



Teachers' Retirement System of the State of Illinois

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Edwardsville Intelligencer
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Edwardsville, Illinois 62025

To the Editor:

The Teachers' Retirement System of the State of Illinois welcomes Rep. Dwight Kay's call for an audit of TRS and the state's other public pension systems. We are confident that any new audit will match up exactly with previous audits conducted every year by independent accounting firms. The result of the latest TRS audit is available at trs.illinois.gov.

However, in reporting on Rep. Kay's proposal, your news story left the mistaken impression that TRS and other state pension systems will not be able to pay pensions because of a funding "shortfall." The truth is TRS will have enough money on hand to pay pensions well into the future.

The "shortfall" you reference is the System's total unfunded liability, which is made up of current pension payments to retirees and pensions that will be owed in the future to active teachers. This unfunded liability is caused by decades of insufficient state funding. It is not an immediate concern because the total unfunded liability is not a current obligation. Active teachers by law cannot collect their pensions. TRS has carried an unfunded liability since the 1950s and has never missed a pension check.

TRS has enough money on hand to pay all pension obligations for quite some time. In 2010 TRS paid out \$3.9 billion in benefits and took in \$6.8 billion in revenue. TRS currently holds \$34 billion in assets for its members.

Sincerely,

Richard W. Ingram
Executive Director
Teachers' Retirement System of the State of Illinois