



Illinois Education Association

Keep the promise of a secure retirement

Keeping state and local pension plans sound is sound public policy

State and local pensions including TRS, SURS and IMRF fuel the state's economy:

- In 2006, \$8.62 billion was paid to Illinois residents from state and local pension plans (National Institute on Retirement Security, 2009).
- Each \$1 invested by Illinois governments in these plans supported \$5.62 in total economic activity in the state (National Institute on Retirement Security, 2009).
- Expenditures stemming from state and local pensions supported \$12.9 billion in total economic output in Illinois (National Institute on Retirement Security, 2009).
- Expenditures from state and local pensions supported \$2.0 billion in federal, state and local tax revenues in Illinois (National Institute on Retirement Security, 2009).

State and local pensions including TRS, SURS and IMRF create jobs:

- Expenditures from state and local pensions supported 83,611 jobs that paid \$5.5 billion in wages and salaries in Illinois (National Institute on Retirement Security, 2009).

State and local pensions including TRS, SURS and IMRF are fiscally responsible:

- Defined benefit pensions like TRS, SURS and IMRF are more cost efficient than 401 (k)-style plans due to higher investment returns and longevity risk pooling (National Institute on Retirement Security, 2011).
- The state's cost of TRS benefits earned this year is 7.01% of payroll (TRS, FY 2011).
- When states look at shifting from a defined benefit pension to defined contribution accounts, such a shift does not close funding shortfalls and can increase retirement costs (National Institute on Retirement Security, 2011).

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