



Teachers' Retirement System of the State of Illinois

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Richard W. Ingram, Executive Director

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Having heard the report of the Executive Director describing the analysis performed by TRS staff and actuaries evaluating the State of Illinois' ability to meet its existing future funding obligations, the Board of Trustees hereby resolves that:

The fiscal situation of the State has deteriorated to the point that the Board no longer has confidence that the State will be able to meet its existing funding obligations to TRS.

As a result, the Board believes that action must be taken now to ensure the continued solvency and viability of the plan. This action must be based on the following principles:

1. The impact of any proposal, and all future contributions to the plan, must be determined using generally accepted actuarial principles and standards and not the funding scheme and pension bond limits currently in Illinois law
2. All future contributions must be guaranteed by statutory language substantially similar to that presented to the Governor's pension assembly in February
3. Any changes to the Pension Code must first correct the existing inequities and funding flaws created with the enactment of Tier II and,
4. Any changes to the Pension Code must be based on the simplest and most straightforward changes possible

Further, the Board resolves that it will only certify future contributions that are calculated based on generally accepted actuarial principles and standards.

The Board further resolves to continue to commit the time and expertise of its staff and actuaries as necessary to ensure the accurate analysis of any and all proposals for changes to the Pension Code.

Passed Unanimously