



**Michael W. Frerichs**  
ILLINOIS STATE TREASURER



**Treasurer's Note**

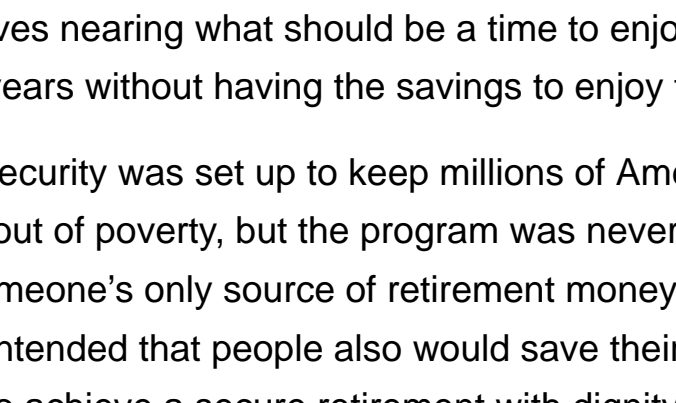
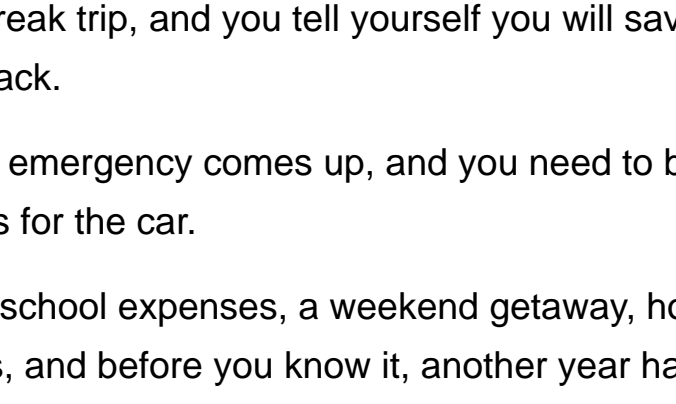
February 4, 2024

**Buying a Practical Car, Like Saving for Retirement, Will Get You Where You Want to Go**

My first car was a hand-me-down, two-door, black Chevy Cavalier. It wasn't the coolest car in school, but I was glad to have it. Over the years, my cars have never been on the cover of Car and Driver. For the last decade, I have been driving a Chevrolet Malibu. While I have never been a "car guy," I also never saw myself driving a minivan.

Last weekend, that changed when Erica and I purchased a Chrysler Pacifica to accommodate our growing family. There's enough room for a teenager, a Goldendoodle, two rear-facing car seats for the twins, and all of the baby gear and essentials that we need to bring for them.

Our new minivan may not be the flashiest car, but it is practical for our family.



**Theo, in the first photo, seems a little more excited than Max, in the second photo, about the new Frerichs family minivan.**

I think of saving for retirement in the same way. It is definitely more fun to spend money on a vacation, a night out at a restaurant, or buying new clothes we don't need but really want. But we also must make smart decisions for our families and for our future.

It is easy to find excuses for not saving for retirement.

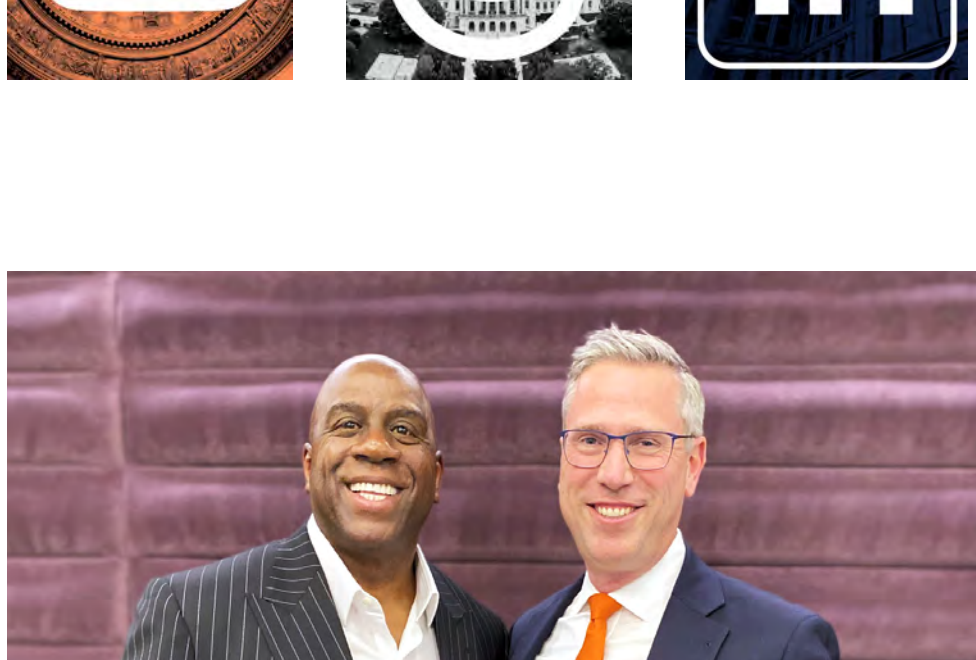
You might make a New Year's resolution to start saving, but first you want to pay off credit card debt from the holidays.

Then you decide you would rather put away money for a spring break trip, and you tell yourself you will save when you're back.

Then an emergency comes up, and you need to buy four new tires for the car.

Back-to-school expenses, a weekend getaway, holiday presents, and before you know it, another year has passed without setting aside money for your retirement. Eventually, decades may go by. Too many people find themselves nearing what should be a time to enjoy their golden years without having the savings to enjoy them.

Social Security was set up to keep millions of American seniors out of poverty, but the program was never meant to be someone's only source of retirement money. It was always intended that people also would save their own money to achieve a secure retirement with dignity. Still, there is a need to save—nearly 1 in 4 retirees rely upon Social Security for 90% of their retirement income.



**Our new minivan. We haven't given it a name yet.**

In 2018, we rolled out [Illinois Secure Choice](#) to help give workers in our state the ability to save through automatic workplace deductions directly deposited into their own retirement accounts. Workers are 15 times more likely to save for retirement if they can do so through payroll deductions, according to an AARP study.

Today, the law says employers in business for at least two years that had five or more workers last year must either offer a qualified retirement plan or facilitate employee enrollment in Illinois Secure Choice at their business. Facilitating employers do not make contributions, nor do they pay any fees to the program.

Money is automatically deducted from workers' paychecks and put into their own individually managed Roth IRA. The workers decide how to invest and how much they want to save. The account is portable between jobs, and workers can choose to opt out. No taxpayer money goes into the accounts.

Already, more than 143,000 workers, many of whom never thought they could save for retirement, have saved more than \$157 million. You can sign up for an Illinois Secure Choice investment account even if your employer doesn't facilitate the program. For more information on Illinois Secure Choice, and for important disclosures, check out [our website](#).

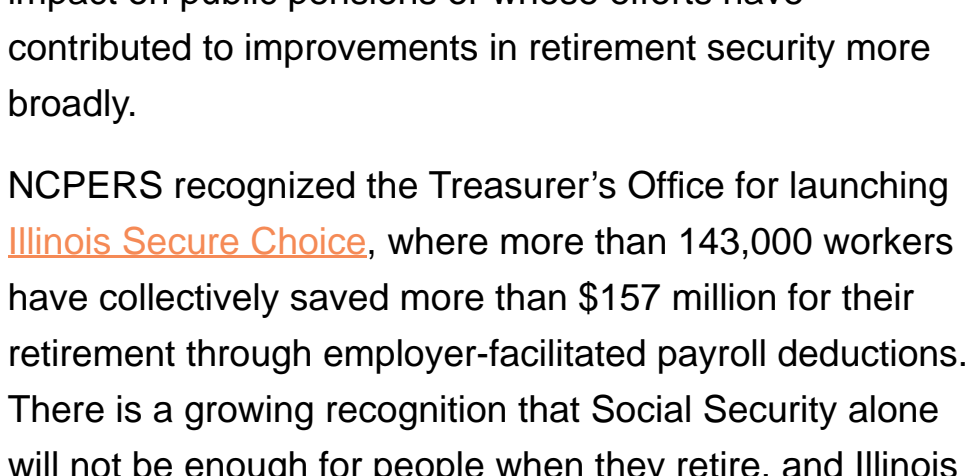
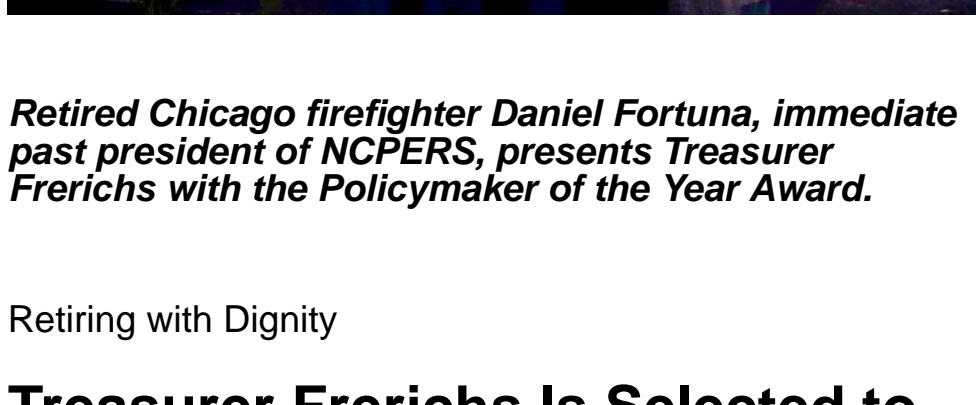
A Ford Mustang is more fun to drive than a minivan, but a minivan gets our **entire family** where we want to go. Spending today is more fun than saving for retirement, but saving diligently now will get you where you need to be when you are done working.

Sincerely,

**Michael W. Frerichs**

Illinois State Treasurer

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**Magic Johnson and Investing in Communities**

Illinois State Treasurer Michael Frerichs ran into basketball legend and entrepreneur Magic Johnson at a forum in Chicago last week, and the two chatted about the importance of investing in communities.

Across the United States, some communities struggle with unemployment, poverty, affordable housing and a lack of economic activity. Individuals, families and community organizations in these areas often can empower themselves—and stimulate economic activity in communities—with increased access to low-cost loans, such as those offered through an Illinois State Treasurer's Office initiative called Community Invest.

Through Community Invest, the Treasurer's Office partners with approved financial institutions to provide community loans—either lower rate loans, or loans to individuals and families that would not otherwise qualify—to facilitate capital to underserved communities. In doing so, the Treasurer's Office seeks to boost economic activity in Illinois while earning a competitive return for the State.

After talking with Johnson about investing in communities, Frerichs took part in a panel discussion about infrastructure and spoke about the benefits of his office's new FIRST Fund. The FIRST Fund is a first-of-its-kind, evergreen, \$1.5 billion impact investment fund dedicated to building and strengthening Illinois' infrastructure and real estate.

Frerichs said the FIRST Fund will earn good investment returns for our state, improve Illinois infrastructure and help put people to work in good jobs.

"It's a win-win-win," Frerichs said.

The Chicago forum was organized by For the Long Term, a nonprofit organization that supports the nation's treasurers in their work to create fairer, more sustainable and more inclusive markets.



**Retired Chicago firefighter Daniel Fortuna, immediate past president of NCPERS, presents Treasurer Frerichs with the Policymaker of the Year Award.**

Retiring with Dignity

**Treasurer Frerichs Is Selected to Receive Policymaker of the Year Award**

Treasurer Michael Frerichs recently received the Policymaker of the Year Award from the National Conference on Public Employee Retirement Systems. The award is given to a policymaker who has had a positive impact on public pensions or whose efforts have contributed to improvements in retirement security more broadly.

NCPERS recognized the Treasurer's Office for launching [Illinois Secure Choice](#), where more than 143,000 workers have collectively saved more than \$157 million for their retirement through employer-facilitated payroll deductions. There is a growing recognition that Social Security alone will not be enough for people when they retire, and Illinois Secure Choice is helping ease the nation's retirement savings crisis.

"Michael Frerichs is proof of the profound impact that policymakers can have on retirement security. NCPERS believes that all Americans deserve to retire with dignity, and we are pleased to recognize him as our 2023 Policymaker of the Year for his efforts in both the private and public sector," NCPERS Executive Director Hank Kim said.



**The Policymaker of the Year Award that was given to Treasurer Frerichs by the National Conference on Public Employee Retirement Systems.**



**Illinois State Treasurer Michael W. Frerichs**

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