Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE

103RD General Assembly

BILL NO:	HB 4336	January 31, 2024
SPONSOR (S):	Cabello	
SYSTEM:	Downstate Police & Fire, SERS, Chicago Police & Fire, IMRF SLEP, and SURS	

FISCAL IMPACT

CGFA's actuary conducted a comprehensive actuarial review of HB 4065 which also abolishes Tier 2 for public safety employees and places said employees in Tier 1. The actuary has determined that placing SURS and SERS public safety personnel in Tier 1 would increase State contributions by $3.1 billion between FY 2024 and FY 2025. Please see Exhibit I on page 16 for more information.

Exhibit II on pages 16-17 of this Impact Note shows the actuary's conclusions with regard to the increase in the Normal Cost for five selected municipalities with Downstate Police and Fire pension funds – Aurora, Edwardsville, Effingham, Peoria, and Rockford. The increases for all five of the associated Downstate Police and Fire funds are $2.026 million and $1.576 million, respectively. An updated study would be needed to assess the aforementioned differences in the COLA provisions between the bill that underwent actuarial review, HB 4099, and this bill, HB 4336.

State contributions to the Downstate Police and Fire funds and the Chicago Police and Fire funds under the Local Government Retirement Fund (LGRF), which equal 40% of the total contribution amount certified, would be approximately $980.4 million in FY 2025, if the bill were in effect as of the writing of this Impact Note. Chart I and Chart II, on pages 3 and 4, respectively, show breakdowns of LGRF and municipal contributions using data derived from the Department of Insurance recommended tax levy for the Downstate funds as well as actuarial valuation reports of projected City of Chicago contributions to the Chicago Police and Fire funds.

SUBJECT MATTER: HB 4336 amends the Downstate Police and Fire, Chicago Police and Fire, SERS, IMRF, and SURS articles of the Pension Code. The bill would abolish Tier 2 from the aforementioned articles for public safety employees (police officers and firefighters). The bill would place these public safety employees in Tier 1 as of the effective date, but no recalculation of prior Tier 2 benefits earned or retirement annuities already paid would be allowed. HB 4336 also creates the Local Government Retirement Fund (LGRF), which establishes a state-local cost sharing program with municipalities, wherein the State of Illinois would assume 40% of annual employer pension and retiree health insurance contributions. Each of these changes is summarized in the Comment Section below.

The changes enumerated below are similar to those in HB 4334, which is a stand-alone pension bill, except for amendments HB 4334 makes to the Public Safety Employee Benefits Act (PSEBA) mandating employer contributions for health insurance costs. HB 4336 makes no such amendment to the PSEBA. Furthermore, the Pension Code changes contained in HB 4336 are part of a larger Criminal Code omnibus package, with items such as reinstating the death penalty, altering standards of operations for officer-worn body cameras, and reinstating cash bail, among other changes.

COMMENT:

Creation of the Local Government Retirement Fund

HB 4336 amends the State Finance Act to the create the Local Government Retirement Fund (LGRF). The LGRF is to receive funds from a source left unspecified in the bill for the purposes of making payments towards the health insurance costs and retirement contributions of public safety employees.

Beginning in FY 2025, the State Comptroller is to pay each unit of local government that makes a certification under the Downstate Police and Fire, Chicago Police and Fire, and Illinois Municipal articles of the Pension Code an amount equal to 40% of the total amount certified by the given unit of local government to the associated pension fund. Under HB 4336, the appropriate employer shall take these LGRF contributions into account when determining the appropriate annual employer contribution. For example, annual required municipal payments to Downstate Police pension funds must subtract anticipated LGRF contributions, which, based on the estimates from Chart I below, would total to $238.0 million on a statewide basis.

The appropriate employer would be responsible for certifying the total annual employer contribution under the pertinent funding law so that the State Comptroller is able to provide the appropriate LGRF contribution to that particular pension fund. Using the example of a Downstate Police pension fund, the employing municipality would still calculate the annual contribution that would be sufficient to attain a 90% funding ratio in 2040, consistent with current law, but that amount would be certified to the Governor for the aforementioned purpose of determining the appropriate annual LGRF contribution. The employing municipality of the

Downstate Police Pension Fund in this example would then be responsible for making 60% of the annual contribution, with 40% coming from LGRF.

Chart I

Chart I, seen below, uses 2022 data from the Department of Insurance (DOI) for the Downstate Police and Fire pension funds to show an estimate of the annual contribution that the State and relevant municipalities would make from LGRF to Downstate Police and Fire funds according to HB 4336. The yellow bar shows the total recommended statewide municipal pension tax levy. The blue bar represents 40% of the recommended levy, which is the best and most recent estimate available for the amounts that would be distributed from LGRF to Article 3 and 4 funds under the provisions of HB 4336. The red bar represents 60% of the recommended levy after LGRF contributions, which would be charged across the relevant municipalities.

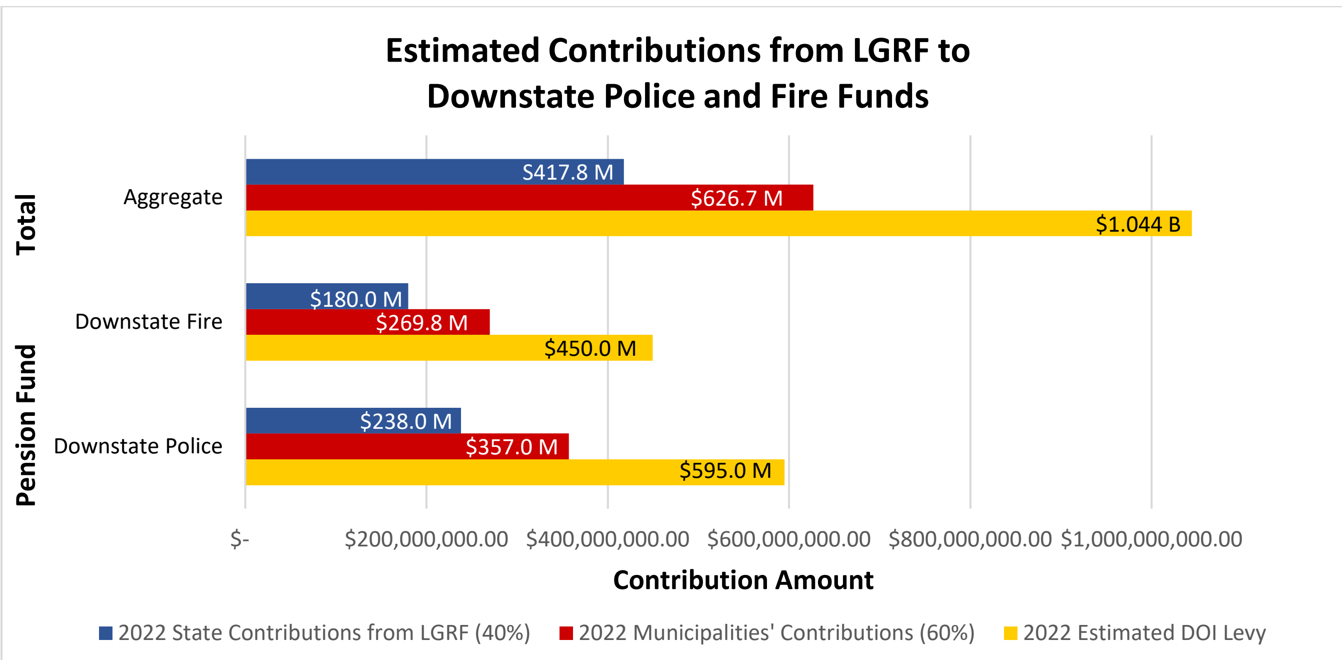
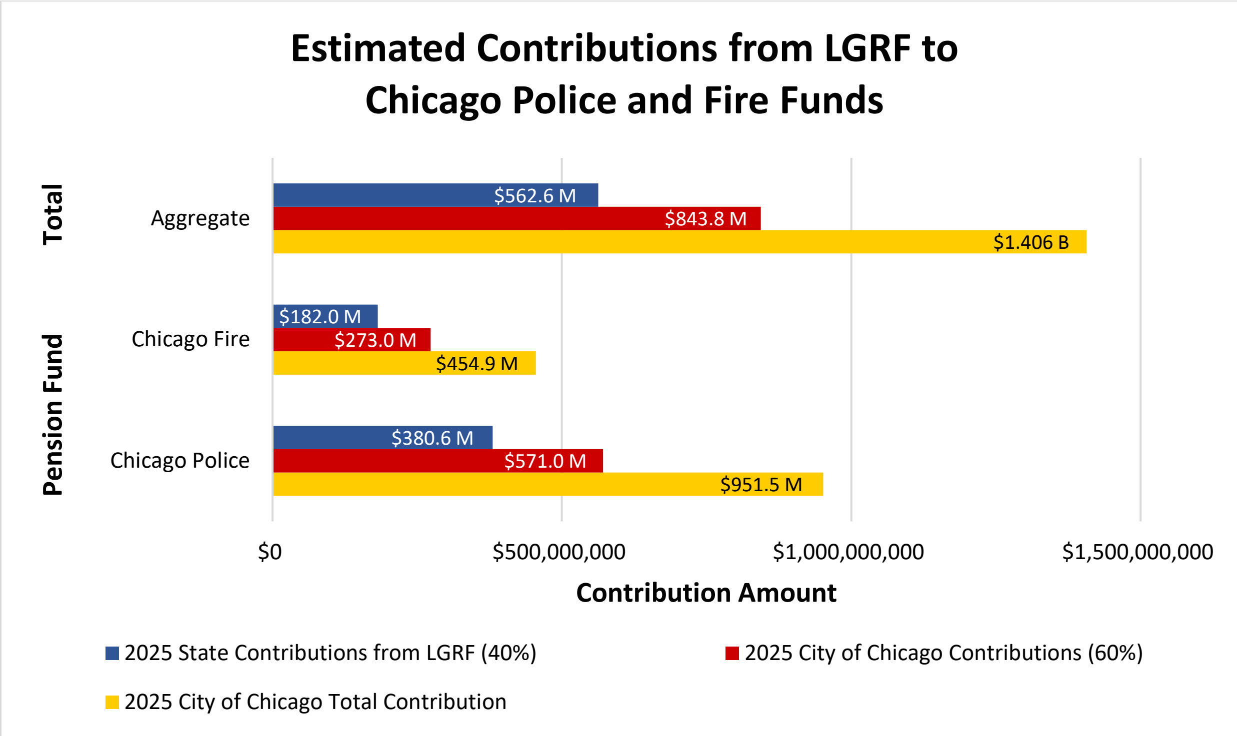


Chart II

Simliarily, the exact amounts to be contributed from LGRF to Article 5 and Article 6 (Chicago Police and Fire) pension funds are not known. However, Chart II, below, shows an estimate of such contributions based on the 2025 actuarially projected contributions required under the funding laws that govern both funds. The yellow bar shows the total City of Chicago contribution for each fund for Fiscal Year 2025. The blue bar represents 40% of the city contribution, which is the best estimate available for the amounts that would be distributed from LGRF to the Chicago Police and Fire Pension Funds under the provisions of HB 4336. The red bar represents 60% of the recommended levy after LGRF contributions, which would be paid by the City of Chicago.



HB 4336 also creates a continuing appropriation in the case that State contributions from LGRF are deemed insufficient in a given fiscal year.

Striking Tier 2 and Applying Tier 1 to SERS Public Safety Personnel

Current Law

Tier 1 Alternative Formula Eligibility

Under the SERS Article of the Pension Code, eligibility for the Alternative (State Police) Formula is defined according to specific job titles. Most Tier 1 public safety positions are covered under the Alternative Formula; however, not all Tier 2 public safety positions qualify for the Alternative Formula. Please see Appendix I for a complete listing of Tier 1 and Tier 2 job titles under the Alternative Formula.

Tier 1 Retirement Age

Tier 1 members who are eligible for the Alternative Formula in SERS can retire with the following combinations of age and years of service:

- Age 55 with at least 20 years of service; or
- Age 50 with at least 25 years of service

Tier 1 Service Accrual Rate
For each year of service in the Alternative Formula, Tier 1 employees accrue service at the following rate:

- 3% of final average compensation for positions not covered by Social Security;
- 2.5% of final average compensation for positions covered by Social Security

Tier 1 Final Average Salary
For Tier 1 members in the Alternative Formula, final average compensation is derived by assessing the following:

- *For members in service BEFORE Jan. 1, 1998:* the highest 48 consecutive months of compensation over the last 120 months of service or the final rate of pay (last day), whichever is higher;
- *For members in service AFTER Jan. 1, 1998:* the average of the last 48 months of service, or the final rate of pay (last day), whichever is higher.

Tier 1 Maximum Annuity Amount
The Tier 1 maximum annuity amount in the Alternative Formula is set at 80% of final average compensation.

Tier 1 Annual Cost of Living Increases (COLA's)
Retirees under the Alternative Formula receive 3% compounded increases, with the first increase occurring on January 1 after their first full year of retirement or when they reach age 55, whichever instance occurs later.

Tier 2 Alternative Formula Eligibility
As stated above, fewer public safety positions are included under the Tier 2 Alternative Formula. Please see Appendix I for the full listing of Tier 1 and Tier 2 positions in the Alternative Formula.

Tier 2 Retirement Age
Tier 2 members who are eligible for the Alternative Formula in SERS can retire with the following combination of age and years of service:

- Age 60 with 20 years of service; or
- Age 55 with 20 years of service (for certain positions; please see Appendix I)

Tier 2 Service Accrual Rate
For each year of service in the Alternative Formula, Tier 2 employees accrue service at the following rate:

- 3% of final average compensation for positions not covered by Social Security;
- 2.5% of final average compensation for positions covered by Social Security

Tier 2 Final Average Salary
Final average compensation (or "pensionable salary") for Tier 2 members in the Alternative Formula is derived by calculating the average of the 96 highest consecutive months of service within the last 120 months of service. Tier 2 pensionable salary is capped at $125,773.73 as of 2024, per Department of Insurance guidelines.

Tier 2 Maximum Annuity Amount
The Tier 2 maximum annuity amount in the Alternative Formula is set at 80% of final average compensation.

Tier 2 Annual Cost of Living Increases (COLA's)
Tier 2 retirees under the Alternative Formula receive non-compounded pension increases (COLA's) at either 3% **or** one-half of unadjusted percentage increase in the CPI for the calendar year before, whichever is less. The first COLA is payable after the first full year of retirement.

HB 4336
HB 4336 would place all current and future Tier 2 SERS Alternative Formula members under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle an employee to retroactive benefit payments or increases. See Exhibit I on page 16 for State Contribution estimates.

Striking Tier 2 and Applying Tier 1 to Downstate Police

Current Law

Tier 1 Retirement Age
Tier 1 members in the Downstate Police Article of the Pension Code can retire with the following combinations of age and years and service:

- Age 50 or more with at least 20 years of service; or
- Age 60 or older with at least 8 but less than 20 years of service

Tier 1 Service Accrual Rate
Tier 1 Downstate Police officers who reach age 50 with at least 20 years of service earn a pension equal to at least 50% of the salary corresponding to the rank the member held at retirement **or** average salary over the last year of service, if that amount is higher. There is an additional 2.5% of salary for each year of service over 20, to a maximum of 75% of pensionable salary.

Tier 1 Final Average Salary
For Tier 1 police officers, pensionable salary is derived by assessing the prospective retiree's salary on his or her final day of service.

<u>Tier 1 Annual Cost of Living Increases (COLA's)</u>
Tier 1 Downstate Police officers who retire before age 55 earn a 3% increase to their pension the month after they reach age 55. On January 1st thereafter, the retiree will receive a 3% increase on the pension then payable, meaning this increase is compounded.

<u>Tier 2 Retirement Age</u>
Tier 2 Downstate Police officers can retire with the following combination of years and service:

- Age 55 with at least 10 years of service; or
- Age 50 with at least 10 years of service, with a 6% annual reduction for each year under age 55

<u>Tier 2 Service Accrual Rate</u>
Tier 2 pensions for Downstate Police officers are equal to 2.5% of their final average salary.

<u>Tier 2 Final Average Salary</u>
Tier 2 final average salary is derived by assessing the greater of either the average monthly salary of the police officer during the 48 consecutive months of service in the last 60 months of service or the average monthly salary of the police officer during the 96 consecutive months of service in the last 120 months of service. Tier 2 pensionable salaries are capped at $138,093.50 as of 2024, per Department of Insurance guidelines.

<u>Tier 2 Annual Cost of Living Increases (COLA's)</u>
When a retired Tier 2 Downstate Police officer reaches the age of 60, in either the latter of the January following attainment of age 60 **or** the January after the officer has been retired for a full year, they will receive an increase in their pension equal to one-half of the annual increase in the CPI. Said increase cannot be more than 3% of the original retirement annuity. On each January 1 following the initial COLA increase, the retired officer will receive an additional increase calculated from the original amount of their pension, meaning this increase is not compounded.

HB 4336
HB 4336 would place all current and future Tier 2 Downstate Police Officers under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle a police officer to retroactive benefit payments or increases.

<u>Striking Tier 2 and Applying Tier 1 to Downstate Firefighters</u>

Current Law

<u>Tier 1 Retirement Age</u>
Tier 1 Downstate Fire firefighters can retire with the following combinations of years and service:

- Age 50 with 20 years of service; or
- Age 60 with between 8 to 20 years of service

Tier 1 Service Accrual Rate

Tier 1 Downstate firefighters age 50 with 20 years of service earn a pension equal to at least 50% of the salary corresponding to the rank the member held at retirement. There is an additional 2.5% of salary for each year of service over 20, to a maximum of 75% of pensionable salary.

Tier 1 Final Average Salary

For Tier 1 firefighters, final average salary is derived by assessing the prospective retiree's salary on his or her final day of service.

Tier 1 Annual Cost of Living Increases (COLA's)

Tier 1 firefighters who retire before age 55 earn a compounded pension increase of 3% for each year they received the pension. On each January 1 following the year the retiree attains age 55, the pension then being received will increase by 3%.

Tier 2 Retirement Age

Tier 2 Downstate Fire firefighters can retire with the following combination of years and service:

- Age 55 with 10 years of service; or
- Age 50 with at least 10 years of service, with a 6% annual reduction for each year under age 55

Tier 2 Service Accrual Rate

Tier 2 Downstate Fire firefighters earn a pension equal to 2.5% of their final average salary.

Tier 2 Final Average Salary

Final average salary is derived by assessing the greater of either the average monthly salary of the firefighter during the 48 consecutive months of service in the last 60 months of service in or the average monthly salary of the firefighter during the 96 consecutive months of service in the last 120 months of service. Tier 2 has a $138,093.50 salary cap as of 2024, per Department of Insurance guidelines.

Tier 2 Annual Cost of Living Increases (COLA's)

When a Tier 2 retired Downstate firefighter reaches the age of 60, in either the latter of the January following attainment of age 60 or the January after the officer has been retired for a full year, they will receive an increase in their pension equal to one-half of the annual increase in the CPI. This increase cannot be more than 3%. On each January 1 following the initial COLA increase, the retired officer will receive an additional increase calculated from the original amount of their pension, meaning this increase is not compounded.

HB 4336
HB 4336 would place all current and future Tier 2 Downstate Fire firefighters under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle a firefighter to retroactive benefit payments or increases.

Striking Tier 2 and Applying Tier 1 to Chicago Police

Current Law

Tier 1 Retirement Age
Tier 1 Chicago Police officers can retire with the following combinations of years and service:

- Age 50 with at least 20 years of service; or
- Age 63 (mandatory retirement age) with at least 10 but less than 20 years of service

Tier 1 Service Accrual Rate
Tier 1 Chicago Police officers with at least 20 years of service earn a pension equal to 50% of their final average salary. There is an additional accrual of 2.5% of their pensionable salary for each year of service over 20, to a 75% maximum of pensionable salary.

Tier 1 Final Average Salary
For Tier 1 officers, final average salary is derived by assessing the highest 4 consecutive years of the last 10 years of police service.

Tier 1 Annual Cost of Living Increases (COLA's)
Tier 1 officers are entitled to an annual non-compounded cost of living adjustment (COLA) as per the criteria below:

- *Officers born BEFORE Jan. 1, 1966:* retirees with at least 20 years of service will receive a pension increase of 3% based on the original amount of annuity granted on **either** the first of the month the officer reaches age 55 **or** the first of the month that marks one year of retirement, whichever is later. The 3% increase occurs on January 1, based on the original amount.
- *Officers born ON or AFTER Jan.* 1, 1966: retirees will receive a pension increase of 1.5% based on the original amount of annuity granted on the first of the month after **either** the retiree reaches age 60 **or** the first full year of retirement, whichever is later. These increases are capped at 30%, meaning that after 15 years of retirement, no COLA is payable.

Tier 2 Retirement Age
Tier 2 Chicago Police officers can retire with the following combination of age and years of service:

- Age 55 with at least 10 years of service; or
- Age 50 or older with 10 or more years of service reduced by 6% annually for each year under age 50

Tier 2 Service Accrual Rate
Tier 2 officers receive a retirement annuity equal to 2.5% of their final average salary for each year of service, reduced by one-half of 1% for each month that the officer's age at retirement is below age 55. This amount cannot exceed 75% of pensionable salary.

Tier 2 Final Average Salary
For Tier 2 Chicago Police officers, final average salary is derived by assessing the highest 8 consecutive years of the last 10 years of police service. Tier 2 has a $125,773.73 pensionable salary cap in CY 2024 per Department of Insurance guidelines.

Tier 2 Annual Cost of Living Increases (COLA's)
Tier 2 officers receive an annual increase in annuity of **either** 3% **or** one-half the annual unadjusted percentage increase in the CPI, whichever is less. Officers become eligible for this increase on **either** the January 1 on or after the officer reaches age 60, **or** a full year since the annuity start date, whichever is later.

HB 4336
HB 4336 would place all current and future Tier 2 Chicago Police Officers under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle a Chicago police officer to retroactive benefit payments or increases.

Striking Tier 2 and Applying Tier 1 Benefits for Chicago Firefighters

Current Law

Tier 1 Retirement Age for Minimum Formula
Tier 1 Chicago firefighters are eligible to retire with the following combination of age and years of service:

- Age 50 with at least 20 years of service

Tier 1 Service Accrual Rate
Tier 1 Chicago Firefighters accrue pension service credit equal to 50% of final average salary. There is an additional service accrual of 2.5% of pensionable salary for each year of service over 20, to the maximum of 75% of pensionable salary.

Tier 1 Final Average Salary for Minimum Formula

For Tier 1 firefighters, final average salary is derived by assessing the highest 48 consecutive months of the last 10 years of service.

Tier 1 Annual Cost of Living Increases (COLA's)

Tier 1 firefighters with at least 20 years of service will receive a 3% non-compounded annual increase in their pensions if both of the following criteria are met:

- Upon the attainment of age 55; and
- After being retired for at least 1 year and 1 month.

Tier 2 Retirement Age

Tier 2 Chicago Fire firefighters can retire with the following combination of age and years of service:

- Age 55 or older with at least 10 or more years of service; or
- Age 50 or older with 10 or more years of service reduced by 6% annually for each year under age 50

Tier 2 Service Accrual Rate

Tier 2 firefighters age 55 or older with at least 10 or more years of service earn a pension equal to 2.5% of their final average salary. The retirement annuity is subject to one-half of 1% reduction for each month that the firefighter retires before age 55. Tier 2 retirement annuities cannot exceed 75% of pensionable salary.

Tier 2 Final Average Salary

For Tier 2 firefighters, final average salary is the highest 96 consecutive months of salary from the last 10 years of fire service. Tier 2 has a $125,773.73 pensionable salary cap in CY 2024 per Department of Insurance guidelines.

Tier 2 Annual Cost of Living Increases (COLA's)

Tier 2 firefighters are eligible for an increase in their pensions on January 1 **either** on or after reaching age 60, **or** the anniversary of the annuity start date, whichever occurs later. The increase of 3% or one-half of the annual unadjusted percentage increase in the CPI, whichever is less, and will occur on each subsequent January 1.

HB 4336

HB 4336 would place all current and future Tier 2 Chicago Fire firefighters under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle a firefighter to retroactive benefit payments or increases.

Striking Tier 2 and Applying Tier 1 for IMRF Sheriff's Law Enforcement Personnel (SLEP)

Current Law

Tier 1 Retirement Age
Tier 1 SLEP employees can retire with the following combination of age and years of service:

- Age 50 with at least 20 years of service

Tier 1 Service Accrual Rate
Tier 1 SLEP pension is 2.5% of an employee's final average salary. The total SLEP pension cannot exceed 80% of final average salary.

Tier 1 Final Rate of Earnings
Pensionable salary is derived by assessing the highest total earnings during any set of 48 consecutive months within the member's last 10 years of service, then divided by 48.

Tier 1 Annual Cost of Living Increases (COLA's)
Tier 1 SLEP pensions are subject to an annual non-compounded increase of 3% on each January 1 after retirement. The first increase occurs proportionally based on the number of months an employee is retired in their first year; meaning the first increase, if not payable on January 1, will be less than 3%. Each subsequent COLA increase will be payable on the following January 1st.

Tier 2 Retirement Age
Tier 2 SLEP employees can retire with the following combination of age and years of service:

- Age 55 with at least 10 years of service; or
- Age 50 or older with 10 or more years of service reduced by 6% annually for each year under age 50

Tier 2 Service Accrual Rate
Tier 2 SLEP employees earn a pension of 2.5% of their pensionable salary. The total pension cannot exceed 75% of their pensionable salary.

Tier 2 Final Rate of Earnings (FRE)
Tier 2 pensionable salary is derived by assessing the highest total of earnings during any set of 96 consecutive months within their last 10 years of service, then divided by 96. Tier 2 has a $125,773.73 pensionable salary cap in CY 2024 per Department of Insurance guidelines.

Tier 2 Annual Cost of Living Increases (COLA's)
Tier 2 SLEP pensions are subject to an annual increase of the original amount by 3% **or** one-half of the annual increase in the CPI, whichever is less. The increase occurs on each January 1 **either** on or after the retiree reaches age 60, **or** upon the one-year anniversary of receiving the pension, whichever is later. The first increase is paid proportionally based on the number of months an

employee is retired in their first year; meaning the first increase, if not payable on January 1, will be less than 3%. Each subsequent COLA will be payable on the following January 1st.

HB 4336
HB 4336 would place all current and future Tier 2 SLEP employees under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle an employee to retroactive benefit payments or increases.

Striking Tier 2 and Applying Tier 1 for SURS Police Officers and Firefighters

Current Law

Tier 1 Retirement Age

Tier 1 SURS police officers and firefighters can retire at the following combination of age and years of service:

- Age 55 with 20 years of service; or
- Age 50 with 25 years of service

Tier 1 Accrual Rate

Tier 1 SURS police officers and firefighters accrue service credit based on the following graduated rate:

- 2.25% of pensionable salary for each year of the first ten years of service;
- 2.50% of pensionable salary for each year *AFTER* the first ten years of service; and
- 2.75% of pensionable salary for each year over 20 years of service.

Benefits may not exceed 80% of pensionable salary.

Tier 1 Final Average Salary

For Tier 1 SURS police officers and firefighters, final average compensation is derived by assessing **either** the highest four consecutive year average compensation **or** the average of the last 48 consecutive months of employment, whichever is greater.

Tier 1 Annual Cost of Living Increases (COLA's)

For Tier 1 SURS police officers and firefighters the 3% compounded increases to their annuity are payable each January 1 following their date of retirement. The first COLA will be paid proportionally based upon the number of months the member has been retired if that member has not been retired for a full year.

Tier 2 Retirement Age for SURS Police Officers and Firefighters

Tier 2 SURS police officers and firefighters can retire at the following combination of age and years or service:

- Age 60 with 20 years of service; or
- Age 67 with 10 years of service

Tier 2 Accrual Rate

Tier 2 SURS police officers and firefighters accrue pensionable service credit as follows:

- 2.25% of final average salary for each year of the first ten years of service; plus
- 2.50% of final average salary for each year *AFTER* the first ten years of service; plus
- 2.75% for each year over 20 years of service

Benefits may not exceed 80% of pensionable salary.

Tier 2 Final Average Salary

For Tier 2 members, final average salary is derived by assessing **either** the highest final eight consecutive year average compensation in the last 10 years **or** the average of the last 96 consecutive moths in the last 120 months, whichever is greater. Tier 2 has a $125,773.73 pensionable salary cap in CY 2024 per Department of Insurance guidelines.

Tier 2 Annual Cost of Living Increases (COLA's)

Tier 2 members are eligible for COLA's equal to the greater of 50% of the Consumer Price Index-Urban (CPI-U), but no more than 3% of the original benefit amount. The first of said increases will occur on the later of the attainment of age 67 or the first anniversary of when the annuity was granted, whichever is later.

HB 4336

HB 4336 would place all current and future SURS police officers and firefighters under Tier 1 as of the effective date of the bill. The bill states that the benefit increases are intended to apply prospectively and do not entitle a police officer or firefighter to retroactive benefit payments or increases. See Exhibit I on page 16 for State Contribution estimates.

Health Insurance for Retired Public Safety Employees

HB 4336 amends the Illinois Municipal Code to mandate municipalities that provide health insurance to active employees maintain that health insurance to retired police officers and firefighters. Municipalities must also pay the cost of health insurance premiums for each retiree who completed 20 years of service.

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EXHIBIT I

The table below show the results of an actuarial cost study for HB 4065, which would abolish Tier 2 for SERS and SURS public safety employees, and place said employees in Tier 1. This change is similar to that contained in this bill, HB 4336.

Abolishing Tier 2 and Applying Tier 1 for SERS & SURS Public Safety Employees				
		SERS	**SURS**	**TOTAL**
State Contribution for FYE 2024				
	Baseline	$2,450	$2,174	$4,624
	Abolishing Tier 2 and Applying Tier 1	$2,549	$2,175	$4,724
	Cost	$99	$1	$100
Total State Contributions through FYE 2045				
	Baseline	$71,316	$66,467	$137,783
	Abolishing Tier 2 and Applying Tier 1	$74,235	$66,627	$140,862
	Cost	$2,919	$160	$3,079
(in $ millions)				

EXHIBIT II

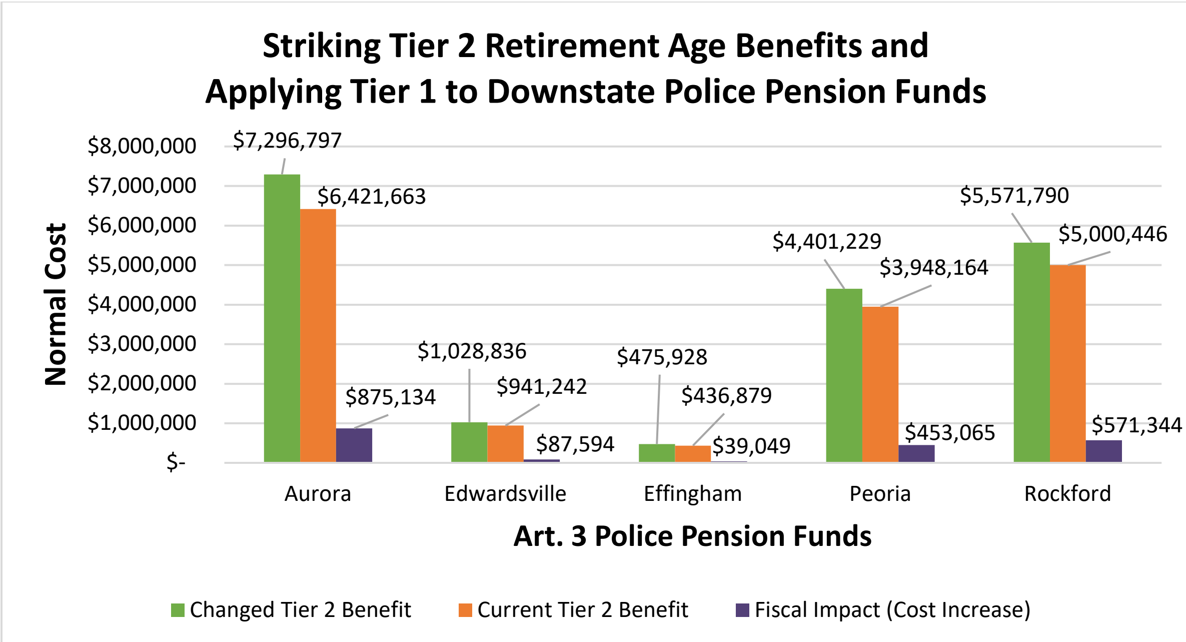
The charts below show the results of an actuarial cost study of the benefit provisions of HB 4099, which are similar to those contained in this bill, HB 4336. This study was conducted by the actuarial firm of Foster & Foster, and the study analyzed the impact on the Normal Cost of the Tier 2 benefit changes contained in HB 4099 for five municipalities: Aurora, Edwardsville, Effingham, Peoria, and Rockford. The extent to which the provisions of HB 4099 and HB 4336 are identical and the extent to which they differ is enumerated below:

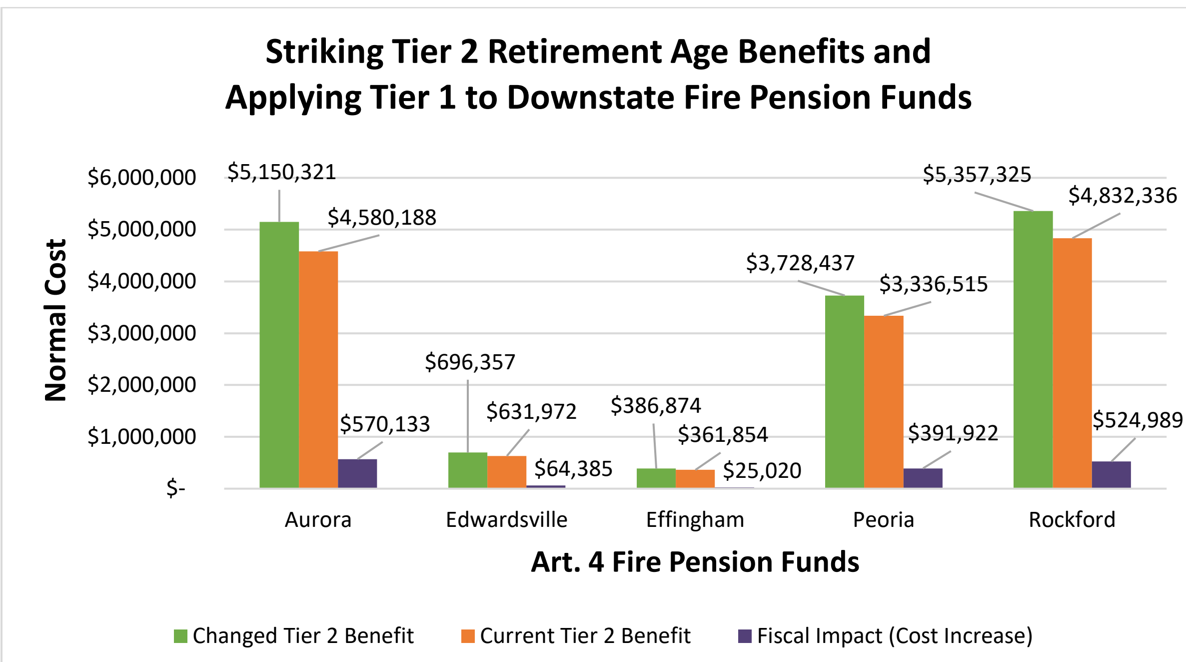
Retirement Age and Years of Service

- HB 4099 – changes the Tier 2 retirement age to age 50 with 20 years of service.
- HB 4336 – identical retirement age and years of service as those found in HB 4099.

Tier 2 COLA Provision

- HB 4099 – reduces the Tier 2 COLA eligibility age from 60 to 55 (retains the Tier 2 non-compounded COLA amount (the lesser of 3% or ½ the CPI-U)).
- HB 4336 – would implement the Tier 1 3% compounded COLA, payable at the later of attainment of age 55 or one year of retirement.


Striking Tier 2 Retirement Age Benefits and
Applying Tier 1 to Downstate Police Pension Funds
Normal Cost
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$7,296,797
$6,421,663
$875,134
$1,028,836
$941,242
$87,594
$475,928
$436,879
$39,049
$4,401,229
$3,948,164
$453,065
$5,571,790
$5,000,446
$571,344
Aurora
Edwardsville
Effingham
Peoria
Rockford
Art. 3 Police Pension Funds
Changed Tier 2 Benefit
Current Tier 2 Benefit
Fiscal Impact (Cost Increase)


Striking Tier 2 Retirement Age Benefits and
Applying Tier 1 to Downstate Fire Pension Funds
Normal Cost
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$5,150,321
$4,580,188
$570,133
$696,357
$631,972
$64,385
$386,874
$361,854
$25,020
$3,728,437
$3,336,515
$391,922
$5,357,325
$4,832,336
$524,989
Aurora
Edwardsville
Effingham
Peoria
Rockford
Art. 4 Fire Pension Funds
Changed Tier 2 Benefit
Current Tier 2 Benefit
Fiscal Impact (Cost Increase)

APPENDIX I

I. Tier 1 and Tier 2 Positions under the SERS Alternative Formula

Tier 1 Alternative Formula	Tier 2 Alternative Formula	Social Security Coverage
State Police Officer	State Police Officer (added by P.A. 96-0889)	Not coordinated with Social Security
Firefighter	Firefighter (added by P.A. 96-0889)	
Commerce Commission Police Officer	Commerce Commission Police Officer (added by P.A. 101-0610)	
Conservation Police Officer	Conservation Police Officer (added by P.A. 101-0610)	
Gaming Board Investigator	Gaming Board Investigator (added by P.A. 101-0610)	
Secretary of State Investigator	Secretary of State Investigator (added by P.A. 102-0956)	
Arson Investigator	Arson Investigator (added by P.A. 102-0956)	
Attorney General Investigator	Attorney General Investigator (added by P.A. 102-0956)	
Dept. of Revenue Investigator	Dept. of Revenue Investigator (added by P.A. 102-0956)	
Investigator for the State's Attorneys Appellate Prosecutor		
DOIT Security Employee	DOIT Security Employee (added by P.A. 100-611)	Coordinated with Social Security
IDOC Security Employee	IDOC Security Employee (added by P.A. 96-0889)	
DJJ Security Employee	DJJ Security Employee (added by P.A. 96-0889)	
Air Pilot		
DHS Security Employee		
State Highway Maintenance Worker		

Segal

Matthew Strom
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January 29, 2024

Via E-mail

Clayton Klenke
Executive Director
Commission on Government Forecasting and Accountability
703 Stratton Office Bldg.
Springfield, IL 62706

Re: Actuarial Impact Study – House Bill 4065

Dear Clayton:

As requested, we analyzed the impact to liabilities and projected costs for the State Employees' Retirement System (SERS) and the State Universities Retirement System (SURS) of all Tier 2 SERS Public Safety Personnel and Tier 2 SURS Police Officers and Firefighters transitioning to Tier 1, prospectively, as outlined in House Bill 4065 (HB 4065).

Due to the limited data available, this analysis does not consider the impact of these changes on Tier 2 employees in IMRF, Downstate Police and Fire, or Chicago Police and Fire, nor does it consider changes that are only applicable for members not in SERS or SURS [e.g., the establishment of the Local Government Retirement Fund (LGRF) and mandating LGRF contributions towards the Public Safety Employees Benefits Act].

Proposed Benefit Changes

Under HB 4065, the Illinois Pension Code would be modified to transition current (and future) Tier 2 SERS Public Safety Personnel and Tier 2 SURS Police Officers and Firefighters (i.e., Tier 2 members eligible for the Alternative Formula) to Tier 1 on a prospective basis. As such, accrued benefits earned prior to the transition date would remain valued under applicable Tier 2 provisions and assumptions while accrued benefits earned after the transition date would be valued under applicable Tier 1 provisions and assumptions. Thus, affected Tier 2 active participants retiring after the transition date would receive two benefits at retirement: a pre-transition Tier 2 benefit (based on salary and service earned prior to transition date), plus a post-transition Tier 1 benefit (based on salary and service earned after the transition date).

For purposes of this analysis, the Tier 2 to Tier 1 transition date is assumed to be effective as of June 30, 2022.

Note that this analysis assumes that Tier 2 active members can separately commence their post-transition Tier 1 benefit and their pre-transition Tier 2 benefit (as Tier 2 retirement eligibility is later than Tier 1 retirement eligibility).

Summary Impact

The following table provides a high-level summary of the impact of the proposed changes on the present value of State contribution amounts through FY2045 for each System. Additional details are included in the Summary of Results.

(in $ millions)

	SERS	SURS	Total
(Savings)/Cost on of Present Value of Total State Contributions Through FYE 2045			
Tier 2 Transition to Tier 1	$1,361	$71	$1,432

Actuarial Analysis

The analysis is based upon the census data and actuarial assumptions used in the June 30, 2022, valuations for SERS and SURS dated December 23, 2022, and October 28, 2022, respectively.

For this analysis, benefits accrued after June 30, 2022 for applicable Tier 2 members are valued as if they were hired under Tier 1 provisions, including retirement eligibilities, normal retirement ages, service accrual rates, final average salary derivations, maximum annuity amounts, and annual cost of living increases. A detailed description of each of these items can be found in the respective June 30, 2022, valuation reports for SERS and SURS.

This analysis assumes that the transition from Tier 2 to Tier 1 status does not impact the effect of Public Act 94-004, which removed the money purchase formula for new hires on or after July 1, 2005.

No adjustments were made for Tier 2 participants whose earnings were reported at the current cap (i.e., their actual earnings are unknown) except for the removal of the Tier 2 annual salary limitation for applicable members upon their transition from Tier 2 to Tier 1.

The following actuarial assumptions are modified to value the impact of the proposed benefit change noted above:

- For benefits accrued after June 30, 2022, the assumed retirement and termination rates are set to the same rates assumed for Tier 1 members eligible under the Alternative Formula. Detailed information regarding these assumptions can be found in the June 30, 2022 SERS and SURS valuation reports.

As of June 30, 2022, there are 7,821 Tier 2 SERS Public Safety Personnel and 296 Tier 2 SURS Police Officers and Firefighters who would be potentially affected by the proposed benefit changes outlined in HB 4065. The analysis also considers the impact of these proposed benefit changes on future hires who would be eligible for the alternate benefit formula.

Segal

Summary of Results

The following tables summarize the impact of the proposed changes on each System's actuarial accrued liability (AAL) and State contribution amounts through FY2045. The attached exhibits show in greater detail the projected contributions, actuarial liabilities, actuarial assets, and funded position through 2045 reflecting the changes outlined herein.

This analysis was prepared at your request and is not to be considered a recommendation by Segal. Numbers shown have been rounded to the nearest million.

(in $ millions)

	SERS	SURS	Total
Projected AAL as of June 30, 2045			
Baseline	$60,437	$53,473	$113,910
Tier 2 Transition to Tier 1	65,376	54,199	119,575
Increase/(Decrease)	***$4,939***	***$726***	***$5,665***
State Contribution for FYE 2024			
Baseline	$2,450	$2,174	$4,624
Tier 2 Transition to Tier 1	2,549	2,175	4,724
(Savings)/Cost	***$99***	***$1***	***$100***
Total State Contributions Through FYE 2045			
Baseline	$71,316	$66,467	$137,783
Tier 2 Transition to Tier 1	74,235	66,627	140,862
(Savings)/Cost	***$2,919***	***$160***	***$3,079***
Present Value of Total State Contributions Through FYE 2045			
Baseline	$34,496	$32,563	$67,059
Tier 2 Transition to Tier 1	35,857	32,634	68,491
(Savings)/Cost	***$1,361***	***$71***	***$1,432***

Caveats and Certification

Projections, by their nature, are not a guarantee of future results. The modeled projections are intended to serve as estimates of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used.

The assumptions for this projection and analysis are based on those listed in the 2022 actuarial valuation reports for SERS and SURS (except as otherwise noted in this letter). As noted, the results of these projections are based on all assumptions materializing as expected, including the 6.75% investment return for SERS and the 6.50% investment return for SURS. To the extent there is adverse experience, the projection scenarios would generate larger required

State contributions. Given the relatively low funded status of the Systems, investment returns that are less than expected represent a significant risk to the magnitude of the State's required contributions. Additionally, the proposed changes outlined in HB 4065 could affect patterns of decrement (e.g., termination, retirement) compared to the current assumptions for the affected Tier 2 SERS Public Safety Personnel and Tier 2 SURS Police Officers and Firefighters, which may result in larger (or smaller) required State contributions.

Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment. The longer the projection period, the less predictable the projections become.

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative, and client requirements. Deterministic cost projections are based on our proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility, and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuaries.

Segal is not a law firm and we cannot offer legal advice. Any party seeking a legal opinion should consult with appropriate legal counsel.

This analysis was performed under my supervision. I am a Member of the American Academy of Actuary and meet t*he Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* of the American Academy of Actuaries to render the actuarial opinion contained herein.

Please let us know if you have any questions.

Sincerely,

Matthew A. Strom

Matthew A. Strom, FSA, MAAA, EA
Senior Vice President and Actuary

Segal

Funding Projections for the State Employees' Retirement System

CoGFA Projections Based on Laws in Effect on June 30, 2022, Baseline
Actuarially Assumed Rate of Return: 6.75%
($ in millions)

Fiscal Year Ending 6/30	Annual Payroll	Total State Contribution	State Contribution as Percent of Payroll	Total Employee Contribution	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
2022					$52,049.7	$22,892.7	$29,157.0	44.0%
2023	$4,851.8	$2,475.6	51.0%	$271.6	53,224.3	23,947.7	29,276.7	45.0%
2024	4,918.8	2,450.3	49.8%	273.4	54,324.6	24,938.4	29,386.2	45.9%
2025	4,989.6	2,487.0	49.8%	275.5	55,347.6	25,983.4	29,364.3	46.9%
2026	5,062.6	2,523.9	49.9%	277.8	56,285.4	26,303.5	29,981.9	46.7%
2027	5,139.2	2,557.3	49.8%	280.2	57,132.6	27,214.2	29,918.4	47.6%
2028	5,218.6	2,644.4	50.7%	282.9	57,889.7	28,145.1	29,744.5	48.6%
2029	5,305.6	2,667.3	50.3%	286.1	58,562.2	29,039.6	29,522.6	49.6%
2030	5,399.6	2,706.5	50.1%	289.7	59,153.3	29,918.4	29,234.9	50.6%
2031	5,499.1	2,749.7	50.0%	293.8	59,663.6	30,791.1	28,872.5	51.6%
2032	5,604.7	2,801.8	50.0%	298.0	60,092.9	31,671.0	28,421.9	52.7%
2033	5,713.7	2,861.2	50.1%	302.2	60,444.0	32,573.2	27,870.8	53.9%
2034	5,829.2	3,128.7	53.7%	306.8	60,721.0	33,722.8	26,998.2	55.5%
2035	5,948.8	3,192.9	53.7%	311.5	60,929.0	34,934.2	25,994.8	57.3%
2036	6,071.5	3,258.8	53.7%	316.2	61,068.1	36,218.2	24,849.9	59.3%
2037	6,196.8	3,326.1	53.7%	321.0	61,143.5	37,589.2	23,554.3	61.5%
2038	6,330.3	3,397.7	53.7%	326.3	61,165.0	39,069.3	22,095.7	63.9%
2039	6,470.9	3,473.2	53.7%	331.9	61,138.8	40,679.0	20,459.8	66.5%
2040	6,616.5	3,551.3	53.7%	337.7	61,070.8	42,439.4	18,631.4	69.5%
2041	6,769.6	3,633.5	53.7%	343.9	60,970.1	44,375.1	16,595.0	72.8%
2042	6,929.7	3,719.4	53.7%	350.4	60,848.3	46,511.5	14,336.8	76.4%
2043	7,097.0	3,809.2	53.7%	357.3	60,715.8	48,876.6	11,839.2	80.5%
2044	7,270.9	3,902.6	53.7%	364.6	60,577.7	51,495.7	9,082.0	85.0%
2045	7,448.3	3,997.8	53.7%	372.1	60,436.5	54,392.9	6,043.7	90.0%
Total		$71,316.2		$7,170.9				

Funding Projections for the State Universities Retirement System
CoGFA Projections Based on Laws in Effect on June 30, 2022, Baseline
Actuarially Assumed Rate of Return: 6.50%
($ in millions)

Fiscal Year Ending 6/30	Annual Payroll*	Total State Contribution	State Contribution as Percent of Payroll	Total Employee Contribution	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
2022					$49,869.9	$22,554.8	$27,315.2	45.2%
2023	$5,051.5	$2,160.9	42.8%	$303.6	50,683.0	23,298.6	27,384.4	46.0%
2024	5,208.2	2,174.1	41.7%	310.3	51,439.8	24,033.1	27,406.7	46.7%
2025	5,316.5	2,218.4	41.7%	312.7	52,123.9	24,890.4	27,233.5	47.8%
2026	5,433.0	2,263.6	41.7%	315.8	52,738.9	25,032.3	27,706.6	47.5%
2027	5,567.3	2,304.2	41.4%	320.4	53,291.4	25,597.8	27,693.6	48.0%
2028	5,713.6	2,400.0	42.0%	325.9	53,776.7	26,198.0	27,578.6	48.7%
2029	5,865.5	2,463.6	42.0%	331.9	54,193.9	26,805.9	27,388.0	49.5%
2030	6,021.3	2,524.8	41.9%	338.0	54,541.2	27,423.1	27,118.1	50.3%
2031	6,183.2	2,589.8	41.9%	344.5	54,811.5	28,052.3	26,759.1	51.2%
2032	6,349.9	2,662.9	41.9%	351.2	55,006.9	28,710.6	26,296.4	52.2%
2033	6,521.7	2,744.1	42.1%	358.1	55,141.3	29,425.3	25,716.1	53.4%
2034	6,701.8	2,847.1	42.5%	365.4	55,220.7	30,232.1	24,988.6	54.7%
2035	6,886.8	2,927.9	42.5%	372.9	55,242.2	31,116.4	24,125.8	56.3%
2036	7,074.8	3,010.1	42.5%	380.6	55,205.3	32,088.6	23,116.7	58.1%
2037	7,267.9	3,094.4	42.6%	388.5	55,116.0	33,167.3	21,948.8	60.2%
2038	7,466.6	3,181.2	42.6%	396.6	54,977.2	34,368.0	20,609.2	62.5%
2039	7,670.8	3,270.4	42.6%	405.0	54,801.5	35,716.7	19,084.9	65.2%
2040	7,880.8	3,362.1	42.7%	413.6	54,586.7	37,223.9	17,362.9	68.2%
2041	8,094.8	3,455.5	42.7%	422.4	54,354.5	38,922.1	15,432.4	71.6%
2042	8,316.7	3,552.2	42.7%	431.8	54,114.9	40,835.0	13,279.9	75.5%
2043	8,544.6	3,651.4	42.7%	441.5	53,885.9	42,994.3	10,891.6	79.8%
2044	8,778.5	3,753.1	42.8%	451.5	53,665.7	45,413.4	8,252.3	84.6%
2045	9,013.1	3,855.3	42.8%	461.4	53,472.9	48,125.6	5,347.3	90.0%
Total		$66,467.1		$8,543.6				

* Includes payroll from Self Managed Plan (SMP)

Funding Projections for the State Employees' Retirement System

CoGFA Projections Based on Laws in Effect on June 30, 2022, Tier 2 Transition to Tier 1 for SERS Public Safety Personnel
Actuarially Assumed Rate of Return: 6.75%
($ in millions)

			Compared to Exhibit 1A							
Fiscal Year Ending 6/30	Annual Payroll	Total State Contribution	(Reduction)/ Increase in State Contribution	Present Value of (Reduction)/ Increase in State Contribution	State Contribution as Percent of Payroll	Total Employee Contribution	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
2022							$52,049.7	$22,892.7	$29,157.0	44.0%
2023	$4,851.8	$2,475.6	$0.0	$0.0	51.0%	$271.6	53,304.0	23,948.8	29,355.2	44.9%
2024	4,922.4	2,549.0	98.7	89.5	51.8%	273.6	54,495.7	25,042.9	29,452.8	46.0%
2025	4,994.5	2,587.7	100.7	85.6	51.8%	275.8	55,622.3	26,200.0	29,422.3	47.1%
2026	5,068.8	2,626.8	102.9	81.9	51.8%	278.1	56,677.1	26,641.9	30,035.2	47.0%
2027	5,147.1	2,662.7	105.4	78.5	51.7%	280.7	57,655.8	27,684.8	29,971.0	48.0%
2028	5,228.7	2,752.3	107.9	75.3	52.6%	283.4	58,560.2	28,759.3	29,800.9	49.1%
2029	5,318.3	2,778.4	111.0	72.6	52.2%	286.8	59,396.7	29,809.6	29,587.1	50.2%
2030	5,415.5	2,821.2	114.7	70.3	52.1%	290.6	60,169.7	30,858.0	29,311.8	51.3%
2031	5,519.1	2,868.6	118.9	68.2	52.0%	294.9	60,880.6	31,914.6	28,966.0	52.4%
2032	5,629.4	2,925.4	123.6	66.5	52.0%	299.4	61,530.3	32,993.9	28,536.3	53.6%
2033	5,744.0	2,990.1	128.9	64.9	52.1%	303.8	62,123.0	34,112.2	28,010.8	54.9%
2034	5,865.7	3,263.4	134.6	63.5	55.6%	308.8	62,663.4	35,495.3	27,168.2	56.6%
2035	5,992.1	3,333.7	140.7	62.2	55.6%	313.8	63,157.3	36,958.0	26,199.3	58.5%
2036	6,121.9	3,405.9	147.1	60.9	55.6%	318.9	63,602.2	38,509.9	25,092.2	60.5%
2037	6,252.5	3,478.5	152.5	59.1	55.6%	323.9	63,999.3	40,162.4	23,836.9	62.8%
2038	6,389.7	3,554.9	157.2	57.1	55.6%	329.4	64,349.7	41,931.3	22,418.4	65.2%
2039	6,529.1	3,632.4	159.3	54.2	55.6%	334.9	64,649.5	43,828.0	20,821.4	67.8%
2040	6,670.4	3,711.0	159.7	50.9	55.6%	340.4	64,893.9	45,865.4	19,028.5	70.7%
2041	6,814.4	3,791.1	157.6	47.1	55.6%	346.1	65,083.3	48,059.6	17,023.6	73.8%
2042	6,964.0	3,874.4	155.0	43.4	55.6%	352.2	65,223.5	50,431.6	14,791.8	77.3%
2043	7,119.5	3,960.9	151.7	39.8	55.6%	358.5	65,318.2	53,004.1	12,314.1	81.1%
2044	7,280.2	4,050.3	147.7	36.3	55.6%	365.1	65,369.2	55,799.1	9,570.2	85.4%
2045	7,443.9	4,141.3	143.6	33.0	55.6%	371.9	65,375.5	58,837.9	6,537.5	90.0%
Total		$74,235.3	$2,919.4	$1,360.7		$7,202.6				

Exhibit 2B – SURS Projection (HB 4065 - Tier 2 Transition to Tier 1)

Funding Projections for the State Universities Retirement System

CoGFA Projections Based on Laws in Effect on June 30, 2022, Tier 2 Transition to Tier 1 for SURS Police Officers and Firefighters
Actuarially Assumed Rate of Return: 6.50%
($ in millions)

			Compared to Exhibit 1B							
Fiscal Year Ending 6/30	Annual Payroll*	Total State Contribution	(Reduction)/ Increase in State Contribution	Present Value of (Reduction)/ Increase in State Contribution	State Contribution as Percent of Payroll	Total Employee Contribution	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio
2022							$49,869.9	$22,554.8	$27,315.2	45.2%
2023	$5,051.5	$2,160.9	$0.0	$0.0	42.8%	$303.6	50,683.0	23,298.5	27,384.4	46.0%
2024	5,210.8	2,175.1	1.0	1.0	41.7%	310.5	51,440.1	24,034.4	27,405.7	46.7%
2025	5,321.5	2,220.5	2.1	1.8	41.7%	313.1	52,124.8	24,894.4	27,230.4	47.8%
2026	5,520.8	2,267.5	3.9	3.2	41.1%	322.8	52,756.4	25,048.1	27,708.4	47.5%
2027	5,658.6	2,308.7	4.5	3.4	40.8%	327.7	53,327.0	25,626.9	27,700.1	48.1%
2028	5,808.4	2,405.2	5.2	3.7	41.4%	333.5	53,831.7	26,242.3	27,589.4	48.7%
2029	5,963.9	2,469.4	5.8	3.8	41.4%	339.7	54,269.9	26,867.2	27,402.7	49.5%
2030	6,123.4	2,531.2	6.4	4.0	41.3%	346.2	54,640.1	27,503.4	27,136.7	50.3%
2031	6,289.1	2,596.8	7.0	4.1	41.3%	353.0	54,935.3	28,154.0	26,781.3	51.2%
2032	6,459.5	2,670.5	7.6	4.2	41.3%	360.0	55,157.6	28,835.8	26,321.8	52.3%
2033	6,634.9	2,752.2	8.1	4.2	41.5%	367.2	55,321.4	29,576.6	25,744.8	53.5%
2034	6,818.7	2,855.0	7.9	3.8	41.9%	374.8	55,432.2	30,411.1	25,021.0	54.9%
2035	7,007.4	2,936.3	8.3	3.8	41.9%	382.6	55,487.7	31,325.7	24,162.0	56.5%
2036	7,199.0	3,018.8	8.7	3.7	41.9%	390.5	55,487.0	32,330.4	23,156.6	58.3%
2037	7,395.4	3,103.3	8.9	3.6	42.0%	398.7	55,436.5	33,444.1	21,992.3	60.3%
2038	7,597.7	3,190.4	9.2	3.5	42.0%	407.1	55,339.0	34,682.5	20,656.4	62.7%
2039	7,805.4	3,279.8	9.4	3.3	42.0%	415.8	55,207.2	36,071.5	19,135.7	65.3%
2040	8,018.5	3,371.5	9.4	3.1	42.0%	424.6	55,039.2	37,621.9	17,417.3	68.4%
2041	8,235.6	3,464.9	9.4	2.9	42.1%	433.7	54,856.0	39,365.7	15,490.3	71.8%
2042	8,460.7	3,561.6	9.4	2.8	42.1%	443.3	54,668.2	41,327.0	13,341.3	75.6%
2043	8,691.8	3,660.8	9.4	2.6	42.1%	453.3	54,494.0	43,537.3	10,956.7	79.9%
2044	8,928.8	3,762.4	9.3	2.4	42.1%	463.6	54,331.4	46,010.3	8,321.1	84.7%
2045	9,166.6	3,864.5	9.2	2.2	42.2%	473.7	54,199.3	48,779.4	5,419.9	90.0%
Total		$66,627.3	$160.1	$71.1		$8,739.0				

* Includes payroll from Self Managed Plan (SMP)