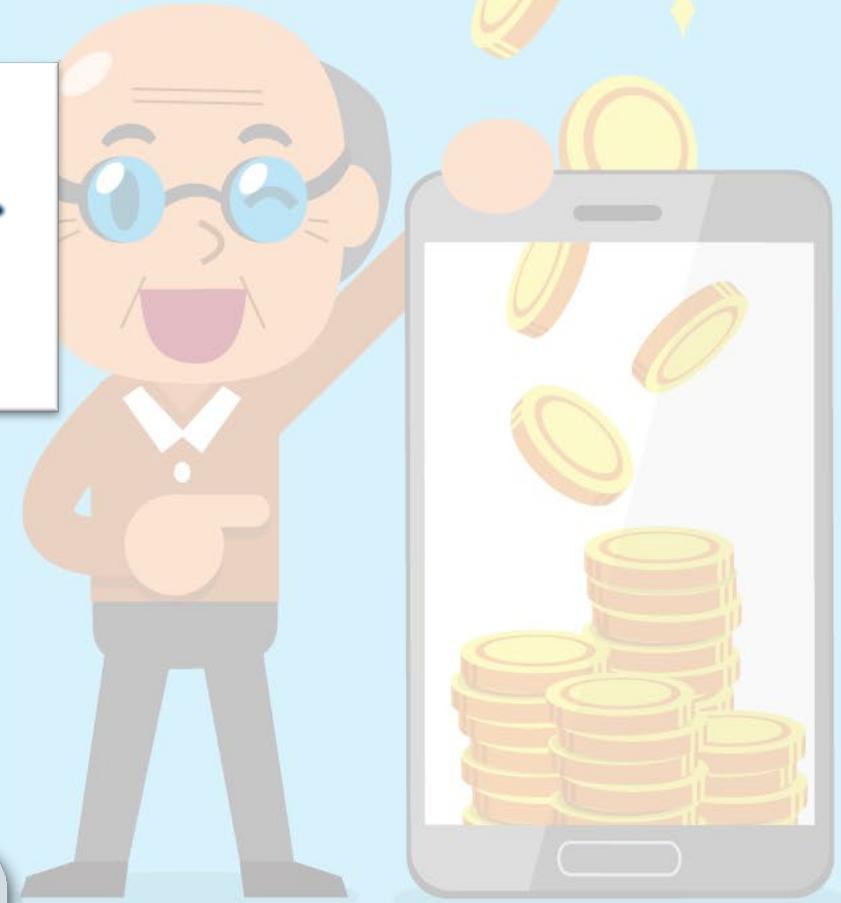


# Supplemental Pension Payment



## How much is the payment?

- 2022- 23.60%
- Every July



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# Taxes & Social Security

- Federal Tax
- State of Illinois does not currently tax pensions
- Moving to another state? Subject to tax in your state
- No reduction in SS or IMRF
- Section 218 agreement



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# Considering Working After Retirement?

Don't rely on information from someone else. Call IMRF directly.



- You must call IMRF at 1-800-275-4673 before you can return to work!
- There could be a costly financial penalty.



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# Considering Working After Retirement?



## Separation of Service Requirement

To begin receiving pension payments, you **MUST**:

- Stop working for any IMRF employer in any capacity
- **No** pre-arrangement to return to work with any IMRF employer prior to retirement
- Must wait at least 60 days after your 1<sup>st</sup> pension check



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# Health Insurance Continuation

- Ask your employer about your options.
- There are state and federal laws in place to help you bridge the gap between working and retirement.

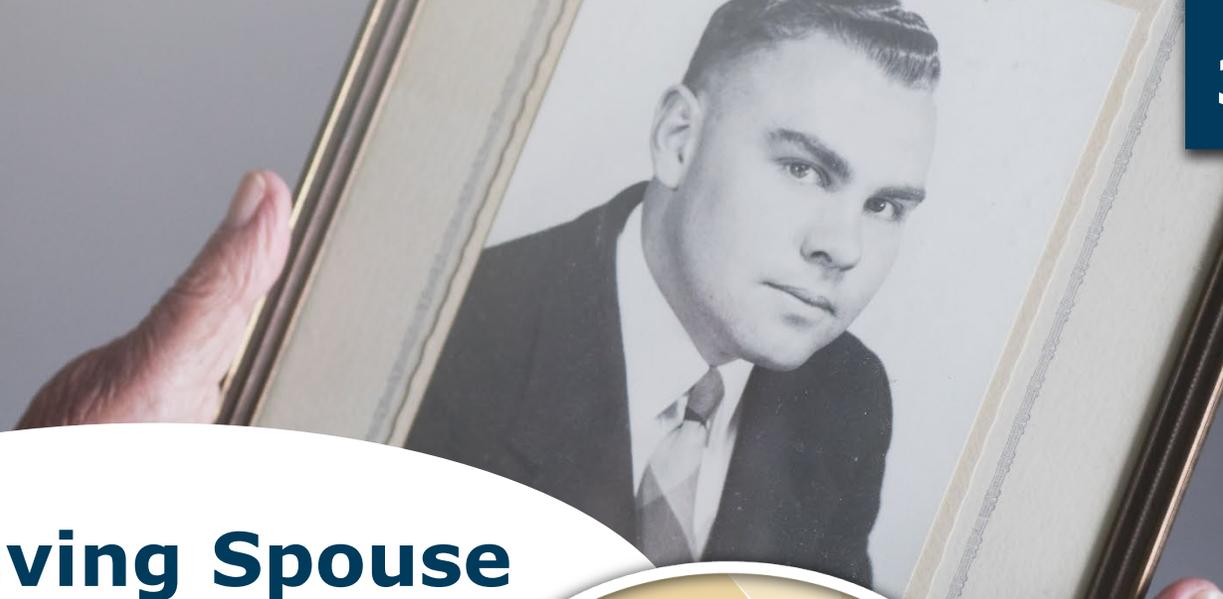


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## Surviving Spouse Pension



**50%**

of your benefit payment



**66 2/3%**

of your benefit payment



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# More Information Available on the Website About These Topics



**Reciprocal Service**



**SLEP – Sheriff’s Law Enforcement Plan**



**Endorsed Insurance Plans**



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## What We've Covered Today

- Retirement benefits through IMRF
- How your benefits are calculated
- What you need to do before you retire
- What to expect after you retire



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# Questions & Answers



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# Thank you for joining us.

Any other questions?  
Member Services Call Center  
7:30am – 5:30pm, Monday – Friday  
1-800-ASK-IMRF (275-4673)  
[www.imrf.org](http://www.imrf.org)

Remember to sign up for



*Please complete the survey coming  
to your email later today.*



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