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THE SOLOON



*The newsletter for members of the
General Assembly Retirement System of Illinois*

 [srs.illinois.gov](https://www.facebook.com/srs.illinois.gov)

MARCH 2022

 Keep your Member Services contact information up to date to receive the latest news and announcements.

Benefit Statements Available in SRS Member Services

GARS no longer mails annual statements to members, retirees, or survivors. You can access your current benefit statement, in addition to beneficiary information, GARS forms and publications, by logging into the SRS Member Services secure website at <https://memberservices.srs.illinois.gov/>. If you don't have a Member Services online account, you can create a new account here: <https://www2.illinois.gov/sites/accounts/pages/createanewid.aspx>. If you have trouble logging into your account, you can reset your password from the login page. If you are having a problem creating your account, contact the DoIT Service Desk at (217) 524-3648 or (312) 814-3648. Please note that the DoIT Service Desk or SRS is not able to reset your password.

*Make sure to review your GARS beneficiaries; any changes or updates can be filed with GARS by submitting a completed **Death Benefit Beneficiary Designation form**. If you have questions about your statement, call us at (217) 782-8500 or email gars@srs.illinois.gov.*

Eligible Tier 2 Retirees Receive 3% Increase in January 2022

The Department of Insurance announced the 2022 COLA for Tier 2 annuitants. GARS Tier 2 annuitants receive the lesser of 3% or the annual unadjusted percentage increase in the CPI-U for the 12 months ending with the September preceding November 1. In calendar year 2022, the annual increase for Tier 2 annuitants (must be at least age 67 and retired one full year) is 3% and will be effective on January 1 or July 1, whichever occurs first, following the first full year of retirement.

MetLife Replaces Securian Financial as Life Insurance Carrier

Effective July 1, 2021, MetLife became the new life insurance carrier for the State of Illinois Employees' Group Insurance Program (SEGIP). The MetLife Customer Service phone number is 800-880-6394. To update your life insurance beneficiaries, contact MetLife at 800-880-6394, Monday through Friday (8 am to 6 pm) or visit www.metlife.com/stateofillinois.



GARS Operations Update

GARS is pleased to announce that in-person counseling appointments will begin March 7, 2022. You may schedule an appointment by emailing or calling 217-782-8500. The GARS lobby will remain locked, but you will be given access to the building just prior to your appointment time. Accommodations have been made to minimize contact while still providing personal service. We look forward to seeing you!



Annuitant Tom Ryder elected to GARS Board of Trustees

In an election held in January 2021, Representative Tom Ryder was elected by GARS annuitants to serve as their representative on the GARS Board of Trustees. His five-year term began February 1, 2021. Representative Ryder served for 18 years in the Illinois General Assembly and has been a GARS retiree since 2004.

FY21 Financials

Funding

On June 30, 2021, GARS actuarial liability stood at \$373.7 million, up from \$373.5 million on June 30, 2020. During the same period, the actuarial value of assets, using a five-year smoothed market value, increased from \$63.9 million to \$72.2 million. Based on this smoothed market basis, the funded ratio of GARS increased from 17.1% on June 30, 2020, to 19.3% on June 30, 2021. Based on the market value of assets of \$79.6 million on June 30, 2021, the funded ratio increased to 21.3%, up from 16.9% on June 30, 2020.

Operations

Total FY 2021 contributions to GARS were \$28.5 million, with \$27.3 million contributed by the State of Illinois and \$1.2 million contributed by active members. When including investment income of \$14.8 million, FY 2021 revenues totaled \$43.3 million. During FY 2021, GARS expenses were \$26.5 million, with benefit payments of \$26.1 million and refunds and administrative expenses of \$484,900.

FY22 and Beyond

During FY 2022, which ends June 30, 2022, contributions to GARS are expected to be \$28.9 million, with State contributions of \$27.8 million and member contributions of \$1.1 million. At the January 2022 Board meeting, the GARS Board of Trustees certified an FY 2023 State contribution of \$27.2 million. The decline in State contributions from FY 2022 to FY 2023 is a result of the significant FY 2021 investment income. The Board of Trustees has approved an investment return of assumption of 6.5% annually, while the investment portfolio returned 25.8% in FY 2021.

For additional actuarial information, the FY 2021 GARS Actuarial Valuation may be found on the GARS website at <https://www2.illinois.gov/sites/SRS/GARS/Resources/Pages/Financial-and-Actuarial.aspx>. The FY 21 Comprehensive Annual Financial Report is still in the auditing process.

Member Services

You can securely view your monthly check stubs through the SRS Member Services website at memberservices.srs.illinois.gov to see details of your deductions and history of transactions. There is also a withholding calculator available on the GARS website that allows you to estimate your federal tax withholding for GARS annuity payments.

We recommend you contact a qualified tax advisor or an IRS representative at 800-829-1040 with questions about your taxes, including your withholding.

Federal Tax Income Withholding

You may have noticed a slight change in the amount of your federal tax deducted from your GARS benefit payment due to revised federal withholding tables that went into effect on January 1, 2022.

If you need to change the amount of your federal tax withholding, you must complete a new [W-4P form](#) and mail or fax (217-524-9039) it to GARS. To protect your personal information, do not email W4-P forms to GARS. **Please note:** GARS is continuing to use the 2021 version of the W-4P and will implement the IRS 2022 W-4P as soon as programming is completed.

1099-R

In January, the Office of the Comptroller mailed IRS Form 1099-Rs for 2021 GARS benefit payments to all annuitants and survivors. If you moved recently and haven't notified GARS, your 1099-R will be mailed to the address we have on file. Please contact GARS to confirm we have your current address on file and request a duplicate 1099-R. To update your address, contact GARS to request a Change of Information form. Address changes submitted through email will not be accepted.

1099-R income from GARS must be reported on IRS Form 1040 under the Income section (pensions and annuities). You may also receive a W-2 for any pension benefits paid from the excess benefit plan due to Section 415 of the Internal Revenue Code. Anyone receiving an excess benefit should have already received a letter from GARS indicating the new amount for 2022 that will be paid from the excess benefit fund.

Approaching Medicare Age and TRAIL Medicare Advantage

Medicare Advantage plans are a part of Medicare that combine all the benefits of Medicare Part A (hospital coverage) and Medicare Part B (doctor and outpatient care) into one convenient plan. To be eligible for the State's Medicare Advantage Prescription Drug Plan (MAPD), Total Retiree Advantage Illinois (TRAIL), retirees and survivors must live in the United State or U.S. Territories and be enrolled in Medicare Parts A and B, due to age or disability. You will be required to participate in the TRAIL plan once you and your insured dependents are Medicare primary to retain your medical, prescription and vision coverage through the State.

You will have two opportunities to enroll: the initial enrollment and the annual open enrollment. The Initial Enrollment is offered to all Medicare-eligible retirees and their Medicare-eligible dependents within 60 days of the 65th birthday (of the youngest enrollee). Initial enrollment is a one-time offering. You will also be able to enroll during the annual open enrollment period held in the Fall each year. This enrollment period is open for Medicare-eligible retirees, survivors and their dependents to change their elections, or for anyone who previously waived or cancelled coverage to re-enroll.

If you meet eligibility criteria, you will receive information from the My Benefits Service Center and/or the Group Insurance Division of CMS. If you have questions regarding your eligibility for TRAIL or want to learn more about the available options, please call the MyBenefits Service Center at 844-251-1777. You can also access insurance benefit information through their website by logging into mybenefits.illinois.gov.