



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 5a

Title: Resolution to Allow IMRF Service Credit for Military Service

Presenter: Jennifer McMahon, Director of Human Resources

Meeting: Government Operations Committee

Date: August 15, 2022

Proposed Cost: \$0

Budgeted Amount:

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

IMRF employees who served in the U.S. military prior to becoming an IMRF member are currently eligible to convert up to two years of their military service to IMRF service credit. Several years ago, IMRF expanded this opportunity to allow IMRF members to convert up to four years of military service. If an IMRF employer wants to expand to four years, they must adopt a resolution and file it with IMRF.

Ten percent of the City’s workforce are veterans or active military and the City has been recognized as an employer committed to hiring and retaining veterans by being awarded the U.S. Department of Labor’s HIRE Vets Gold Medallion since 2018. Expanding the opportunity for IMRF employees who are veterans to convert up to four years of military service to IMRF service would further support the veteran employee population, contributing to recruitment and retention.

Eligible employees are responsible for the total cost of purchasing service; the employee and employer contributions. There are ten employees potentially eligible for this program.

Attachments *(please list):*

IMRF Template Resolution and IMRF Application Instructions

Recommendation/Suggested Action *(briefly explain):*

Recommendation to City Council to adopt a Resolution to Allow up to Four Years IMRF Service Credit for Military Service.



Suggested Form of Resolution to Allow Service Credit for Military Service

Member did not return to IMRF within 90 days of discharge OR military service earned prior to participation

IMRF Form 63A (08/2007)

PLEASE NOTE: This form is to be used for military service that
• **interrupted** IMRF participation but member did **not return** to IMRF **within 90 days** of discharge **OR**
• was **earned prior to IMRF** participation

Use Form 6.62: for **military service** that **interrupted** IMRF participation with **NO** restrictions on amount of service credit

Use Form 6.62A: for **military service** that **interrupted** IMRF participation but **WITH** restrictions on amount of service credit **OR** specific military operations involved to receive service credit.

PLEASE ENTER Employer IMRF I.D. Number
03386

ALL BLANK SPACES ON THIS FORM MUST BE FILLED IN.

RESOLUTION

Number 2022-

WHEREAS, Article 7 of the Illinois Pension Code (40 ILCS 5/7-139) provides that the governing body of a governmental unit may elect to allow service credit in the Illinois Municipal Retirement Fund to members who served in the armed forces of the United States for all periods of such service prior to their participation in IMRF **OR** whose participation was interrupted by military leave but did not return to IMRF participation within 90 days of discharge, and

WHEREAS, such allowance of service credit cannot be limited to a specific IMRF member and applies to all employees who were in active participating status under IMRF on the date this resolution was adopted;

RESOLVED, that the City Council

BOARD, COUNCIL, ETC.

of St. Charles, Illinois

EMPLOYER NAME

elects to allow service credit to members who served in the armed forces of the United States for up to four years of service, prior to their participation in the Illinois Municipal Retirement Fund;

FURTHER RESOLVED, that the City Clerk shall be directed to file a

CLERK OR SECRETARY

certified copy of this resolution with the Board of Trustees of the Illinois Municipal Retirement Fund and that this resolution shall remain in full force and effect until modified or rescinded and notice of such modification or rescission has been filed with the Board of Trustees of the Illinois Municipal Retirement Fund. This resolution is not limited to a specific military operation.

CERTIFICATION

I, Nancy Garrison, the City Clerk of the

NAME

CLERK OR SECRETARY OF THE BOARD

City of St. Charles of the County of Kane and DuPage,

EMPLOYER NAME

COUNTY

State of Illinois, do hereby certify that I am keeper of its books and records and that the foregoing is a true and correct

copy of a resolution duly adopted by its City Council at a meeting duly convened

BOARD, COUNCIL, ETC.

and held on the _____ day of _____, 20 22.

SEAL

CLERK OR SECRETARY OF THE BOARD



Application for Military Service Credit

IMRF Form 6.02J (Rev. 02/2015)

If you have any questions, call 1-800-ASK-IMRF (275-4673)

- The purchase of military service for public employees is a benefit designed to partially compensate veterans for their service in the Armed Forces.
- Any converted military service credit is applied toward the calculation of a member's IMRF benefits.
- **Member cost and other requirements differ under each law.** Please read the following information carefully to determine if you are eligible to establish military service credit under one of the following laws.
- If member contributions and interest are required, IMRF will mail you a payment schedule after your application is received and your cost is calculated.
- *Establishing service as Elected County Official (ECO) Service:* To establish ECO service, the member must have previously participated, or be currently participating, in IMRF under the ECO plan. The member must also have IMRF Form 6.21B, "Election to Contribute under the ECO Plan" on file with IMRF, and the county under which the member opted to participate in ECO must have a standing resolution on file allowing such participation. (**NOTE:** Only members under the *Original* ECO plan may establish military service credit as ECO service. Members of the *Revised* ECO plan may convert their military service credit only to Regular service credit.)
- When submitting this form, you should also request formal pension estimates with and without the additional service credit by submitting IMRF Form BF-20, "Pension Estimate Request." Request Form BF-20 by calling 1-800-ASK-IMRF (275-4673) or by downloading the form from www.imrf.org. You can also request a **Formal Pension Estimate** through your IMRF Member Access account.

	UNDER ILLINOIS LAW		UNDER FEDERAL LAW
	MILITARY SERVICE EARNED BEFORE IMRF PARTICIPATION OR DID NOT RETURN TO IMRF WITHIN 90 DAYS	MILITARY LEAVE INTERRUPTED IMRF PARTICIPATION AND RETURNED TO IMRF WITHIN 90 DAYS	MILITARY LEAVE INTERRUPTED IMRF PARTICIPATION AND RETURNED TO SAME EMPLOYER
Member participation as related to military leave	Military leave can have occurred at any time, even prior to first date of participation in IMRF.	Must have participated in IMRF before and after military leave; can participate with different IMRF employers. Must return to IMRF participating employment within 90 days of discharge.	Must participate in IMRF before and after military leave with the same IMRF employer. Return to work requirement varies.
Member's current participation	Must be currently participating in IMRF.	Must be participating in IMRF or in another retirement system covered by the Reciprocal Act.	Must be participating in IMRF or in another retirement system covered by the Reciprocal Act.
Member cost If member has cost, IMRF will calculate your cost and send you a payment schedule. You may purchase the service credit in a lump sum or on a payment plan.	Member and "normal" employer contributions plus interest calculated from first date of participation in IMRF. Salary used to calculate cost is first salary earned as IMRF member.	Free	Member contributions plus interest calculated from the end of the military leave period. Salary used to calculate cost is the salary in effect when the military leave began.
Maximum number of years member can purchase	Two or four years, determined by employer resolution.	No maximum, but employer may limit by resolution.	Five years.
Military documentation	A copy of release order or military discharge must accompany this form.	A copy of release order or military discharge must accompany this form.	A copy of release order or military discharge must accompany this form.
Military pension	May still use the service in the computation of a pension or retirement pay from the U.S. government.	May not use the service in the computation of a pension or retirement pay from the U.S. government.	May still use the service in the computation of a pension or retirement pay from the U.S. government.
Employer resolution required?	Yes, covers all IMRF members under that employer.	Yes, covers all IMRF members under that employer.	No.
Employer cost	Through future employer rates.	Through future employer rates.	Through future employer rates.

IMRF

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 Member Services Representatives 1-800-ASK-IMRF (275-4673) Fax: (630) 706-4289
www.imrf.org