

## TRS, IMRF, and SURS Retirement Benefits Provided for IEA Members

### Tier 1 and 2 in Detail

**PreK-12 Members:** Participate in the Teachers' Retirement System (TRS)

**Higher Education Members:** Participate in the State Universities Retirement System (SURS)

**Education Support Professionals:** Participate in the Illinois Municipal Retirement Fund (IMRF)

Tier 1 members are public educators that began participation in an Illinois public pension plan prior to January 1, 2011.

Tier 2 members are public educators that started employment in a position covered by an Illinois public pension plan on or after January 1, 2011.

The retirement benefits and eligibility requirements for Tier 1 and 2 members are as follows:

Retirement Eligibility:

- TRS allows for an unreduced retirement annuity with the following:
  - Age 55 with 35 years of service
  - Age 60 with 10
  - Age 62 with 5
  - TRS Tier 2 requires age 67 and 10 years
  - Tier 2 does allow for a permanently reduced annuity between the ages of 62-67 with 10 years. The reduction is equal to 6% a year for each year under the age of 67
- IMRF allows for an unreduced retirement annuity with the following:
  - Age 55 with 35 years of service
  - Age 60 with 8
  - IMRF Tier 2 requires age 67 and 10 years
  - Tier 2 does allow for a permanently reduced annuity between the ages of 62-67 with 10 years. The reduction is equal to 6% a year for each year under the age of 67
- SURS allows for an unreduced retirement annuity with the following:
  - Any age with 30 years of service
  - Age 60 with 8
  - Age 62 with 5
  - SURS Tier 2 requires age 67 and 10 years
  - Tier 2 does allow for a permanently reduced annuity between the ages of 62-67 with 10 years. The reduction is equal to 6% a year for each year under the age of 67

The Multiplier (Is the same for Tier 1 and Tier 2 participants):

- 2.2% for each year you work (TRS/SURS)
- 1.66% first 15 years, 2% each year after that (IMRF)

#### Post Retirement Annual Increases for Annuities:

- 3% each year compounded (TRS/SURS)
- 3% of your original pension annually (IMRF)+ a 13<sup>th</sup> check every year equal to a portion of your monthly payment
- Tier 2 members in TRS, IMRF, and SURS will receive an annual adjustment to their annuity on the Jan. 1 occurring either on or after the attainment of age 67 or the first anniversary of the annuity start date, whichever is later

#### Final Average Salary (FAS):

- The average of the four highest consecutive years in your last ten years of service (TRS/SURS)
- The average of the forty-eight highest consecutive months in the last ten years of service (IMRF)
- The Tier 2 FAS for members in TRS, IMRF, and SURS is the average of the 96 highest consecutive months in the last 10 years of service

#### Sick Leave (Remains the same for Tier 1 and 2):

- Unused sick leave can be used to calculate one's annuity. Up to two years in TRS and only one year in IMRF and SURS

#### Survivor and Disability Benefits:

- All three retirement plans provide these benefits to both Tier 1 and 2 members

#### Maximum Pensionable Salary (Applicable only to Tier 2):

- A maximum pensionable salary cap was created only for Tier 2 and is currently \$115,952. The cap is indexed annually by using 3 percent, or ½ of the Consumer Price Index (CPI) for the previous year, whichever is less. This index is not a compounding mechanism

#### A Basic Formula to Determine your Pension:

- The Multiplier X Years of Service=% of Final Average Salary (FAS)
  - TRS and IMRF members pensions can only be calculated up to 75% of their FAS and up to 80% for those in SURS