



TRS: History, Finance, and Benefits

July 25, 2023



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Teachers' Retirement System of the State of Illinois



Virtual Handout:
trsill.org/ieasla

Topics

- History and Makeup
- Funding and Finance
- Supplemental Savings Program (SSP)
- TRIP Health Insurance

TRS History and Makeup

Teachers' Retirement System - History

- Created in 1939, TRS currently administers retirement, disability and survivor benefits for licensed public school teachers and administrators employed outside the City of Chicago.
- TRS replaced the Illinois State Teachers' Pension and Retirement Fund, which was created in 1915 by consolidating thousands of independent school district retirement plans. The Fund's "pay-as-you-go" method for retired teachers proved inadequate for the task.
- In 1915, **301** retired teachers received a total of **\$8,528** in benefits.
- In 1939, **3,481** retired teachers received a total of **\$1.4 million** in benefits.
- In 2022, **129,466** benefit recipients received a total of **\$7.6 billion** in benefits.

History of TRS Benefits

- **1939:** “DB” pension plan – minimum \$400 annual pension after 25 years of service
 - ✓ *no disability or survivor benefits*
 - ✓ *no health insurance*
 - ✓ *no post-retirement annual benefit increase*
 - ✓ *no part-time or substitute teachers*
- **1959:** Survivor benefits added
- **1969:** First annual retirement benefit increase – 1.5%
- **1980:** First health insurance program established – TRIP
- **1990:** Annual 3% retirement benefit increase / compounded interest
- **1990:** Part-time/substitute teachers join TRS
- **2010:** Tier 2 created for new members hired after January 1, 2011
- **2019:** Two new “buyout programs” – active & inactive members
- **2022:** “DC” benefit - *Supplemental Savings Plan* - inaugurated

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* By statute, the state superintendent of schools
always sits on the Board



Fiscal Year 2022 Key TRS Stats

➤ Membership

- Total – 439,833 (up 1.7%)
- Active – 165,566 (up 4.1%)
- Inactive – 144,801 (*down* 0.7%)
- Benefit Recipients – 129,466 (*up* 1.5%)
- Average Pension, all retirees – \$63,276 (*up* 2.3%)

➤ Membership Breakdown

- Active Tier 1 – 103,163 (*down* 1.8%)
✓ (62.3% all active members)
- Active Tier 2 – 62,403 (*up* 15.6%)
✓ (37.7% of all active members)
- Average Age of a Retired Member – 73 years old
- Average Service Credit at Retirement – 27 years

➤ Finances

- Investment Portfolio - \$63 billion (*down* 2.1%)
- Revenue - \$6.3 billion (*earnings & contributions*)
- Benefits Paid - \$7.6 billion (*up* 3.9%)
- Investment Return - (1.2%) *net of fees*

➤ Long-Term Funded Status

- Total Liability - \$143.5 billion (*up* 3.3%)
- Unfunded Liability - \$80.6 billion (*up* 0.9%)
- Funded Ratio - 43.8% (up 1.3%)

➤ Membership FAQs

- TRS oldest annuitant aged 106.381 (7/25/23). She has been an annuitant since 1983.
- The oldest *active* TRS member is 83 and lives in Olmstead.

Retirement Plans: Defined *Benefit* vs. Defined *Contribution*

“DB” Plan

- Examples in Illinois: TRS, SERS, SURS, IMRF
- Each member’s ***benefit*** is defined by a statutory formula, so each pension is proportionally equal.
- Service Credit and Final Average Salary determine benefit.
- All revenue is pooled in a trust fund and managed collectively.
- A pension recipient cannot outlive the benefit.

“DC” Plan

- Examples: TRS SSP, or 401(k), 403(b), or 457(b)
- The member and/or employer’s ***contributions*** are defined.
- The eventual benefit is based on the member’s account balance at the time of retirement.
- Retirement contributions are held in individual accounts.
- Each account is managed by the individual participant.
- A member can outlive his or her assets.

TRS Funding and Finance

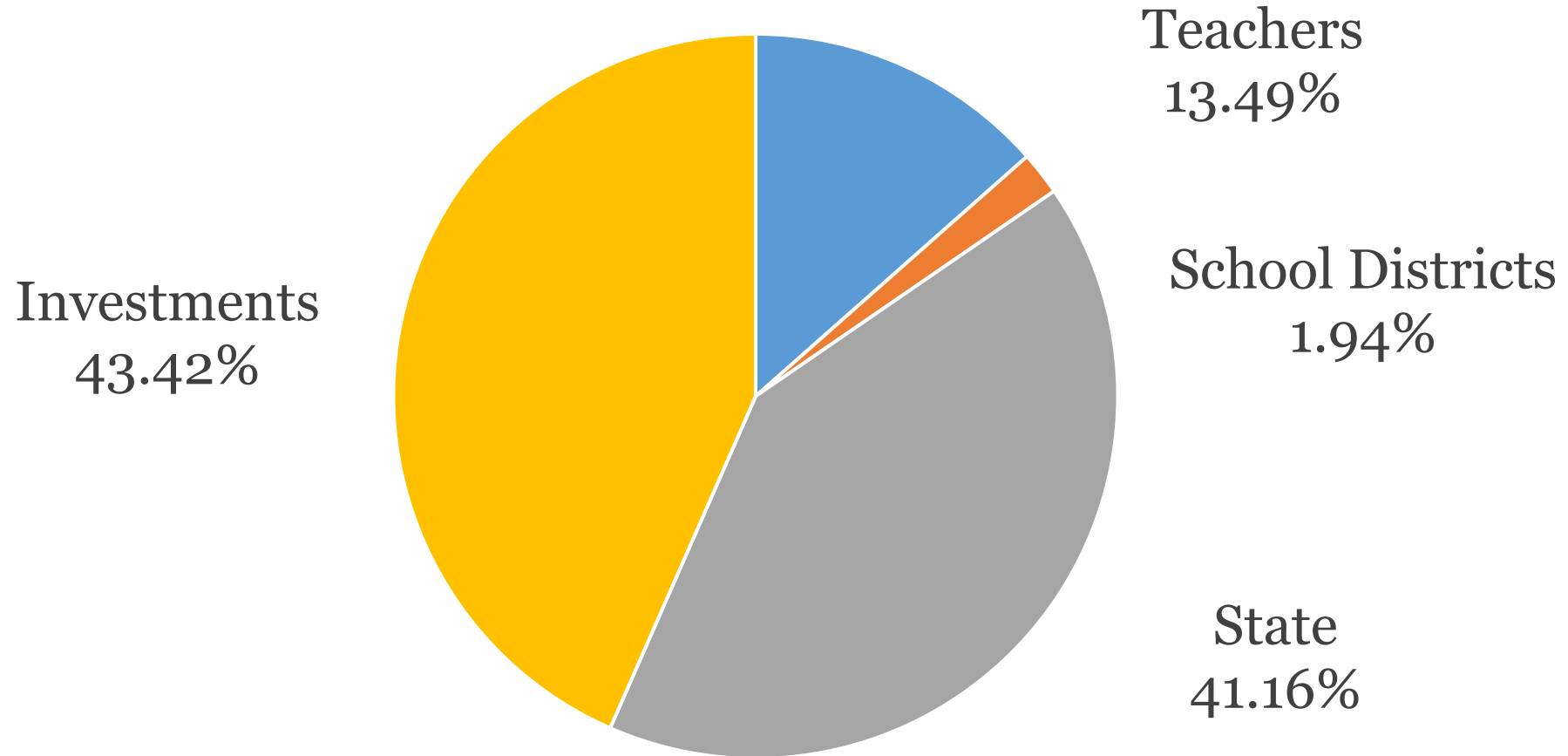
Constitutional Benefit Protection

Illinois Constitution Article XIII, Section 5

Pension and Retirement Rights

“Membership in any pension or retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired.”

TRS Revenues by Source



Twenty-year composite of sources - FY 2003 to FY 2022

TRS Revenues by Source

$$\text{Contributions} + \text{Investments} = \text{Benefits}$$

➤ **Active member contributions**

- ✓ 9% of salary
- ✓ \$18 billion - FY 03 to FY 22
- ✓ Average: \$900 million per year

➤ **School district contributions**

- ✓ 0.56% of total salary
- ✓ \$2.6 billion – FY 03 to FY 22
- ✓ Average: \$130.7 million per year

➤ **State government contributions**

- ✓ Statutory formula
- ✓ \$54.7 billion - FY 03 to FY 22
- ✓ Average: \$2.7 billion per year


➤ **Investment income**

- ✓ Market forces
- ✓ \$58 billion - FY 03 to FY 22
- ✓ Average: \$2.89 billion per year

TRS Investment Returns

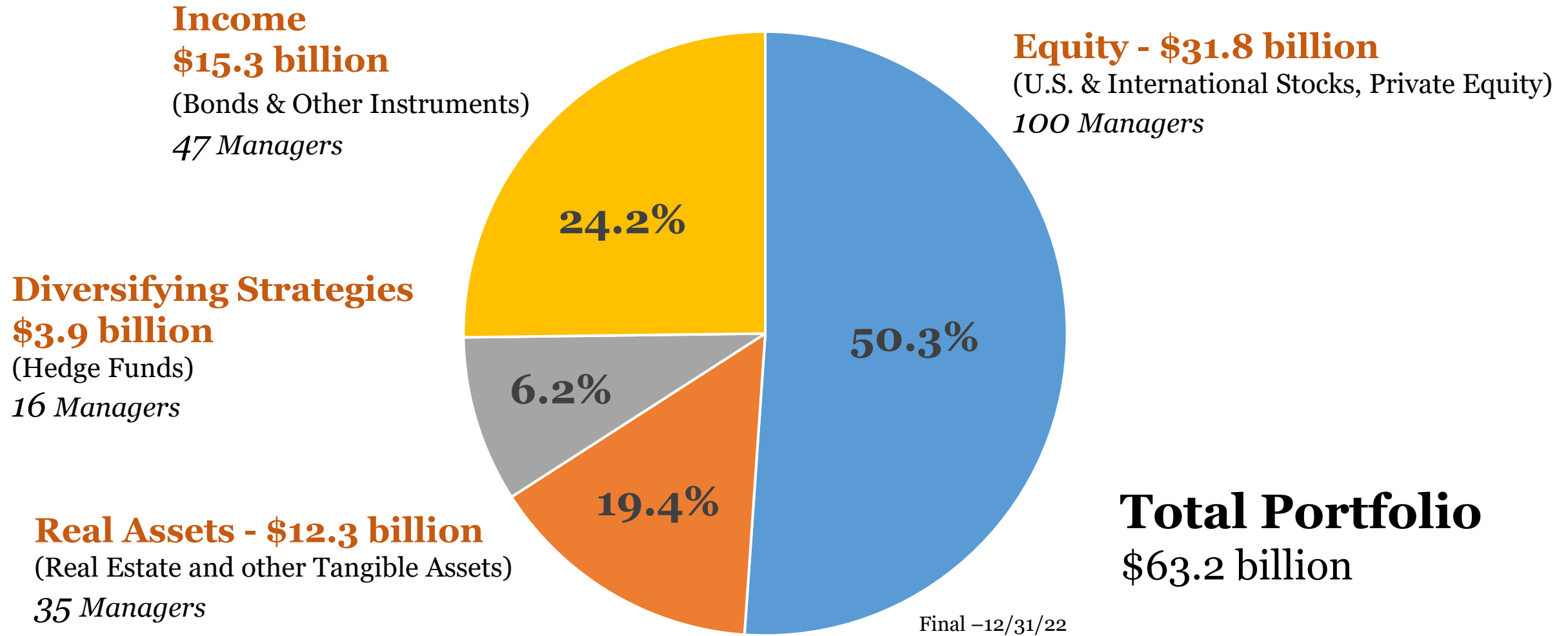
Total Portfolio Results

<u>Time Period</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>
	<i>Fiscal Year</i>	<i>Fiscal Year</i>	<i>Fiscal Year</i>
1 Year	+ 0.6%	+ 25.5%	-1.2%
3 Years	+ 4.7%	+ 9.9%	+7.6%
5 Years	+ 5.2%	+ 10.1%	+7.3%
10 Years	+ 8.3%	+ 8.4%	+8.2%
40 Years	+ 9.0%	+ 9.5%	+9.3%



- TRS always focuses on *long-term* results more than on any one year because the System must be financially secure for *all members*, whether they're 85, 65, 45 or 25.
- The current TRS assumed *long-term* rate of return is 7%.

Calendar Year 2022 Investments



TRS Investments

- Apple, Inc.
- Microsoft Corp.
- Johnson & Johnson
- Amazon.com, Inc.
- General Electric
- Samsung
- Toyota
- Nestle
- Boeing Company
- Brunswick Corp.
- Archer-Daniels-Midland Company
- Caterpillar, Inc.
- Deere & Company
- FTD Companies, Inc.
- Hyatt Hotels Corporation
- Kraft Foods Group, Inc.
- McDonald's Corporation
- Tootsie Roll Industries, Inc.



TRS Investments



120 South LaSalle – Office
Chicago, Illinois



Corporate 500 - Office
Deerfield, Illinois



Kingsbury Plaza – Multi-Family
Chicago, Illinois



Royal Palm - Office
Plantation, Florida



Aqua Via – Multi-Family
Oakland, California

TRS State Funding Update

Actuarial Funding vs. Actual State Funding

➤ **FY 2022**

Actuarial Payment	\$8.9 billion	Normal Cost	\$1.2 billion
Actual Statutory Payment	\$5.7 billion	Interest on the Debt	\$4.6 billion

➤ **FY 2023**

Actuarial Payment	\$9.1 billion	Normal Cost	\$1.2 billion
Actual Statutory Payment	\$5.9 billion	Interest on the Debt	\$4.8 billion

➤ **FY 2024**

Actuarial Payment	\$9.6 billion	Normal Cost	\$1.3 billion
TRS Certified Statutory Payment	\$6.0 billion	Interest on the Debt	\$4.9 billion

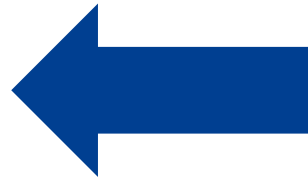
- *Annual state funding is not determined by actuarial need, but by a state formula that artificially lowers the state payment below the minimum actuarial requirement.*
- *As a result, state funding never keeps pace with increasing benefit costs, creating a long-term unfunded liability.*
- *Every \$1 not paid to TRS now requires \$3 in the future to make up for the lost earnings.*

Source: TRS actuarial valuation reports

Gov. Pritzker's "Extra" Pension Funding

Stable State Contributions Help Move Funded Ratio in the Right Direction

- **In fiscal years 2022, 2023 and 2024, state pension funding totaled more than the statutory requirement**
- **Total state pension funding to TRS will exceed \$16 billion in FY 2022, 2023 & 2024**
- **After five years of hovering at 40%, the TRS Funded Ratio is inching up**
 - ✓ **FY 2020 – 40.5%**
 - ✓ **FY 2021 – 42.5%**
 - ✓ **FY 2022 – 43.8%**
 - ✓ **FY 2023 – 44.9%** (projected)
 - ✓ **FY 2024 – 46.1%** (projected)



Source: Illinois State Budget – Fiscal Year 2023 and Fiscal Year 2024

TRS Member “Buyout” Programs

Accelerated Annual Increase Program

- Retiring Tier 1 members only
- Started in January 2019, current sunset at the end of FY 2026
- TRS asks retiring Tier 1 members if they want to participate. Once made, the decision is irrevocable
 - *Give up the current Tier 1 annual increase – 3% compounded for 1.5% not-compounded*
 - *Receive a lump-sum “accelerated pension benefit payment” – 70% of the monetary difference between the lifetime value of the 3% increase and the 1.5% raise*
- **Since 2019, more than 3,389 Tier 1 members have elected an accelerated payment under the AAI**
 - *20% out of 16,863 retirees have elected to participate*
 - *\$467.7 million in payments; average payment of nearly \$138,000*

TRS Member “Buyout” Programs

Accelerated Pension Benefit Program

- Eligible inactive members only
- Started in January 2019, current sunset at the end of FY 2026
- TRS asks members if they want to participate. Once made, the decision is irrevocable
 - *Give up all right to a life-long TRS pension*
 - *Receive a lump-sum payment – 60% of the current monetary value of the member’s expected life-long pension*
- **Since 2019, more than 1,915 inactive members have elected an accelerated payment under the APB**
 - *10.6% out of 18,042 inactive members have elected to participate*
 - *Average payment of \$124,468*

Supplemental Savings and Insurance

The TRS Supplemental Savings Plan

- TRS is required by a 2018 State Law – PA 100-769 – to offer the SSP to all full and part-time TRS members who are under contract to their employer contract.



*“This legislation ensures that **every** teacher has the opportunity to save their own money for retirement in a plan that is designed to ensure that they get the most possible out of their retirement savings . . .”*

- Sen. Robert Martwick, D-Chicago, sponsor of the SSP law

The TRS Supplemental Savings Plan

- **TRS implemented the SSP in 2022**
- **More than 1,452 participants, more than \$7.4 million in assets**
- **The SSP is a 457 (b) retirement savings account that:**
 - ✓ *Is optional for eligible TRS members*
 - ✓ *Is designed to supplement a member's TRS pension – not replace it*
 - ✓ *Offers both pre-tax or Roth savings options*
 - ✓ *Allows members to choose deferral amounts and make investment choices*
 - ✓ *Offers a competitive, cost-effective plan with a diverse investment array*
- **New, eligible TRS members hired after January 1, 2023 are automatically enrolled, as required by state law, but can opt out if they wish**
- **So far in 2022, 312 members have been auto-enrolled**



Local Voya Education Representatives

To join a scheduled SSP webinar:

trs-ssp-webinar.timetap.com

To schedule an individual virtual appointment:

trsssp457b.timetap.com

TRS SSP Participant Website

trsilssp.voya.com



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Eastern Illinois

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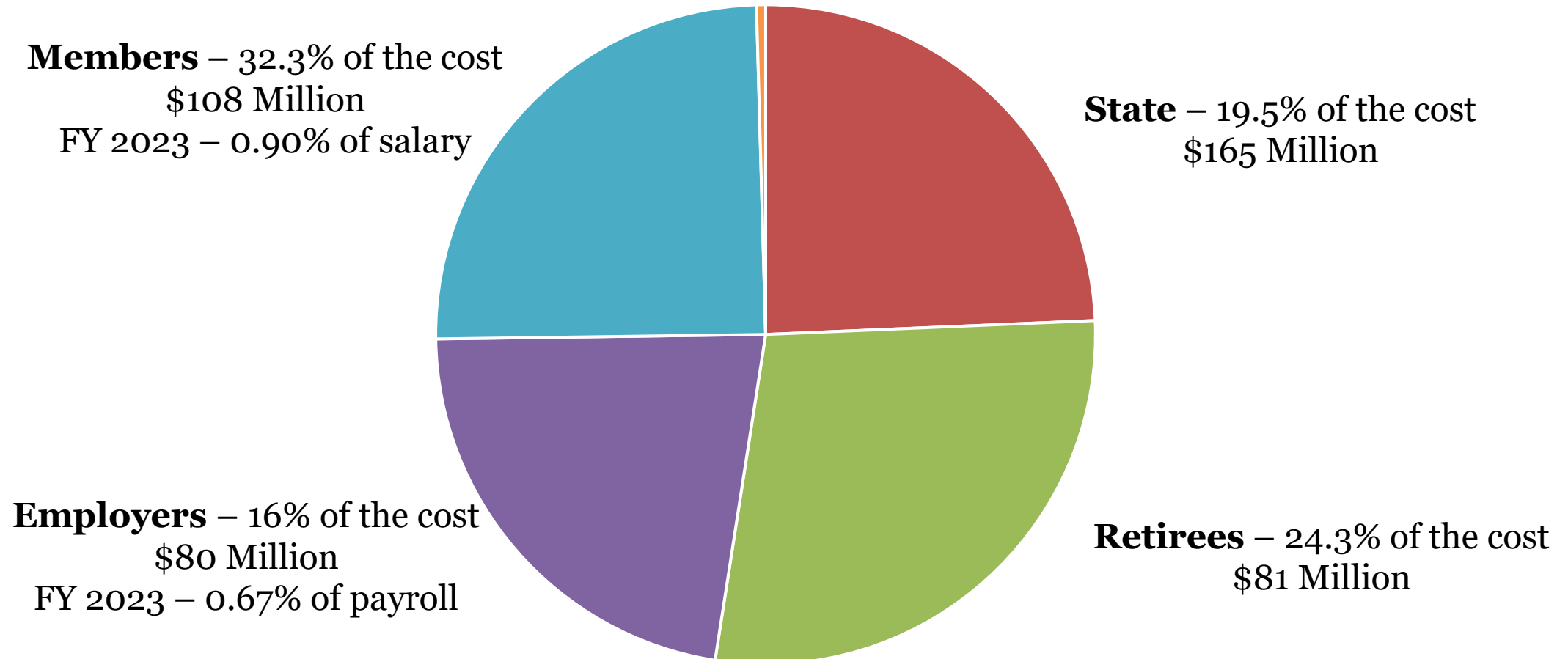
Teachers' Retirement Insurance Program (TRIP)

- TRIP is a comprehensive program of quality healthcare coverage for retired teachers and their eligible dependents.
- **TRS** provides members with:
 - ✓ *basic coverage information*
 - ✓ *enrolls participants*
 - ✓ *collects the appropriate insurance premiums*
- The state **Department of Central Management Services (CMS)**
 - ✓ *determines coverage benefits*
 - ✓ *establishes the premium costs*
 - ✓ *negotiates all contracts with insurance providers*
 - ✓ *resolves all coverage claim issues*

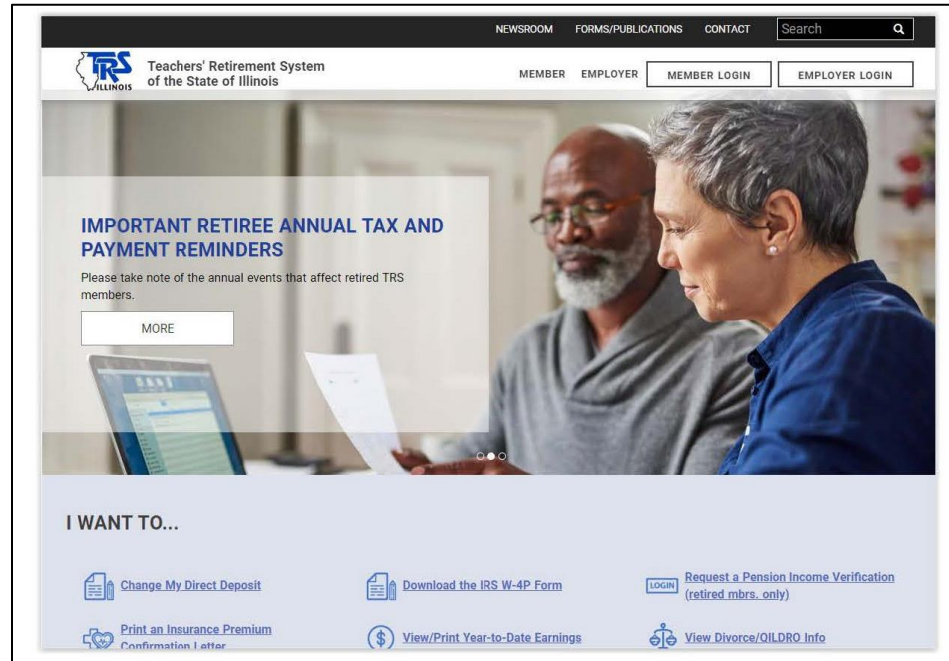
Teachers' Retirement Insurance Program (TRIP)

- Enrollment in TRIP is open to:
 - ✓ *Any member who has 8 or more years of TRS service credit and is receiving a retirement benefit*
 - ✓ *Any beneficiaries who are receiving a monthly survivor benefit from a member who had 8 or more years of service*
 - ✓ *Any member who is receiving a disability benefit, regardless of the member's service credit*
- Eligible beneficiaries can enroll in TRIP when:
 - ✓ *You apply for monthly retirement or disability benefits*
 - ✓ *You turn age 65 or become eligible for Medicare*
 - ✓ *Coverage from another group insurance plan is involuntarily terminated*

Teachers' Retirement Insurance Program (TRIP)



Thank You! / Contact TRS



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Follow us on Twitter: @ILLTRS

YouTube: @trsillinois

Member Services

To speak to a TRS representative, or to schedule a telephone, in-office or virtual counseling session:

(877) 927-5877

8:30 a.m. to 4:30 p.m. – Monday-Friday

members@trsil.org

Employer Services:

(888) 678-3675

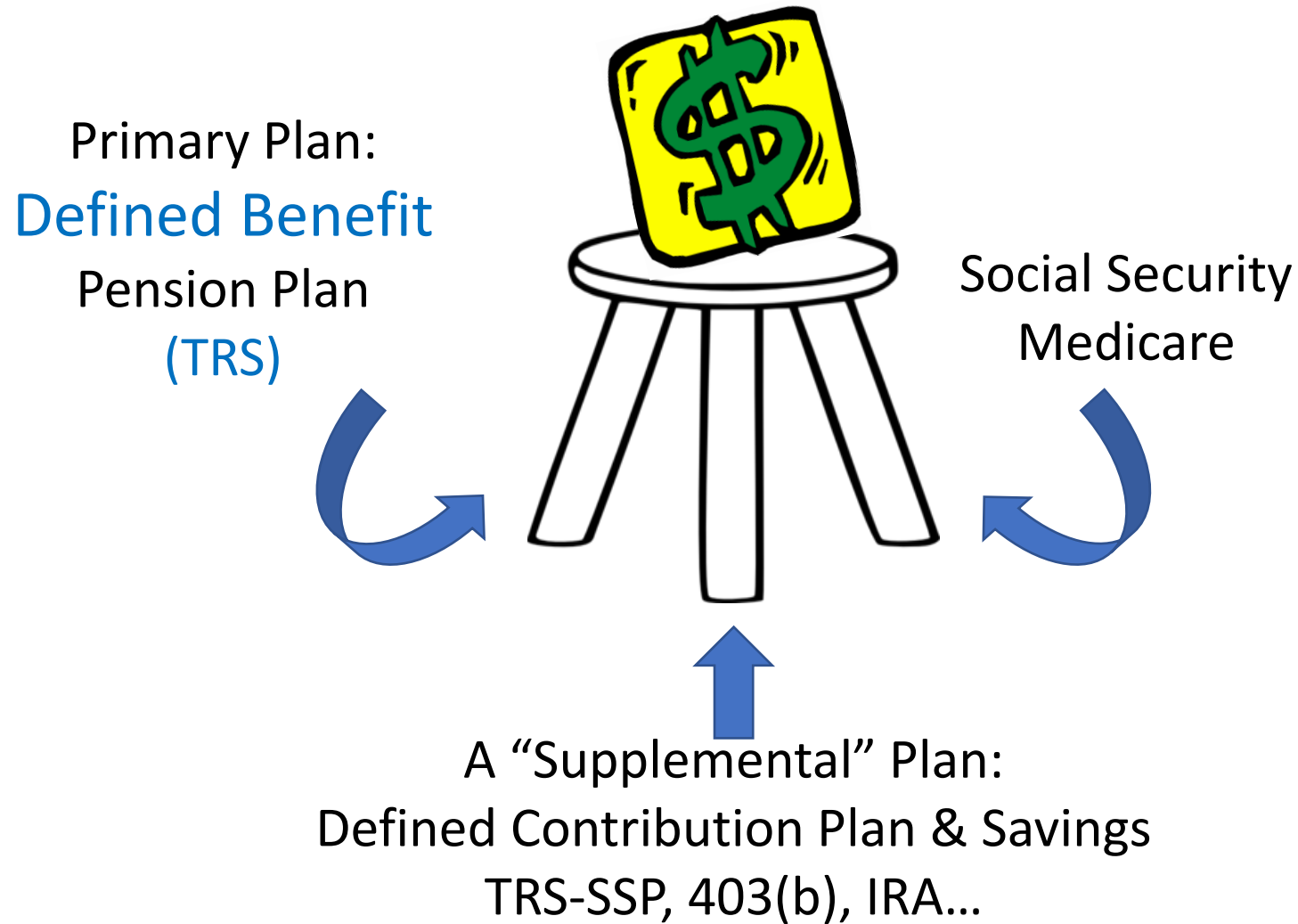
employers@trsil.org

This presentation is only a brief summary of selected educational topics presented by TRS to the IEA and is believed accurate as of the presentation date. However, in the event of inaccuracy or discrepancy, the applicable law or original source of information prevails. For more detailed information, please consult the applicable law and/or the TRS Website: www.trsil.org.



TRS
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Retirement Basics: A Model Plan



TRS Supplemental Savings Plan



- The SSP is a 457(b) retirement savings account that:
 - *Is completely voluntary for full-time and part-time contractual employees*
 - *Is designed to supplement a member's TRS pension – not replace it*
 - *Offers both pre-tax and Roth (post-tax) savings options*
 - *Was designed by TRS to offer a competitive, cost-effective plan with a diverse investment array*
 - *Portable! Your account stays with you if you change school districts*
- The SSP is *not* a 403(b) plan. Contributions to a 403(b) plan offered by your district do not limit how much you can contribute to the SSP.
- For complete information about the TRS SSP, go to:
www.trsil.org/Supplemental-Savings-Plan



What will be covered . . .

- TRS Basics
- Your Benefits
 - Retirement
 - Disability
 - Death
- TRS Timeline
- Questions



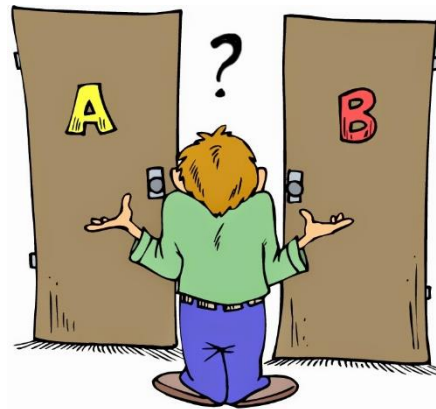
Tier 1 or Tier 2

Tier 1

- First contributed to TRS or reciprocal retirement system **prior to January 1, 2011**

Tier 2

- First contributed to TRS or reciprocal retirement system **on or after January 1, 2011**



TRS Basics

Contributions

- All members (Tiers 1 and 2) contribute 9% of gross earnings to TRS
- Contributions are invested by TRS to pay retirement and death benefits, but

Defined Benefit (DB) Plan

- Account balance and market performance do not determine benefit amount
- Benefit is determined by a formula set out in the Illinois Pension Code
- Benefits are paid through the month of death
- You cannot outlive the benefit



Retirement benefits

Retirement Eligibility

Tier 1

- Age 62 with a minimum of 5 years of service
- Age 60 with a minimum of 10 years of service
- Age 55 with a minimum of 20 years of service *

* Early retirement – the benefit will be reduced by 6% for each year the member is under age 60 if fewer than 35 years

Tier 2

- Age 67 with a minimum of 10 years of service
- Age 62 with a minimum of 10 years of service **

** Early retirement – the benefit will be reduced by 6% for each year the member is under age 67



Retirement Formula

Service Credit

x Formula Factor

= Percentage

Percentage

x Final Average Salary

= Annual Pension Benefit



SERVICE CREDIT

Service Credit x Formula Factor x FAS = Pension

- **Earned service through teaching**
 - 170 paid days = 1 year of service
 - Maximum 1 year of service per school year (July 1-June 30)
 - Fewer than 170 days earns partial year (0.006 per day)
- **Unused, uncompensated sick leave days**
 - Same 170-day standard as earned service
 - Maximum creditable days = 340 (2 years)
 - Sick leave from former employers should be on your record
 - Contact TRS for a Former Employee Sick Leave Certification if you do not see all former employers listed



SERVICE CREDIT

Service Credit x Formula Factor x FAS = Pension

- **Service Purchase** (optional service)
 - Out-of-state teaching (max. 10 years)
 - Leave of Absence/RIF (max 3 years)
 - Military Service (max 2 years)
 - Previously refunded TRS service
 - Illinois Private School Credit (**must apply by 6/30/2023**)
- **Reciprocal Service**
 - Service with another public pension system in Illinois (IMRF, SURS, SERS, CTPF, others)
 - Must have at least one year (unless service is as teacher's aide under IMRF)
 - Service must be non-concurrent



Formula Factor - 2.2 Upgrade

$$\text{Service Credit} \times \text{Formula Factor} \times \text{FAS} = \text{Pension}$$

The Formula Factor is the percentage of your final average salary you earn for each year of service credit

- Since 7/1/1998, 2.2% has been the only formula factor used
- Did you have service before 1998?
- If you are not sure your years have been upgraded:

Call TRS to ask if you have a cost. Your 2.2 upgrade cost is specific to YOU.



FINAL AVERAGE SALARY

Service Credit x Formula Factor x FAS = Pension

Tier 1

- Average of highest FOUR **consecutive*** salaries out of last 10 years of service

Tier 2

- Average of highest EIGHT **consecutive*** salaries out of last 10 years of service
- Cannot exceed the limit that is tied to the Consumer Price Index
 - 2021-22 salary cap: \$116,740.42
 - 2022-23 salary cap: \$119,982.41
 - 2023-24 salary cap: \$

- “Salary” includes regular pay, extra-duty stipends, and TRS contributions paid by the employer
- Salary increases up to 20% with same employer will count towards average
- Employer bears a cost for year-to-year increases over 6%
- See Appendix for more info about Final Average Salary



Maximize Your Pension With 2.2

Service Credit x **Formula Factor** x **FAS** = Pension

Maximum Benefit (with 2.2 upgrade) is 75% of the Final Average Salary

Tier 1

- 34.000 years of service = 75% (age 60 and over)
- 35.000 years of service = 75% (under the age of 60)

Tier 2

- 34.000 years of service = 75% (age 67 and over)

Years over 34 may continue to build Final Average Salary



Retirement Formula

Service Credit

x Formula Factor

= Percentage

Percentage

x Final Average Salary

= Annual Pension Benefit



“Non-discounted” Retirement Calculation Example

Member:

- Age 60 (Tier 1)
- Age 67 (Tier 2)
- Years of Service : 30
- Average Salary:
\$85,000

-

- 30 years of service

- x 2.2%

- = 66.0%

- x \$85,000

- = \$56,100 Annual Pension
Benefit

- = \$4,675 Monthly Pension
Benefit

Discounted “Early” Retirement Calculation Example

Member:

- Age 55 (Tier 1)
- Age 62 (Tier 2)
- Years of Service : 30
- Average Salary: \$85,000

Age reduction: 30%

- 6% for each year under age 67

- 30 years of service

- x 2.2%

- = 66.0%

- x \$85,000

- = \$56,100

- - 30% (age reduction)

= \$39,270 Discounted Annual Pension

• = \$3,272.50 Discounted Monthly Pension

Benefit Estimates

- TRS can prepare a benefit estimate if **YOU** can provide us with:
 - Anticipated date of retirement
 - Total reportable salary for current and future years
 - Total sick leave that will be reported at retirement
 - Information about district retirement incentives
 - Reciprocal service (if applicable)

YOU can also prepare your own TRS estimate using your online account access at <http://trsil.org>



Annual Increases

Standard Annual Benefit Increases

- Available to members who have been retired for one full year AND
 - Are at least age 61 for Tier 1 (3% compounded annually)
 - Are at least age 67 for Tier 2 (½ of the CPI with 3% Cap)
- Increases occur each January 1 (reflected in the February 1 benefit payment)

Accelerated Annual Increase (AAI) option

- Tier 1 member may choose in lieu of Standard Annual Increase
- 1.5% non-compounded increase from age 67 with lump sum payment at retirement
- Taxable lump sum is eligible for rollover to another qualified plan
- Available for Tier 1 members retiring by June 30, 2026
- Eligible members must call for an AAI estimate ahead of retirement



In Retirement. . .

- Teachers' Retirement Insurance Program (TRIP)
 - Available first of month following retirement
 - Works as a primary coverage before age 65
 - TRAIL Medicare Advantage plan for those 65+ and on Medicare
 - Subsidized by the THIS fund
 - Also available to dependents while you retired and after your death

TRIP Premiums

Monthly Contributions through June 30, 2024

Type of Participant	Type of Plan	Not Medicare Primary	Not Medicare Primary	Not Medicare Primary	Medicare Primary*
		Under Age 26	Age 26-64	Age 65 and Older	All Ages
Benefit Recipient	Managed Care Plan (OAP and HMO)	\$106.45	\$330.67	\$450.52	\$130.68
	Teachers Choice Health Plan (TCHP)	\$276.27	\$771.71	\$1,172.71	\$309.86
	TCHP when managed care is not available in your county	\$138.13	\$385.85	\$586.37	\$154.94
Dependent Beneficiary	Managed Care Plan (OAP and HMO)	\$425.96	\$1,322.65	\$1,802.05	\$450.24**
	Teachers Choice Health Plan (TCHP)	\$552.55	\$1,543.41	\$2,345.44	\$619.72
	TCHP when managed care is not available in your county	\$552.55	\$1,543.41	\$2,345.44	\$464.80**

TRAIL Premiums



Aetna MAPD PPO (Effective Jan. 1, 2023)

Monthly Contributions	Member Rate	\$2.06
	Dependent Rate	\$6.18

In Retirement. . .

- Post-retirement Employment
 - Limited to 100 days/500 hours in a TRS-covered position
 - No limit on non-TRS positions
 - No limit on earnings
- Benefits are paid monthly, through the month of your death
 - You cannot outlive your pension
 - Current oldest retiree is 106.381 (retired in 1983)



Disability Benefits



Disability Benefits

TRS offers temporary disability benefits to ill/injured ACTIVE members prior to retirement.

- Eligibility
 - Must have at least **3 years** of non-concurrent service credit (TRS, SURS, SERS, and IMRF)
 - **Two** state-licensed physicians must certify the disability existed within 90 days of last day of teaching (only one physician is required for pregnancy)
 - Must use up all sick leave days
- Benefit is equal to 40% of member's contract rate or salary rate
- You earn service credit while receiving the disability benefit
- No cost/premium for this benefit
- **Call TRS Member Services for information if you feel you may need this benefit**



DEATH Benefits



What is Automatic Designation?

Section 1: Personal Information Member First Middle Last Name: Member Address 1: Member Address 2: City State Zip:	Member ID: Home telephone number: Work telephone number: Cell phone number: Email address:
Section 2: Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married/civil union <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed Spouse's name:	
Section 3: Automatic Designation <i>(commonly selected by members with a spouse or civil union partner and/or minor children)</i> <input type="checkbox"/> I elect that my dependent beneficiaries, as determined at my death, receive a survivor benefit and/or a beneficiary refund. If no dependent beneficiary survives, benefits will be paid to my estate. If the automatic designation is selected, do not complete the Survivor Benefit or Beneficiary Refund sections.	

- Commonly selected by members who have a spouse and/or minor children
- No need to list any names
- Death benefit is automatically paid to a surviving spouse and/or minor children



Survivor Benefits

Section 4: Survivor Benefit*				
Primary Beneficiary(ies) - receive survivor benefits first				
1	Name:			SSN: _____
	Address:			Birth date: _____
	City:	State:	Zip:	Relationship: _____
2	Name:			SSN: _____
	Address:			Birth date: _____
	City:	State:	Zip:	Relationship: _____
3	Name:			SSN: _____
	Address:			Birth date: _____
	City:	State:	Zip:	Relationship: _____
Alternate Beneficiary(ies) - receive survivor benefits if no primary beneficiary survives				
1	Name:		Birth date:	SSN: _____
2	Name:		Birth date:	SSN: _____
3	Name:		Birth date:	SSN: _____



- Funded through survivor benefit contributions made while teaching (**1%** of annual salary)
- Tier I – 50% of monthly benefit to a dependent beneficiary
- Tier II – 66.67% of monthly benefit to a dependent beneficiary
- Lump sum to any beneficiary
- Refundable in retirement if no dependent beneficiary

Beneficiary Refund



Section 5: Beneficiary Refund*			
Primary Beneficiary(ies) - receive beneficiary refund benefits first			
1	Name:		SSN: _____
	Address:		Birth date: _____
	City:	State:	Zip: Relationship:
2	Name:		SSN: _____
	Address:		Birth date: _____
	City:	State:	Zip: Relationship:
3	Name:		SSN: _____
	Address:		Birth date: _____
	City:	State:	Zip: Relationship:
Alternate Beneficiary(ies) - receive beneficiary refund benefits if no primary beneficiary survives			
1	Name:		Birth date: SSN: _____
2	Name:		Birth date: SSN: _____
3	Name:		Birth date: SSN: _____

- Lump-sum refund of 8% unrecovered **pension** contributions
- Paid only if you pass away before retirement or before recovering entire contribution

Retirement Timeline



Throughout Your Career

Regularly: Review your status

- Review your annual TRS statement online
- Verify beneficiaries
- Upload Proof of Birth
- Prepare updated benefit estimates (includes “AAI” program if retiring by 6/30/2026)
- Meet with a TRS Counselor
- Check in with your financial planner
 - Monitor DC plan performance
 - Make changes as needed (plan limits change as you age)



6-12 Weeks from Retirement

Contact TRS for Personalized Retirement Interview (PRI)

- Takes about 10 minutes and does not require an appointment

Questions

1. Are you interested in AAI lump sum, if retiring by 6/30/2026 (yes or no)?
2. Do you want a Standard or Reversionary Retirement?
3. What would you like for your federal tax withholding status?
4. Are you receiving or are you eligible to receive a public pension from another state?
5. Does your district know you are retiring this year?

*** If you retire reciprocally, you must contact each system and start retirement process with them as well.**



Contact TRS

Social Media



members@trsillinois.org



<https://trsillinois.org>



[Facebook.com/TRSillinois](https://www.facebook.com/TRSillinois)



@ILLTRS



@trsillinois

Phone & Hours

Toll free: (877) 927-5877

M-F: 8:30 a.m. to 4:30 p.m.

- Benefit Estimates
- Request Forms
- Ask Questions
- Learn lots!



Questions

Social Security and Medicare

- Illinois teachers do not contribute on TRS-covered employment
- Earned SSA benefits may be reduced under Windfall Elimination Provision (WEP) and/or Government Pension Offset (GPO)
- Check for FICA deduction on your paycheck or contact Social Security to confirm eligibility for Medicare (typically at age 65)
- Medicare ID cards are sent by the Social Security Administration
- Social Security (800) 772-1213

• www.ssa.gov

