

New Member information

On behalf of the Retirement Fund Board of Trustees and staff, welcome to the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC). As a new employee, you will automatically become an active member of this Retirement Fund.

All of the information below pertains specifically to employees hired after June 13, 1997 but before January 1, 2011.

What to Expect on Your First Day

1) You will complete many forms. You will be asked to complete and sign:

- **Form SSA-1945.** This form is an acknowledgement of the fact that you will not be contributing to Social Security during your tenure at the District.
- **Employee Information Sheet.** All current non-retired members should have an updated employee information form on file. This form advises the Fund where you live, your marital status, whether you have children and how many, if you have military service, if you have worked under another public pension fund in Illinois, and whether you have worked at the District before. All of this information is valuable in helping us to counsel you regarding retirement benefit eligibility.
- **Beneficiary Form.** It is important for all members and annuitants to have a current designation of beneficiary form on file. This form indicates to whom the Fund should make payment of any refund due should you die and have no surviving spouse. Further details are available on the form.

You will be asked to provide original documents as follows:

- Your birth certificate, passport, or certificate of naturalization,

And, if applicable:

- Your spouse's birth certificate, passport, or certificate of naturalization
- Government issued marriage certificate
- Birth certificates for your children or judgment order for adoption. No other documents can be accepted as proof of birth for children because we need documentation of parentage not provided on other documents.
- Any divorce decrees, first and last pages.

Copies of your original documents will be made and the originals will be returned to you.

2) You will be provided a summary of your MWRD Retirement Fund benefits. Here are the highlights:

Contributions

- A mandatory 9% will be deducted from the bi-weekly salary pre-tax. This is your pension contribution. Of that 9%, one half of a percent is applied to post-retirement annuity increases,

1 ½% is applied to the surviving spouse annuity, and the remaining 7% is applied to the employee annuity.

- If you are not married at the time of retirement you will receive a No Spouse Refund of the spouse contributions plus 3% interest. This payment is made at the same time as the first retirement check.

Retirement Annuity

- An employee can retire at the age of 55 (assuming entry after 6/13/1997) with 10 years of pension service credit or at the age of 60 with 5 years of pension service credit. Also, if you leave service between the ages of 55 and 60 with 5 years of service, you may receive a retirement annuity at the age of 62.
- The retirement annuity (a.k.a. pension or retirement benefit) is calculated as a percentage of a two-year final average salary. The accumulation rate is 2.2% per year for the first 20 years of service and 2.4% per year for each year in excess of 20 years. The maximum retirement annuity is 80% of the two year final average salary.
- If you retire between age 55 and 60 with less than 30 years of service, the retirement annuity is discounted 0.5% per month for each month you are under age 60 or for each month less than 30 years of service.
- There is no discount of the benefit if the employee has either reached age 60 or has 30 years of service.
- Retirees receive a 3% cost of living increase each year on the first day of the month in which the anniversary of retirement occurs.

Spouse Annuity

For the spouse of an active employee

- If you have at least three calendar years of service from the date of entry, you die while an active employee, and you are married at the time of death, your spouse is eligible for a surviving spouse annuity.
- This annuity is effective the first of the month after the employee's death.
- To calculate the surviving spouse annuity, the Fund first calculates the annuity to which the employee would have been eligible had he retired on the date of death. No discount is applied regardless of the deceased employee's age. That amount is then multiplied by the spouse factor, 60% of the employee annuity plus one percent for each year of service.
- The surviving spouse is entitled to a 3% cost of living increase each year in the month in which the employee died.
- If you have been married for less than 10 years and you were hired after January 1, 1992, a discount will apply to the surviving spouse's benefit. The annuity for a surviving spouse shall be discounted by 0.25% for each full month that the spouse is younger than the employee as of the date of withdrawal from service or death in service to a maximum discount of 60%. The discount shall be reduced by 10% for each full year that the marriage has been in continuous effect as of the date of withdrawal or death in service.

For the Spouse of a retired employee

- If you were married at the time of retirement and remain married until the time of death or if you were married at the time of retirement and divorced subsequent to retirement but were married for at least 10 years at the time of retirement, then your spouse will be eligible for a retirement annuity.
- This annuity is effective the first of the month after the retiree's death.
- The spouse's annuity is 60% of the employee annuity plus one percent for each year of service. It is based on the amount of the employee annuity at the time of death.
- The surviving spouse is entitled to a 3% cost of living increase each year in the month in which the employee retired.

Child's Annuity

- A child's annuity is payable upon the death of an employee if the employee has completed thirty six (36) months of service from the date of employment.
- The annuity is payable to age 18 (age 23 if a full-time student).
- The annuity is \$500 per month if one parent is alive. The family maximum is \$5,000.
- The annuity increases to \$1,000 per month if neither parent is living. The family maximum is \$5,000.

Disability Benefits

For more information on disability, refer to the disability page.

Resignation

Many employees continue District employment to retirement. However, if you are terminated or if you resign, you will be entitled to a refund of contributions, provided you are under age 55 and have less than 20 years of service. More information on resignations and refunds can be found on the page labeled "resignation."