

From: TRSMessenger@trs.illinois.gov [mailto:TRSMessenger@trs.illinois.gov]

Sent: Thursday, April 07, 2016 2:09 PM

To: Employers

Subject: Contribution Rate Changes Begin 7/1/16

Dear Employer:

Effective July 1, 2016, the member THIS Fund contributions will increase from 1.07 percent to 1.12 percent and the employer THIS Fund contribution will increase from .80 percent to .84 percent.

The new rates apply to salaries earned beginning July 1, 2016. The new rates should be implemented for administrators and summer school teachers whose July checks are payment for work performed in July. Do not implement the new rates for teachers whose summer checks are for work completed during the 2015-16 school term until the first paycheck for the 2016-17 contract is issued.

If the Early Retirement Option is not extended, the current 9.4 percent salary contribution for both Tier I and Tier II members will be reduced to 9.0 percent for all creditable earnings earned on or after July 1, 2016.

Contribution Rates

2015-16 THIS Fund Contributions

- Member THIS Fund Contribution: 1.07%
- Employer THIS Fund Contribution: 0.80%

2016-17 THIS Fund Contributions

- Member THIS Fund Contribution: 1.12%
- Employer THIS Fund Contribution: 0.84%

2015-16 TRS Contributions

- Member TRS retirement contribution: 9.4%
- Employer TRS retirement contributions: 0.58%
- Employer TRS on federally-funded salaries: 36.06%

2016-17 TRS Contributions

- Member TRS retirement contribution: 9.4%*
- Employer TRS retirement contributions: 0.58%
- Employer TRS on federally-funded salaries: 38.54%

**If the Early Retirement Option is not extended, the current 9.4 percent salary contribution for both Tier I and Tier II members will be reduced to 9.0 percent for all creditable earnings earned on or after July 1, 2016.*

Employer Services Department
Teachers' Retirement System of the State of Illinois