BEFORE WE BEGIN



https://www.trsil.org/State1



- This presentation will begin shortly and is scheduled to last approximately 45 minutes
- All virtual attendees are muted throughout the presentation
- Questions will be addressed after each section and at the end of the presentation as time permits



Teachers' Retirement System of the State of Illinois

TRS Express!

For Tier 1 State Agency Employees



TRS OVERVIEW

- TRS Basics
- Your TRS Pension Benefits
- Empower Deferred Compensation Program

Q/A

- Disability & Death Benefits
- Retirement Readiness
- Post Retirement Increases
- SEGIP Insurance Benefits







TRS Basics



Contributions

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



TRS is a Defined Benefit (DB) Plan

- Benefits are determined by a formula set out in the Illinois Pension Code
- Benefits are paid through the month of death



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 the age of 60 unless you meet Rule of 85 eligibility



Rule of 85

- Must be Tier I
- Age + Service must equal to 85
- Must last contribute in TRS state-covered position prior to retirement for one year
- Must have a minimum of five years of service in a TRS state-covered position



Retirement Formula

Service Credit

- x Formula Factor
- = Percentage

Percentage

- x Final Average Salary (FAS)
- = Annual Pension Benefit





Service Credit x Formula Factor x FAS = Pension

Earned Service Through TRS-Covered Work

- 170 paid days equal 1 year of service credit
 - Full-time, part time, and substitute teaching
- Only 1 year of service can be earned per school year
- School year runs July 1 through June 30

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 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 6/30/2028)

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%

Service Credit x 2.2% x FAS = Pension

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





Final Average Salary

Service Credit x Formula Factor x FAS = Pension

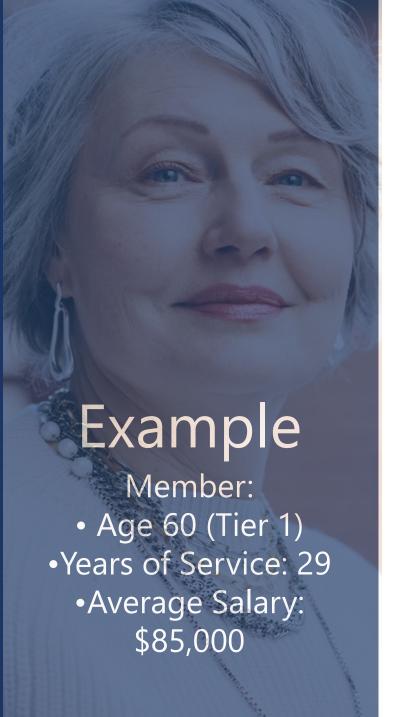
Tier 1

 Average of highest FOUR (4) consecutive salaries out of last 10 years of service

"Salary" includes regular pay, overtime pay, lump sum payments, 9% contribution to TRS.

Increases up to 20% with same employer can be included







Unreduced Retirement Example

29 years of service

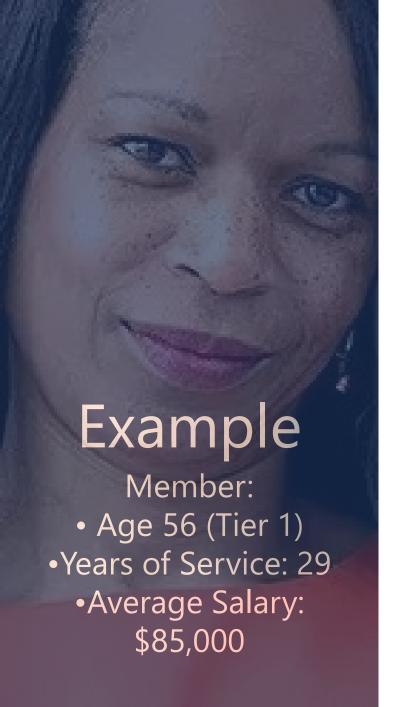
x 2.2%

= 63.8%

x \$85,000



- = \$54,230 Annual Pension Benefit
- = \$4,519 Monthly Pension Benefit





Unreduced Retirement Example (Rule of 85)

29 years of service

x 2.2%

= 63.8%

x \$85,000



- = \$54,230 Annual Pension Benefit
- = \$4,519 Monthly Pension Benefit



Reduced Retirement Example

29 years of service

x 2.2%

= 63.8%

x \$85,000

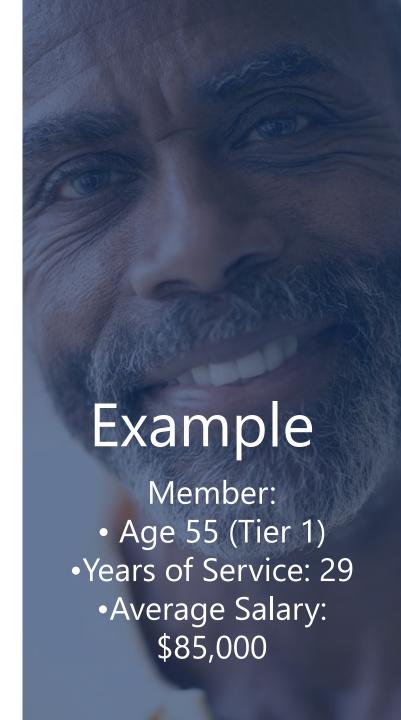


= \$54,230 Annual Pension Benefit

-30% Age Reduction

= \$37,961 Annual Pension Benefit

- A reduced pension is permanently reduced.
- If you stop working at any age and defer retirement until age 60 for Tier I, your pension will be unreduced.



Maximum Pension Service Credit x Formula Factor x FAS = Pension

Maximum Benefit is 75% of the Final Average Salary

Tier 1

• 34 years of service = 75%

Years over 34 may continue to build Final Average Salary



TRS 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 https://trsil.org

You must contact TRS to include reciprocal service in estimate









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 work (only one physician is required for pregnancy)
- Must use up all sick leave days



You earn service credit while receiving the disability benefit





Death Benefits



1%
Survivor Benefits



8%
Retirement



What is Automatic Designation?

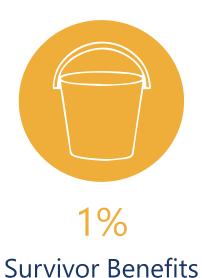
Section 1: Personal Information	Member ID:				
Member First Middle Last Name:	Home telephone number:				
Member Address 1:	Work telephone number:				
Member Address 2:	Cell phone number:				
City State Zip:	Email address:				
Section 2: Marital Status Single Married/civil union Divorced Widowed Spouse's name:					
Section 3: Automatic Designation (commonly selected by members with a spouse or civil union partner and/or minor children)					
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
- Death benefit is automatically paid to surviving dependents, or to your estate if you have no dependents
- If this option is selected, DO NOT list beneficiary names. Simply check the box.



Survivor Benefits

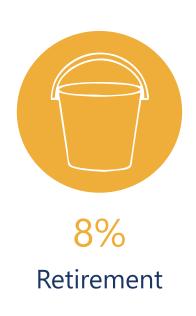
Sect	Section 4: Survivor Benefit*							
	Primary Beneficiary(ies) - receive survivor benefits first							
	Name:			SSN:				
1	Address:	Birth date:						
	City:	State:	Zip:	Relationship:				
	Name:	SSN:						
2	Address:	Birth date:						
	City:	State:	Zip:	Relationship:				
	Name:	SSN:						
3	Address:	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 1 -- 50% 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							
	Name:	rieficial y(les) - 1	eceive beneficially rejund bene	SSN:			
1	Address:	Birth date:					
	City:	Relationship:					
	Name:	SSN:					
2	Address:	Birth date:					
	City:	State:	Zip:	Relationship:			
	Name:	SSN:					
3	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 unrecovered pension contributions (8% of salary plus interest earned)
- Paid only if you pass away before recovering entire pension contribution (usually within the first few years of retirement)



SEGIP Life Insurance

- Basic Life Insurance is provided at no cost to all active members, retirees and annuitants.
- Active employees receive an amount equal to their annual salary.
- Retirees and annuitants under age 60 receive an amount equal to their annual salary on their last day of active employment.
- Retirees and annuitants age 60 or older receive a \$5,000 benefit.

Optional Term Life Rate					
Member Age Monthly Rate Per \$1,000					
Under 30	\$0.03				
30-39	\$0.05				
40-44	\$0.09				
45-49	\$0.12				
50-54	\$0.19				
55-59	\$0.36				
60-64	\$0.56				
65-69	\$1.26				
70 and Over	\$2.06				

Spouse Life Monthly Rates				
Spouse Life \$10,000 Coverage (Members, retirees, and annuitants under aged 60)	\$5.70			
Spouse Life \$5,000 Coverage (Retirees and annuitants aged 60 and older)	\$2.85			





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 Tier 1 and retiring by 6/30/2026)
- Meet with a TRS Counselor 12-18 months before retirement
- Plan to attend an "It's Time to Retire!" webinar in your retirement year
- Check in with your financial planner
 - Monitor DC plan performance
 - Make changes as needed (plan limits change as you age)





In Retirement...



Standard Annual Benefit Increases

- Available to members who:
 - Have been retired one full year AND
 - Are at least age 61 (3% compounded annually)
- Increases occur each January 1
- Benefits are paid through the month of your death

Post Retirement Employment

- Must have received first pension check
- TRS-covered work limited to 120 days/600 hours per school year thru 6/30/26
- No limit on earnings







State Insurance Enrollment

- Eligible with at least five years of service credit with a State agency
- Enrollment Opportunities
 - Within 30 days of retirement date if enrolling at retirement
 - When Medicare becomes available (age 65 in most cases)
 - Upon involuntary termination of previous insurance coverage
 - During Benefits Choice Period Typically the month of May with a July 1 effective date
 - Dependents may enroll at these same opportunities
- Coverage Always begins on the first of a month
- If keeping coverage from active service into retirement, coverage is seamless



SEGIP Member Premiums

- With FIVE years of service in a State position, 5% premium subsidy for each year of TRS service
- Premium-FREE insurance for those with 20+ years of service

State Employees Group Insurance Program Retiree Health Plan

Rounded Rates for FY 2026

Years of	Contribution	QCHP Coverage				HMO Coverage				
Service at	Percentage	Medicare			Non-Medicare		Medicare		Non-Medicare	
Retirement (1)	rercentage	Tota	al Rate =	Tot	tal Rate =	Tota	al Rate =	Tot	al Rate =	
			729.13		\$1,558.00		\$855.21		\$1,456.06	
0	100%	\$	729.13	\$	1,558.00	\$	855.21	\$	1,456.06	
1	95%	\$	692.67	\$	1,480.10	\$	812.44	\$	1,383.25	
2	90%	\$	656.21	\$	1,402.20	\$	769.68	\$	1,310.45	
3	85%	\$	619.76	\$	1,324.30	\$	726.92	\$	1,237.65	
4	80%	\$	583.30	\$	1,246.40	\$	684.16	\$	1,164.84	
5	75%	\$	546.84	\$	1,168.50	\$	641.40	\$	1,092.04	
6	70%	\$	510.39	\$	1,090.60	\$	598.64	\$	1,019.24	
7	65%	\$	473.93	\$	1,012.70	\$	555.88	\$	946.43	
8	60%	\$	437.47	\$	934.80	\$	513.12	\$	873.63	
9	55%	\$	401.02	\$	856.90	\$	470.36	\$	800.83	
10	50%	\$	364.56	\$	779.00	\$	427.60	\$	728.03	
11	45%	\$	328.10	\$	701.10	\$	384.84	\$	655.22	
12	40%	\$	291.65	\$	623.20	\$	342.08	\$	582.42	
13	35%	\$	255.19	\$	545.30	\$	299.32	\$	509.62	
14	30%	\$	218.73	\$	467.40	\$	256.56	\$	436.81	
15	25%	\$	182.28	\$	389.50	\$	213.80	\$	364.01	
16	20%	\$	145.82	\$	311.60	\$	171.04	\$	291.21	
17	15%	\$	109.36	\$	233.70	\$	128.28	\$	218.40	
18	10%	\$	72.91	\$	155.80	\$	85.52	\$	145.60	
19	5%	\$	36.45	\$	77.89	\$	42.76	\$	72.80	
20+	0%	\$	-	\$	-	\$	-	\$	-	

⁽¹⁾ The rates shown for less than 8 years of service apply to survivors.



SEGIP Dependent Premiums

Number of Dependents	Aetna HMO	Blue Advantage	HM0 Illinois	Aetna OAP	BCBSIL OAP *	HealthLink OAP	CDHP **	QCHP ***
1 Dependent	\$205	\$168	\$172	\$196	\$196	\$214	\$179	\$301
2+ Dependent	\$250	\$204	\$211	\$241	\$241	\$267	\$223	\$339
1 Medicare A & B Primary Dependent	\$182	\$147	\$151	\$173	\$173	\$190	\$156	\$194
2+ Medicare A & B Primary Dependents	\$224	\$182	\$188	\$215	\$215	\$237	\$197	\$255



Dental and Vision Coverage

 Dental premiums (Delta Dental) are the same for active employees and retirees:

Member Monthly Quality Care Dental Plan (QCDP) Contributions**							
Member Only	Member + 1 Dependent Member + 2 or More Depend						
\$16.00	\$27.00	\$29.50					

 Vision coverage (EyeMed) is provided at NO COST to all members/dependents enrolled in a State health plan





Contact Information

TRS Phone & Hours



Toll-free: (877) 927-5877

M-F: 7:30 am to 4:30 pm



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