



**General Assembly
Retirement System
of Illinois**

**Your
Rights & Responsibilities**

**M E M B E R
H A N D B O O K**

TIER 1

*For members who were first
enrolled in GARS before
January 1, 2011*

NOVEMBER 1, 2022

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GENERAL INFORMATION

This handbook, which is provided by the General Assembly Retirement System (GARS), presents you with a general overview of your GARS benefits in nontechnical language. It provides explanations of GARS eligibility requirements, retirement and survivor benefits, pension contributions, optional service credit purchases, and other aspects of your GARS benefits. These benefits, when combined with other sources of income, are designed to provide you with financial security in retirement and during periods of disability.

GARS is primarily governed by various provisions in the Illinois Pension Code, which can be found in Articles 1, 2, and 20. These portions of the Illinois Pension Code and the administrative rules and Board policies adopted pursuant to these portions of the Code comprise the “plan document.” The statutory provisions referenced above are codified at 40 ILCS 5/Arts. 1, 2, and 20, and the Board’s administrative rules are set out at 80 Ill. Admin. Code 1700. If there is any conflict, discrepancy, or inconsistency between this handbook and the plan document, the plan document controls.

The information in this handbook applies to all GARS participants who first became a GARS participant prior to January 1, 2011. Read this handbook carefully; keep a copy for future reference; and make sure your loved ones are familiar with this handbook and know where it and your other important papers are located.

This handbook is intended to serve as a supplement to your annual benefit statement, which includes personal benefit information pertaining specifically to you. It is being provided for general informational purposes only and is not intended to and does not implement, apply, interpret, or prescribe any law or policy. If you have questions about the information in this handbook, please contact us by email at gars@srs.illinois.gov or by phone at one of the phone numbers listed on page 2. However, please note that GARS staff cannot provide legal, financial, or tax advice of any kind.

GARS ADDRESSES & PHONE NUMBERS

Office Hours:
8 a.m. – 4:30 p.m.

Email:
gars@srs.illinois.gov

Website:
srs.illinois.gov

You can access your current account information using our secure and easy to use Member Services website at memberservices.srs.illinois.gov

SPRINGFIELD

2101 South Veterans Parkway
P. O. Box 19255
Springfield, Illinois 62794-9255
217-782-8500 Fax: 217-524-9039

TDD/TTY

A Telecommunications Device for the Deaf (TDD/TTY) is available for members and annuitants who are hearing or speech-impaired. If you have a TDD device, you may access this service at 866-321-7625.

INTERNET

GARS is online at **srs.illinois.gov**. Our website provides an overview of retirement and death benefits, and gives you easy access to a variety of information: current retirement issues, how to contact us, answers to frequently asked questions, the GARS annual financial report and a link to other state agencies.

GARS MEMBERSHIP

Membership in the General Assembly Retirement System of Illinois is comprised of members of the General Assembly and state officials of the executive branch who are elected by the people of Illinois. Under certain conditions, the Clerk or the Assistant Clerk of the House of Representatives and the Secretary or the Assistant Secretary of the Senate may be eligible for membership.

ELIGIBILITY

You automatically become a member of GARS unless you file an irrevocable election with GARS not to participate. Your written decision declining participation must be filed within 24 months from your first date of service.

BENEFIT CLAIMS

In order to receive any benefit, you or your survivors must apply. All benefit claims should be made to the General Assembly Retirement System.

A copy of your birth certificate and membership record are required for all benefits. All GARS records are maintained according to your Social Security number or Member ID.

After you begin receiving benefits, notify GARS if you change your name, address, marital status or wish to change your beneficiary(ies) for the lump-sum death benefit.

All benefit claims and appeals are reviewed by the GARS Board of Trustees. If your claim for benefits is denied, or you question the payment of any benefit, you or your representative may file a written appeal or request a hearing before the Board of Trustees.

MAILING ADDRESS

GARS maintains a mailing address for each contributing member. This address is taken from your payroll record and is maintained by the Office of the Comptroller. You must report any change of address directly to the Comptroller's Office. If you terminate employment, advise GARS of any change of address.

ANNUAL BENEFIT STATEMENTS

Your annual GARS benefit statement is published to your SRS Member Services account in August for the preceding fiscal year ending June 30. This statement includes information on your contributions, credited service, reciprocal service, retirement, disability, death benefits and beneficiaries. You can view your annual statement by signing up for an SRS Member Services account at srs.illinois.gov.

INDIVIDUAL COUNSELING

Contact GARS by phone or email to learn more about your benefits or request a customized benefit estimate. You can also schedule an individual conference (by telephone or in person, if available) with the GARS Manager by emailing gars@srs.illinois.gov or calling (217) 782-8500. A GARS staff member will also attend the new member conference to answer questions for new members.

CONTRIBUTIONS

As a Tier 1 member, you contribute a percentage of your salary by payroll deduction for benefits. The table below shows current contribution rates.

You may choose not to contribute to the survivors annuity if you have no eligible survivors. If you revoke this election, you can requalify for the survivors annuity by repaying GARS all contributions that would have been paid during this time period, plus interest of 4%.

Retirement Annuity	8.5%
Automatic Annuity Increase	1.0%
Survivors' Annuity	2.0%
TOTAL	11.5%

If you have no eligible survivors and have contributed to the survivor annuity provision, you may apply for a refund of those contributions prior to retirement. Once retired, survivor contributions may no longer be refunded.

Contributions made after Jan. 1, 1982 have been excluded from your gross income for federal and state income tax purposes. You pay no tax on your contributions until you receive them. See page 20 for information on “Tax Treatment of GARS Benefits.”

SERVICE

Service credit starts the first day you become a contributing member. Your service during any fraction of a month is considered a full month of service.

IF YOUR CONTRIBUTIONS WERE REFUNDED

If you terminated service, received a refund of your contributions, and later return to a GARS-covered position or accrue 2 years of service in a Reciprocal Retirement System after receiving your refund from GARS, you may reestablish your credited service by repaying your refund, plus 4% interest compounded annually. Contributions must be repaid before retirement in order for your service to be credited.

SURVIVOR CONTRIBUTION REFUND

If you are unmarried, have no eligible survivors, and have contributed to the survivor's annuity, you can apply for a refund of these contributions as long as you apply before you begin receiving your retirement annuity.

TAX-DEFERRING OPTIONAL SERVICE PURCHASES

As a GARS participant, you may qualify to purchase various types of optional service credit (i.e., military service, refunded GARS service, etc.) to increase your GARS service. The cost may include employee and employer contributions plus interest. GARS will require documentation to determine eligibility and provide estimated costs. If you qualify, you can purchase service by establishing an irrevocable payroll deduction agreement from one to five years. Service credit is only granted after a service purchase is paid in full.

Additional information on the tax-deferred payment options is provided in the fact sheet, Tax-Deferring Optional Services Purchases, found on the GARS website.

MILITARY SERVICE

Military service can be purchased based on your rate of compensation on the last date as a GARS participant prior to the military service, or on the first date as a participant after such military service, whichever is greater. A copy of your DD-214 is required.

ROLLOVERS

You may roll money over from another qualified pension plan or an individual retirement account (IRA), to purchase optional service credit.

You can also transfer money while still employed from your deferred compensation account (457(b)) or tax-sheltered annuity (403(b)) to purchase service credit or repay a refund. To do so, you must obtain and complete a Transfer/Rollover Certification form from GARS.



SERVICE UNDER OTHER ILLINOIS PUBLIC RETIREMENT SYSTEMS

If you have established at least one year of credited service under an Illinois public retirement system that participates in the Retirement Systems' Reciprocal Act, your service under that system may be used when determining eligibility for a GARS benefit.

In general, the rules of each retirement system apply in determining a benefit. The benefit amount is based on the benefit formula and amount of service in each system on your last day of service, and is paid to you by each system. Annual benefit increases are made in accordance with each system's statutes.

Contributions and service credit in all reciprocal systems and the non-reciprocal public safety systems may be transferred to GARS at a cost.

CALCULATING GARS BENEFIT WHEN ELECTING TO RETIRE USING RECIPROCAL ACT

If you elect to retire under the Reciprocal Act, the salary used to calculate your GARS benefit is determined by your GARS membership date. For GARS participants with membership dates before August 22, 1994, GARS calculates benefits using the final compensation rate received in the last system of employment.

For a member who first became a GARS participant from August 23, 1994 through August 9, 2009 and retires reciprocally, GARS calculates benefits using the legislative salary prescribed by law on the last day of service in any participating system from which the person has applied for a proportional annuity under the Retirement Systems Reciprocal Act. For participants who served as an officer of the General Assembly for at least 48 months, the additional compensation earned for leadership service is included in the salary used for calculating benefits.

For a member who first became a GARS participant on or after August 10, 2009, but prior to January 1, 2011, GARS calculates benefits with a 4-year final average salary. The final average salary is calculated using the 48 highest consecutive months of earnings within the last 120 months of service. If earnings under any other participating system under the Retirement Systems Reciprocal Act are considered in determining the final average salary, an earnings limitation applies.

The reciprocal system's formula requires an average salary to calculate their share of the benefit. GARS will provide the reciprocal system with your service credit and earnings history. In addition, nonconcurrent credited service in a reciprocal system preceding your GARS service is considered in the graduated formula, which allows you to reach the higher formula sooner.

However, your total benefits cannot be higher than if all service were earned in one system. If you earn service credit in GARS and another reciprocal system in the same period of time, each system will reduce its credit proportionately. Concurrent service cannot be considered in a reciprocal benefit calculation.

RETIREMENT BENEFITS

ELIGIBILITY

You may retire:

- At age 55 with 8 years of credited service.
- At age 62 with 4 years of credited service.

Your retirement benefit is paid monthly for your lifetime. You must submit a retirement application and include a copy of your birth certificate in order to receive benefits. If you elect to retire under the Reciprocal Act, it is your responsibility to file an application with each system involved.

Contact GARS approximately 60-90 days before your retirement date. Your pension becomes effective on the day following your last paid day of service, or the date you first meet eligibility requirements. Inactive members who qualify may elect to backdate their benefit effective date up to one year prior to receipt of the pension application.

YOUR RETIREMENT BENEFIT

Your retirement benefit is based on your salary and total GARS credited service on your last day of service using the following formula:

- 3.0% for the first 4 years of service
- 3.5% for the next 2 years of service
- 4.0% for the next 2 years of service
- 4.5% for the next 4 years of service
- 5.0% for each year after 12 years.

This table illustrates the percentage of salary that GARS members with 8 to 20 years of GARS service credit will receive at age 55.

Years of service	Percent of salary
8	27
9	31.5
10	36
11	40.5
12	45
13	50
14	55
15	60
16	65
17	70
18	75
19	80
20	85

The salary used in calculating your benefit is based on your GARS Membership Date:

Membership date prior to August 10, 2009:

- GARS uses the highest salary prescribed by law on the last day of service and the highest leadership rate earned if the member had 48 or more months of leadership service. If you have served as an officer of the General Assembly for at least two years, you will be given the option of making the required additional contributions to meet the four-year requirement to use the officer salary in the calculation of benefits.

Membership dates from August 10, 2009 through December 31, 2010:

- GARS uses the total salary for 48 highest consecutive months of service within your last 120 months of service in the General Assembly.

If you have less than 48 months of service:

- The salary for annuity purposes is determined by taking the average monthly salary during such period of service.

A member terminating service with four to eight years of service credit is eligible for the following pension rates at age 62:

- 4 Years 12%**
- 5 Years 15.5%**
- 6 Years 19%**
- 7 Years 23%**
- 8 Years 27%**

Example: Assume a member is age 55, has 20 years of credited service, a membership date prior to 8/10/09 and a final salary of \$67,836:

First 4 years	x	3.0%	=	12.0%
Next 2 years	x	3.5%	=	7.0%
Next 2 years	x	4.0%	=	8.0%
Next 4 years	x	4.5%	=	18.0%
Next 8 years	x	5.0%	=	40.0%
		TOTAL	=	85.0%

$85\% \times \$67,836 = \$57,660.60$ annually or \$4,805.05 a month.

The maximum pension payable to a member of GARS is 85% of their highest salary for annuity purposes with 20 years of service credit.

GROUP INSURANCE

To be eligible for the State of Illinois Employees Group Insurance Program, you must meet the minimum four-year vesting requirement in GARS.



ANNUAL PENSION INCREASES

If you retire at age 60 or over, you will receive a 3% pension increase every year on January 1 or July 1, whichever occurs first, following your first benefit anniversary date. This annual increase is compounded on your previous year's annuity. Pension increases are not limited to the 85% maximum.

If you retire prior to age 60 and are retired for at least one full year, you will be eligible for your first 3% pension increase the first of the month following your 60th birthday. For members with a birthday on the 1st of the month, the first 3% pension increase will be given on the actual birthday. The second pension increase will occur on January 1 or July 1 that follows the benefit anniversary date, whichever is earlier. Pension increases after the second increase will occur on the anniversary of the second increase.

Example: A member is age 55, has 20 years of credited service, and a final salary of \$67,836. The initial retirement annuity is \$57,660.60 (85% of final salary).

The automatic 3% annual increase would be:
 $3\% \times \$57,660.60 = \$1,729.82$
annually or \$144.15 per month.

ACCRUALS

The 3% increase also accrues for GARS members who remain in service after age 55 with 20 years of credited service. These increases are payable on January 1 or July 1 following the first full year of retirement at age 60. GARS members elected after 8/8/2003 are not eligible for accruals.

Example:

A member retires at age 60 in December 2017 with 25 years of credited service. On January 1, 2019, the member would receive a pension increase of 18%.

3% Automatic Increase	3%
Accrual Increase Over 5 Years	15%
TOTAL	18%

REVERSIONARY ANNUITY

This option allows you to elect to reduce your monthly retirement benefit to provide lifetime income for certain eligible family members such as your children, spouse, parents, or siblings after your death. You may elect this option at any time prior to retirement, but if you pass away either before you begin receiving your retirement benefits, or less than 2 years after making such election, then no reversionary annuity benefits shall be payable.

The reversionary annuity is paid in addition to survivor benefits. If the death of your named-reversionary annuitant occurs after your retirement date, then your reduced annuity will remain unchanged.

RETURNING TO EMPLOYMENT

As a Tier 1 retiree, your GARS retirement benefit will be suspended if:

- You retired using the Reciprocal Act and exceed the post retirement employment limits in a reciprocal system from which you are receiving retirement benefits.
- You become employed in a position eligible for participation in GARS.

Retired members who return to a GARS-covered position have an option to:

1. Repay pension benefits already received. After your subsequent retirement, your pension will be recalculated as if you had not previously retired. This may benefit you if your salary upon re-entry is higher than what was used for your previous retirement.
2. Upon returning to service, you will resume contributions to GARS and accrue additional service credit. Upon subsequent retirement, you will be entitled to a retirement benefit consisting of the amount of your original pension, plus the amount of additional service credit earned during your return to service. However, the total pension cannot exceed the total maximum applicable at the date of your last retirement.

Your GARS pension benefit will continue if you:

- ***Accept private sector employment.***
- ***Work in a position covered by another Illinois reciprocal retirement system assuming you are not already receiving retirement benefits from that system under the Reciprocal Act.***
- ***Work for the U.S. government.***
- ***Work in a public sector position outside the State of Illinois.***

QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER (QILDRO)

A QILDRO allows for the division of a retirement benefit, lump-sum death benefit or a refund of contributions due to divorce. It does not establish a new benefit, nor does it create a new member or beneficiary.

Generally, the QILDRO orders the payment of a benefit to the ex-spouse as the alternate payee. It may also be payable to a child or other dependent as the alternate payee.

A member may not choose a benefit type that would diminish the alternate payee's benefit without written consent from the alternate payee. The QILDRO is usually issued at the time of divorce and sent to the member's retirement system. It is recorded and retained until the member applies for a refund, retirement benefit or dies.

Any member who begins employment with an Illinois public retirement system after July 1, 1999 accepts the QILDRO as a condition of employment.

QILDRO information and forms may be downloaded from the GARS website at ***srs.illinois.gov***.

DISABILITY BENEFITS

If you become disabled and unable to perform the duties of your elected position, you may receive disability benefits which will partially replace your working income.

RETIREMENT ANNUITY FOR PERMANENT DISABILITY

If you are permanently disabled, you may receive a retirement annuity if you have at least eight years of pension credit and your disability occurs while you are in active service.

The GARS Board of Trustees must approve your claim based on the medical evidence you provide before you may receive a retirement benefit due to a total and permanent disability that prevents you from performing the duties of your elected position.

APPLYING FOR & RECEIVING PERMANENT DISABILITY BENEFITS

You must apply for disability benefits and include a copy of your birth certificate. The application process requires you to obtain two physician's reports certifying you as unable to perform the duties of your position, and also requires you to sign a GARS medical release form.

Your disability benefit equals your earned retirement benefit, and is effective on the day following your removal from the payroll. You will receive a 3% increase on January 1 or July 1 following your first full year of receiving a retirement annuity for permanent disability, but never before age 60.

SURVIVOR ANNUITY BENEFITS

Your eligible survivors, beneficiaries or estate may qualify for death benefits.

WHO IS ELIGIBLE FOR A GARS SURVIVOR'S ANNUITY?

A GARS survivor's annuity is payable to an eligible surviving spouse or eligible child:

- (1) upon the death in service of a participant with at least 2 years of service credit;
- (2) upon the death of an annuitant in receipt of a retirement annuity; or
- (3) upon the death of a participant who terminated service with at least 4 years of service credit.

ARE ALL SURVIVING SPOUSES ELIGIBLE FOR A GARS SURVIVOR'S ANNUITY?

No. To be eligible for a GARS survivor's annuity, the requirements above must have been met and the surviving spouse must have been married to the GARS participant or annuitant for a continuous period of at least one year preceding the date of death of the participant or annuitant.

ARE ALL SURVIVING CHILDREN ELIGIBLE FOR A GARS SURVIVOR'S ANNUITY?

No. The only children of deceased GARS participants and annuitants who are eligible for GARS survivor annuities are "eligible children," which Article 2 of the Illinois Pension Code defines as any child of a deceased GARS participant or annuitant who is at least one of the following:

- (1) unmarried and under the age of 18;
- (2) unmarried, a full-time student, and under the age of 22;
- (3) dependent by reason of physical or mental disability.

HOW IS THE AMOUNT OF A GARS SURVIVOR'S ANNUITY CALCULATED?

Section 2-121.1 of the Illinois Pension Code (40 ILCS 5/2-121.1) contains four separate formulas that are generally used by GARS staff to calculate the amount of GARS survivor's annuities.

Formula #1: Surviving Spouse

A survivor's annuity calculated under this formula is equal to 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, without regard to whether the participant had attained age 55 prior to his or her death, subject to a minimum payment of 10% of salary.

Formula #2: Surviving Spouse with an Eligible Child or Children*

A survivor's annuity calculated under this formula is equal to the greater of the following: (1) 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, or (2) 30% of the participant's salary increased by 10% of salary on account of each eligible child, subject to a total payment for the surviving spouse and children of 50% of salary.

Formula #3: Eligible Children but No Surviving Spouse*

Under this formula, each eligible child is entitled to an annuity of 20% of salary, subject to a maximum total payment for all eligible children of 50% of salary.

Formula #4: Dependent Disabled Child

Under this formula, the survivor's annuity that is payable is equal to 100% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death.

However, regardless of the formula used, the minimum survivor's annuity payable to any person who is entitled to receive a GARS survivor's annuity is \$300 per month.

*Also, note that, upon the death of a participant after the termination of service or upon the death of an annuitant, the maximum total payment to a surviving spouse and eligible children under Formula #2, or to eligible children alone under Formula #3, is 75% of the retirement annuity to which the participant or annuitant was entitled.

WHEN DOES A GARS SURVIVOR'S ANNUITY BECOME PAYABLE?

The date upon which a GARS survivor's annuity becomes payable depends on whether the member dies as a participant or annuitant, whether he or she dies with or without children in the care of a surviving spouse, and, in some cases, the age of the surviving spouse. If the member is an active participant and dies with children in the care of a surviving spouse, then the annuity becomes payable on the date of death. If the member is an annuitant and dies with children in the care of a surviving spouse, then the annuity becomes payable on the first of the month following the date of death. If the member is an active participant and dies without children in the care of a surviving spouse, then the annuity becomes payable on the date of death, unless the surviving spouse is under age 50, in which case, the annuity becomes payable when the surviving spouse is 50.

If the member is an annuitant and dies without children in the care of a surviving spouse, then the annuity becomes payable on the first of the month following the date of death, unless the surviving spouse is under age 50, in which case, the annuity becomes payable in the month following the surviving spouse's 50th birthday.

ARE GARS SURVIVOR'S ANNUITIES SUBJECT TO AUTOMATIC ANNUAL INCREASES?

Yes. Following the death of an active GARS member, the survivor benefit is increased 3% on each January 1, following the first anniversary of the benefit. If the member was retired at the date of death, the survivor annuity is increased by 3% on January 1 after the commencement of the survivor annuity.

WHAT HAPPENS IF I DIE WITHOUT ANY ELIGIBLE SURVIVORS?

If you die while in active service with no qualified survivors, your named beneficiary or estate will receive your GARS contributions. If you die with no qualified survivors while receiving a permanent disability benefit or retirement benefit, your named beneficiary or estate will receive your total contributions, less any benefits paid.

IS A GARS SURVIVOR'S ANNUITY SUBJECT TO A WORKERS' COMPENSATION OFFSET?

Yes. A GARS survivor's annuity may be reduced by amounts received under the Workers' Compensation Act or Workers' Occupational Diseases Act.

However, there shall be no reduction for payments for medical, surgical and hospital services, non-medical remedial care and treatment rendered in accordance with a religious method of healing recognized by the laws of this State, and for artificial appliances, and fixed statutory payments for the loss of or the permanent and complete loss of the use of any bodily member.

CAN A GARS SURVIVOR’S ANNUITY BE ADJUSTED?

Yes. When a child ceases to be an eligible child, the annuity to that child, or to the surviving spouse on account of that child, shall thereupon cease, and the annuity payable to the surviving spouse or other eligible children shall be recalculated if necessary. If a surviving spouse with eligible children dies while receiving a survivor’s annuity, the annuity payable to the surviving spouse will be terminated and recalculated to pay any eligible children. Additionally, upon the ineligibility of the last eligible child, the annuity shall immediately revert to the amount payable upon death of a participant or annuitant who leaves no eligible children. If the surviving spouse is then under age 50, the annuity as revised shall be deferred until the attainment of age 50.

LEAVING GARS

If you terminate service in the General Assembly, you may withdraw your contributions in GARS or transfer your contributions to another qualified plan or IRA.

IF YOU LEAVE YOUR CONTRIBUTIONS IN GARS

- You must have four years of service under GARS to qualify for a pension.
- You may use service in other reciprocal systems to qualify for a pension under the Retirement Systems' Reciprocal Act.



IF YOU HAVE YOUR CONTRIBUTIONS REFUNDED

- You receive no interest on your contributions.
- You forfeit all rights to GARS benefits for yourself and your beneficiaries.

IF YOU WITHDRAW YOUR GARS CONTRIBUTIONS AND LATER RETURN TO SERVICE

If you return to service in a GARS-covered position, you will be eligible to repay your refunded contributions plus 4% interest from the date of the refund to the date of repayment. Payments may be made in a lump sum, via a rollover from a qualified plan, or by installments on a pre-tax or post-tax basis.

If you become a participant in another reciprocal retirement system, you must establish two years of credited service following the date of your GARS refund before you will be eligible to reestablish your GARS service. A fact sheet on the GARS website provides a listing of all systems covered under the Retirement Systems' Reciprocal Act.

Service under the Retirement Systems' Reciprocal Act can be used to meet the two year requirement.

TAX TREATMENT

In general, you will not be taxed on your contributions until you receive benefits.



The best tax treatment for you depends on your individual financial situation.

Contributions made before January 1, 1982 were taxed when you received them. Your contributions after January 1, 1982, were not included in your gross income and therefore are not immediately taxable.

WHEN BENEFITS OR REFUNDS ARE PAID TO YOU

- You pay no Illinois state income tax.
- You pay federal tax on your GARS benefits. There may be a small portion of each pension check that is nontaxable.
- All benefits and refunds must be declared as income in the year they are received.
- Specific tax information will be furnished in your first payment letter when your benefit is processed.
- You may postpone taxation of refunds by transferring (direct rollover) the payment to another qualified plan or an individual retirement account (IRA) that accepts it.

GARS advises all members to check with a qualified tax consultant or financial planner before receiving benefits or refunds.

BOARD OF TRUSTEES

The Board of Trustees is responsible for the operation of GARS. The seven-member Board includes senators, representatives and an elected General Assembly annuitant.

PLAN DOCUMENT

This handbook describes the benefits of GARS in non-technical language. Some features, particularly those that apply to very few members, are not included.

The official document describing GARS benefits is the Illinois Compiled Statutes, 40 ILCS 5/2, which legally governs the operation of the plan.

If there is any variance between this handbook and the plan document, the plan document rules.

PLAN YEAR

For record-keeping purposes, the plan year is July 1 through June 30.

ADMINISTRATION

GARS is administered by the board-appointed Secretary.

APPENDIX

GARS is a defined benefit plan, which uses a formula factor, service credit and final average salary or final salary, depending on date of your membership, to determine your retirement benefit.

GARS FUNDING

Contributions are made by the State and GARS members. All contributions not required for current operations are invested by the Illinois State Board of Investment for the exclusive benefit of our members and their beneficiaries.

To safeguard the proper operation and funding of this pension fund, operations are monitored both internally and externally. GARS' financial and administrative activities are subject to an annual audit by an independent accounting firm under the direction of the state's Auditor General.

Proper funding includes an actuarial review of the fund balances to ensure that funds will be available for current and future benefit payments.

EMPLOYER IDENTIFICATION NUMBER

The employer identification number is 37-1254629.

EMPLOYMENT RIGHTS

Membership in GARS does not guarantee continued public employment, nor does it guarantee a right or claim to any benefit not accrued under the terms of the plan document.

LEGAL PROCESS

Legal process may be served on the GARS Secretary.

GLOSSARY OF TERMS

Annual Benefit Statement: The annual benefit statement summarizes the member's personal account and benefits. Participants can view their annual statement by signing up for an SRS Member Services account at srs.illinois.gov. Active participant statements are available in August each year; inactive participant statements are available in May.

Automatic Increase in Retirement

Annuity: A GARS retiree must be retired for one full year and age 60 to begin receiving annual 3% pension increases. Increases are awarded on January 1 or July 1 that follows the benefit anniversary date, whichever is earlier. These annual increases are compounded on the previous year's annuity. Pension increases are not limited to the 85% maximum.

Defined Benefit Plan: Provides a predetermined benefit amount using a formula combining service credit and salary.

Final Average Salary: Those who became members between 8/10/09 through 12/31/10, final average salary is the average of the highest 48 consecutive months over the last 120 months of service.

Final Salary: *For retirement and survivor benefits* – those who became members prior to 8/10/09, benefits are determined based on their final salary and total credited service.

Pension: Retirement annuity paid for a member's lifetime.

The active statement summarizes the member's account and benefits, which includes service credit, projected and accrued pension benefits and lists the member's beneficiaries.

The inactive statements include service credit and lists the member's beneficiaries.

Qualified Plan: A retirement plan qualified under the Internal Revenue Code allowing GARS and its members certain tax advantages.

Reciprocal Retirement Systems: There are thirteen Illinois public retirement systems participating in the Retirement Systems' Reciprocal Act. [Fact Sheet](#)

Reciprocity: A member who has at least one year of credited service under another Illinois public retirement system, may use service under that system to determine eligibility for a GARS benefit.

Retirement Systems' Reciprocal Act: Provides continuity of pension credits for individuals who have participated in more than one Illinois public employee retirement system.

Rollovers: Postponing taxation of distributions by rolling the payment over to another qualified plan or an individual retirement account.

Service: The total credited service certified to a member's record.

Solon: An online newsletter for GARS members which contains timely and pertinent information. The Solon is produced in January and August.

Survivor Annuitant: A qualified survivor (spouse or child) designated by statute to receive a monthly annuity upon the death of the member.

Tax-Sheltered/Tax-Deferred: Contributions made by a member that are not taxed until a benefit is paid.

Tier 1: A member of the General Assembly who was first elected or appointed prior to January 1, 2011.

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