



# MINOOKA

## COMMUNITY HIGH SCHOOL

District #111 [mchs.net](http://mchs.net)

*Mission: Strengthen **M**astery, **C**ollaboration, **H**igh Expectations, and **S**uccess for All Students.*

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TO: Robert Schiffbauer, Superintendent and Board of Education

FROM: Kathi Norman, Director of Finance

DATE: November 13, 2025

SUBJECT: IMRF PENSION LIABILITY

The purpose of this memorandum is to request the Board of Education's approval to make a payment in December related to the District's unfunded pension liability with the Illinois Municipal Retirement Fund (IMRF). This payment is in compliance with the Illinois Pension Code and the District's fiduciary responsibilities to its employees and IMRF.

Each year, IMRF actuaries calculate a unique contribution rate for the District which includes two components: the normal cost (covering benefits earned in the current year) and an unfunded liability payment (amortizing prior service costs and benefit increases). The unfunded liability represents the estimated cost of retirement benefits earned to date that have not been fully funded by prior contributions and investment returns.

Currently the District has an unfunded liability of \$2,361,740 which is an increase of \$284,957 from last year. Our current employer contribution rate is 9.21% and is increasing to 9.5% as of January 1, 2026. Our rate has increased over the past four years. Most of this is attributed to retirements, deaths, and other claims. As the district currently has sufficient fund balance to reduce this unfunded liability, it is our recommendation that we submit a payment of \$750,000 to IMRF in December. Current estimates from IMRF show that our rate could be reduced to 8.06% in 2027 with this payment.

It is recommended that the Board of Education approve the payment of \$750,000 to the Illinois Municipal Retirement Fund (IMRF) in December, 2025 in order to reduce the District's unfunded liability and thus reduce the District's employer contribution rate.



November 5, 2025

ER# 01892

Minooka SD 111  
Attn: Kathi Norman  
26655 W Eames St.  
Channahon, IL 60410-5380

Dear Ms. Norman-

This letter is in reference to your inquiry regarding your current pension liability if you were to pay a lump sum of \$750,000 and \$1,000,000.

Based on the actuarial valuation the December 31, 2024, unfunded liability was \$2,361,740. Below is a calculation of the unfunded rate before any payments. In addition, I have also included calculations showing how a payment of \$750,000 or \$1,000,000 made in 2024 would impact your 2026 rate. Any payments made in 2025 would affect your 2027 rate.

	12/31/2024 Valuation	\$1,000,000 Payment	\$750,000 Payment
Unfunded Liability	\$ 2,361,740	\$ 2,361,740	\$ 2,361,740
Payment	\$ -	\$ 1,000,000	\$ 750,000
Adjusted Unfunded	\$ 2,361,740	\$ 1,361,740	\$ 1,611,740
Multiply by 17 Yr Amortization	0.085390	0.085390	0.085390
Required Annual Contribution	\$ 201,012	\$ 109,431	\$ 132,326
Divided by Estimated Payroll	\$ 4,759,505	\$ 4,759,505	\$ 4,759,505
Unfunded Rate	4.22%	2.30%	2.78%
	<u>2026</u>	<u>2026</u>	<u>2026</u>
Normal Rate	4.47%	4.47%	4.47%
Unfunded Rate	4.22%	2.30%	2.78%
Disability Rate	0.15%	0.15%	0.15%
Death Rate	0.04%	0.04%	0.04%
Supplemental Rate	0.62%	0.62%	0.62%
ERI Rate			
Total Rate	9.50%	7.58%	8.06%

If you have any questions, feel free to contact me at (630)706-4295.

Sincerely,

*Lynn Stockwell*

Lynn Stockwell



August 20, 2025

ER# 01892

Minooka SD 111  
Attn: Kathi Norman  
26655 W Eames St.  
Channahon, IL 60410-5380

Dear Ms. Norman-

This letter is in reference to your inquiry regarding your current pension liability if you were to pay a lump sum of \$750,000 and \$1,000,000.

Based on the actuarial valuation the December 31, 2023, unfunded liability was \$2,076,783. Below is a calculation of the unfunded rate before any payments. In addition, I have also included calculations showing how a payment of \$750,000 or \$1,000,000 made in 2023 would impact your 2025 rate. Any payments made in 2024 would affect your 2026 rate.

	12/31/2023 Valuation	\$750,000 Payment	\$1,000,000 Payment
Unfunded Liability	\$ 2,076,783	\$ 2,076,783	\$ 2,076,783
Payment	\$ -	\$ 750,000	\$ 1,000,000
Adjusted Unfunded	\$ 2,076,783	\$ 1,326,783	\$ 1,076,783
Multiply by 20 Yr Amortization	0.082250	0.082250	0.082250
Required Annual Contribution	\$ 162,558	\$ 109,128	\$ 88,565
Divided by Estimated Payroll	\$ 4,369,828	\$ 4,369,828	\$ 4,369,828
Unfunded Rate	3.72%	2.50%	2.03%
	<u>2025</u>	<u>2025</u>	<u>2025</u>
Normal Rate	4.67%	4.67%	4.67%
Unfunded Rate	3.72%	2.50%	2.03%
Disability Rate	0.16%	0.16%	0.16%
Death Rate	0.04%	0.04%	0.04%
Supplemental Rate	0.62%	0.62%	0.62%
ERI Rate			
Total Rate	9.21%	7.99%	7.52%

If you have any questions, feel free to contact me at (630)706-4295.

Sincerely,

*Lynn Stockwell*

Lynn Stockwell  
Financial Relations Analyst