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SERS *The* - O - GRAM

The newsletter for Tier 1 members of the State Employees' Retirement System of Illinois

srs.illinois.gov

AUGUST 2019



Keep your Member Services contact information up to date to receive the latest news, announcements or deadlines by email, letter or call.

Accelerated Pension Benefit Payment for Retiring Tier 1 Members

Public Act 100-0587 created a **voluntary** program for members who qualify for a retirement annuity to elect a reduced and delayed automatic annual increase (AAI) in exchange for a lump-sum payment at retirement. The program is available for members retiring before the statutory expiration date of June 1, 2024.

At retirement, Tier 1 members can elect to forfeit the 3% compounded AAI and instead receive 1.5% non-compounded AAIs, beginning the January 1 following the first anniversary of retirement or the member's 67th birthday, whichever is later. Survivors of members who choose this option will also receive the reduced 1.5% non-compounded AAIs, beginning the January 1 following the anniversary of the start of the survivor annuity. The election to participate cannot be changed after retirement.

Members who forfeit the Tier 1 AAIs will receive a lump-sum payment equal to 70% of the difference in the value of the Tier 1 3% compounded AAI and the value of the 1.5% non-compounded AAI. This current value will be calculated by SERS and will be based on current actuarial assumptions and all relevant member information. These payments **must** be transferred to a qualified retirement plan authorized by the IRS.

You can now opt out of paper statements

On the Member Services website, you now have the option to opt out of receiving your SERS Annual Benefit Statement in the mail. You will still have access to your current and prior year statements through the secure website and you will continue to receive other SERS correspondence in the mail.

Did you know that mail theft is one of the most common ways identify theft or fraud can happen to you? The elimination of hardcopy statements decreases the risk of your personal information falling into the wrong hands. Paperless statements help the retirement system to reduce its carbon footprint and save money in printing and postage costs which can be used to pay your future retirement benefits!

Your benefit statement

Enclosed with this SERS-O-GRAM is your current benefit statement. This statement contains detailed information about your SERS benefits as of June 30, 2019.

If you would like to change or update your beneficiaries, visit srs.illinois.gov and click the Forms link to find the Death Benefit Beneficiary Designation Form.

If you have questions about beneficiaries, call us at 217-785-7444.



NCPERS open enrollment: Oct. 1 – Nov. 30, 2019

The State Employees' Retirement System (SERS) offers a voluntary life insurance plan to its members through the National Conference of Public Employee Retirement Systems (NCPERS). Coverage is guaranteed with no medical questions asked. It provides important financial protection for you and your family with a low premium of \$16 per month.

SERS is offering an open enrollment period for the voluntary group life insurance coverage to our actively working members. **The enrollment period will be held Oct. 1, 2019 – Nov. 30, 2019.**

There is no guarantee that another open enrollment period will be offered in the future, and you can only enroll while actively working. Please mark your calendars.

You can access an enrollment/beneficiary form on Oct. 1, 2019 by going to www.ncpersvoluntarylife.com/srs.

Check out our Member Services website
memberservices.srs.illinois.gov



2020 SERS Preretirement workshops

Registration for all SERS workshops begins Sept. 1, 2019.

To register for a workshop, visit srs.illinois.gov and click on the "Workshop Registration" logo. Once you're connected, click on the "Must Haves" link and follow the instructions. After you submit your registration, you'll receive an email confirming your registration has been submitted to your Retirement Coordinator for approval. Once approved, you'll receive additional emails with specific information about the workshop.

All workshops provide information on financial planning, deferred compensation, entitlements and estate planning.

For questions about our online registration, call 217-785-6979 or email stephanie.staber@srs.illinois.gov.

INVESTING IN YOUR FUTURE

For employees under age 45

This introductory IYF workshop is designed to encourage members to start planning early for retirement. The emphasis is on money management and investing early for the future, assessing current risks, and using the services provided by SERS.

Jan. 21	Springfield	Sept. 22	Collinsville
Mar. 3	Chicago	Sept. 23	Schaumburg
Jun. 4	Joliet	Nov. 10	Carbondale

COUNTDOWN TO RETIREMENT

For employees within 3 years of retirement

The CDR is a one-day program designed to help participants assess their immediate retirement plans and take the necessary steps to make the transition between employment and retirement as smooth as possible.

This workshop also reviews SERS and Social Security entitlements, the need for continuous financial planning and keeping an updated estate.

EDUCATION FOR TOMORROW'S CHOICES

For employees within 5-15 years of retirement

This two-day, medium-range planning ETC workshop asks participants to realistically assess their future needs and lifestyle, and take the necessary steps to achieve these goals. The ETC focuses on financial planning, SERS and Social Security entitlements, legal and estate planning, leisure and living arrangements.

Jan. 8 & 9	Springfield	Jun. 17 & 18	Springfield
Jan. 8 & 9	Chicago	Jul. 8 & 9	Chicago
Jan. 29 & 30	Carol Stream	Jul. 8 & 9	Urbana
Mar. 11 & 12	Joliet	Aug. 5 & 6	Effingham
Mar. 18 & 19	Springfield	Aug. 12 & 13	Mt. Vernon
Apr. 8 & 9	Carol Stream	Aug. 26 & 27	Utica
Apr. 15 & 16	Collinsville	Oct. 7 & 8	Fairview Heights
Apr. 15 & 16	Schaumburg	Oct. 14 & 15	Chicago
Apr. 28 & 29	Quincy	Oct. 14 & 15	Springfield
May 27 & 28	Dekalb	Nov. 4 & 5	Chicago
May 27 & 28	East Peoria	Nov. 4 & 5	Springfield
Jun. 10 & 11	Marion		

Jan. 16	Chicago	Jul. 16	Collinsville
Jan. 16	Springfield	Jul. 16	Orland Park
Feb. 6	Carol Stream	Jul. 23	Springfield
Feb. 13	Springfield	Aug. 6	Springfield
Feb. 27	Chicago	Aug. 13	Chicago
Feb. 27	Springfield	Aug. 20	Collinsville
Mar. 19	Urbana	Aug. 20	Dixon
Mar. 26	Springfield	Sept. 3	Carbondale
Apr. 2	Marion	Sept. 3	Rockford
Apr. 2	Chicago	Sept. 10	Springfield
Apr. 23	Schaumburg	Sept. 24	Springfield
Apr. 23	Springfield	Oct. 22	Chicago
May 7	Effingham	Oct. 22	Springfield
May 14	Chicago	Oct. 29	Orland Park
May 14	Springfield	Nov. 7	Springfield
May 21	Joliet	Nov. 12	Springfield
May 21	Quincy	Nov. 19	Chicago
Jun. 4	Mt. Vernon	Nov. 19	Mt. Vernon
Jun. 11	Springfield	Dec. 3	Springfield
Jun. 25	E. Peoria	Dec. 10	Springfield
Jun. 25	Chicago		

SERS disability benefits

If you become disabled and are unable to perform the duties of your position, you may qualify for SERS disability benefits. SERS provides occupational and nonoccupational disability benefits to partially replace your income while you are disabled, and you continue to earn SERS service credit during the period of disability. **You must apply with SERS in order to qualify for these benefits.**

Please refer to the SERS website at srs.illinois.gov for application instructions. You may also contact your Retirement Coordinator or SERS at 217-785-7444 for additional assistance in applying for disability benefits. Information regarding your benefit eligibility and estimated amount of your SERS disability benefits can be found in your enclosed June 30, 2019 benefit statement.

Do you have student loan debt?

You may qualify to have it forgiven.

If you have a Federal Direct Loan, you may be eligible for the Public Service Loan Forgiveness (PSLF) Program. To be eligible, you have to have made at least 120 separate monthly payments after Oct. 1, 2007 on the specific loan for which you are requesting forgiveness while employed full-time by a qualified public service employer. The loan has to be in good standing (not in default), and you must have made all the payments while you were working in your public service position.

What qualifies as a public service position?

- Government organizations (including federal, state, local or tribal organizations)
- Not-for-profit, tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code
- Private, not-for-profit organization (that is not a labor union or a partisan political organization) that provides one or more of the following services:
 - Emergency management
 - Military service
 - Public safety
 - Law enforcement
 - Public interest law services
 - Early childhood education (including licensed or regulated healthcare, Head Start and state-funded prekindergarten)
 - Public service for individuals with disabilities and the elderly
 - Public health (including nurses, nurse practitioners, nurses in a clinical setting and full-time professionals engaged in health care practitioner occupations and health care support occupations)
 - Public education
 - Public library services
 - School library or other school-based services

What qualifies as full-time employment?

You must meet your employer's definition of full-time employment, but for PSLF purposes, that must be at least an annual average of 30 hours per week. None of the hours of employment may include religious-based activities.

To find more information on PSLF, visit studentaid.gov/public-service or contact your federal loan servicer.

Experienced a life change recently?

Did you get married – or maybe divorced? Have a new baby? It might be time to update your beneficiaries.

You can find your current elections in the Beneficiary Information section of your statement; and don't forget other places that might need updating also – like your SERS benefits, group life insurance and deferred compensation plans.

Member Services website

Check out our secure and easy to use Member Services website at memberservices.srs.illinois.gov. You can access your current account information, annual statements and other important information, such as:

- Account information
- Annual benefit statements
- Beneficiary information
- SERS Publications

This is an excellent tool to help you plan for your financial future and eventual retirement. *Log on to this website to view your latest information.*

Registering for the SRS Member Services website is as easy as 1-2-3!

1.

Sign up for an Illinois Public ID*

- Visit memberservices.srs.illinois.gov.
- Click "Sign Up," and fill out the registration form.
- Click "Register." A confirmation email will be sent to your email address to complete the enrollment process.

**You only need to register for a Public ID once. It will be used for all future logins requiring a Public ID.*

2.

Complete eRegistration

- On your first visit to the Member Services website, you will complete a one-time State of Illinois eRegistration.
- Fill out the account registration information.
- Click "Proceed with Registration."
- Verify all information is correct, and click "Proceed with Registration" to finalize your eRegistration.

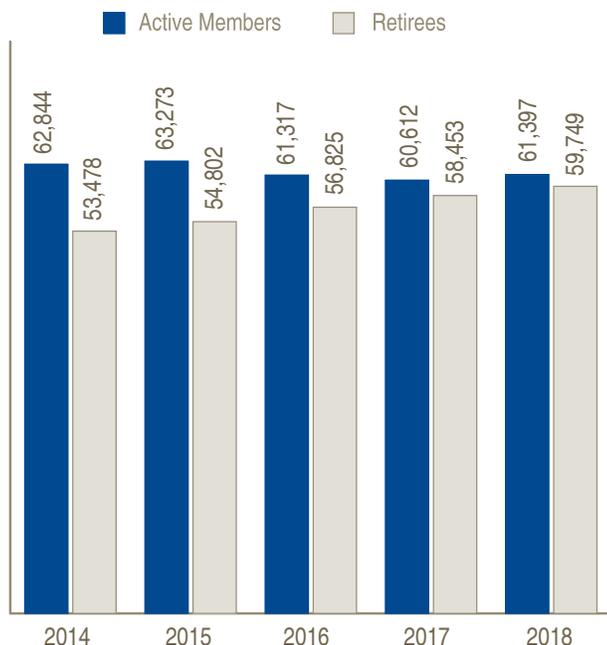
3.

Sign in using your Public ID

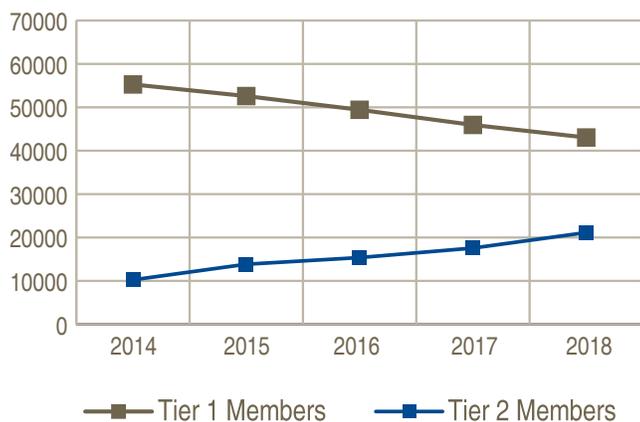
- Once you've successfully logged in, you'll be automatically redirected to the Member Services website.

If you have already signed up for an Illinois Public ID as an active employee, you already have access to the SRS Member Services Website.

Number of Active Members and Retirees by Fiscal Year



Active Membership Numbers: Tier 1 vs Tier 2



Fiduciary net position

	FY 2018	FY 2017
Assets		
Cash	\$ 204,856,059	\$ 227,542,784
Receivables	101,815,932	89,108,754
Investments (fair value)	17,268,137,475	16,322,605,337
Securities lending collateral (state treasurer)	66,204,000	63,393,000
Capital assets, net	8,662,595	7,701,569
Total assets	\$ 17,649,676,061	\$ 16,710,351,444
Total liabilities	\$ 186,397,820	\$ 180,171,652
Net position	<u>17,463,278,241</u>	<u>16,530,179,792</u>

Changes in fiduciary net position

	FY 2018	FY 2017
Revenues		
Contributions		
Member	\$ 254,442,466	\$ 251,610,974
Employer	1,929,175,044	1,798,348,440
Total contributions	<u>2,183,617,510</u>	<u>2,049,959,414</u>
Investment income, net/(loss)	1,257,039,835	1,812,878,460
Total revenues	\$ 3,440,657,345	\$ 3,862,837,874
Expenses		
Benefits	\$ 2,464,832,022	\$ 2,328,620,783
Refunds	27,469,348	26,608,011
Administrative	15,257,526	15,957,439
Total expenses	\$ 2,507,558,896	\$ 2,371,186,233
Net increase/(decrease)	933,098,449	1,491,651,641
Net position – restricted for pension benefits (beginning of year)	<u>16,530,179,792</u>	<u>15,038,528,151</u>
Net position – restricted for pension benefits (end of year)	<u>\$ 17,463,278,241</u>	<u>\$ 16,530,179,792</u>

Unanswered questions?
Visit srs.illinois.gov for more information.

