

Fall/Winter 2019

## YOUR ANNUAL STATEMENT – A HELPFUL RETIREMENT PLANNING TOOL

If you are actively contributing toward a SERS retirement plan or you contributed in the past and are owed a benefit but aren't yet receiving payments, we are working to send you a personalized retirement statement this March, as we do each year.

This year, however, the plan is for the statements to serve as a snapshot of all your SERS retirement plans as of Dec 31, 2019 -- whether you have one or multiple SERS retirement plans. For instance, if you contribute toward the Defined Benefit Plan and also make voluntary contributions to the Deferred Compensation Plan, the goal is for you to see information about both plans in your statement this year. You can then use your combined statement to plan for your retirement.



**Retired Members:** If you receive pension payments from SERS – either from your own pension benefit or that of someone who named you as their survivor or beneficiary -- you will continue to receive an annual statement of pension payments in January.



## NEW 2065 RETIREMENT DATE FUND OPENS

### 2020 Retirement Date Fund Closes

The default investment option for the Defined Contribution (investment) Plan is the target retirement date fund that matches your age.

Target-date funds allow you to put the risk profile of your investments on cruise control based on your age and an age 65 retirement. The funds are professionally managed and designed to be well-diversified with the goal of growing assets over a defined period – in this case, by a target retirement date. As a result, the mix of assets in a target-date fund will automatically shift to incur less risk as the target retirement date approaches.

Target-date funds have a set lifespan – they operate until shortly before their target retirement date or year. As a result, the target-date funds offered in any plan will naturally age-out and close over time. In most cases, new funds with more distant target retirement dates will be added to the plan. That's what is happening in the SERS Defined Contribution Plan, specifically:

### New 2065 Retirement Date Fund Opens

Beginning Oct 25, 2019, a new *2065 Retirement Date Fund* will be added to the investment options.

*continued, page 3*

## IS YOUR BENEFICIARY UP-TO-DATE?

One of your most important retirement planning responsibilities is to ensure that you always have an up-to-date beneficiary form on file for each of your SERS retirement plan accounts.

Having a current beneficiary form on file helps assure that any benefit remaining after your death is paid according to your current wishes. We are legally bound to honor the last beneficiary form on file. Beneficiaries are plan specific, so if you contribute to more than one SERS retirement plan, you will need to name beneficiaries **for each plan**.

### Defined Benefit (pension) Plan

You can access the *Defined Benefit Pension Beneficiary Nomination Form* at [www.SERS.pa.gov/DefinedBenefitPlan-Forms.html](http://www.SERS.pa.gov/DefinedBenefitPlan-Forms.html) or by calling 1.800.633.5461.

### Defined Contribution (investment) Plan

To check or update your beneficiary designation, click on *Account Sign In* under the Defined Contribution Plan menu on our homepage. After you sign into your account, select the *Accounts* link at the top of the page. When you reach the *Account Overview* page, choose *Beneficiaries* from the menu on the left. You'll be able to see your current beneficiary designation (if applicable) and make any needed changes.

### Hybrid Plan

In this plan, your retirement benefit is made up of assets in two separate plans – a portion comes from the defined benefit pension plan and a portion comes from the defined contribution investment plan. As a result, you need to file two separate beneficiary forms – one directing how the assets in the defined benefit pension plan are to be distributed after your death and one directing how the assets in the defined contribution investment plan are to be distributed after your death. See instructions for both the Defined Benefit Plan and Defined Contribution Plan above.

### Retired Members

Whether you need to maintain a current beneficiary form in your member record depends on the benefit payment option you chose when you retired and if there is any death benefit to be paid.

- If you chose the option 1 payment option, the death benefit amount is reduced with each pension payment you receive in retirement. The statement we mail to you each January will list "Your Remaining Present Value/Death Benefit." If you see an amount listed there, it is important to maintain a current beneficiary form. You can access the Defined Benefit Pension Beneficiary Nomination Form at [www.SERS.pa.gov/DefinedBenefitPlan-Forms.html](http://www.SERS.pa.gov/DefinedBenefitPlan-Forms.html) or by calling 1.800.633.5461.
- If you chose the option 2 or 3 that also provides a lifetime payment to a survivor, there is **no need** for you to file a beneficiary form.



## NEW 2065 RETIREMENT DATE FUND OPENS (CONTINUED)

### 2020 Retirement Date Fund Closes

Effective Oct 25, 2019, the *2020 Retirement Date Fund* will close. Future contributions and existing assets will automatically transfer to the *Post Retirement Date Fund* unless you change your investment option before that date.

### Born in 1996 or later?

If you were born in 1996 or later and you didn't actively select an investment option but defaulted into the *2060 Retirement Date Fund*, your future contributions and existing assets will automatically transfer to the new *2065 Retirement Date Fund* on Oct 25, 2019.

Remember, you can change how your money is invested at any time by signing into your Defined Contribution Plan account at [www.SERS.pa.gov](http://www.SERS.pa.gov). If you have questions, you can talk with a Defined Contribution Plan specialist at 1.800.633.5461, option 1.

---

## PROTECT YOUR SERS RETIREMENT PLAN ASSETS

As a state employee, your compensation includes a retirement benefit that, in most cases, includes mandatory employee and employer contributions. That fact makes you and the money in your state retirement plans attractive to financial planners, especially those who earn commissions on the assets they help retiring state employees roll into the investment plans they represent.

While there certainly are financial planners who will help you make the most of your retirement assets, it is important that you do a little research **before** you roll any lump sum withdrawals from your SERS pension or money from your SERS investment plans into a different investment plan.

Here are a couple of resources to help with your research:

- **PA Department of Banking and Securities** - *Investigate before you Invest* information - [dobs.pa.gov/Consumers/Pages/Investigate.aspx](http://dobs.pa.gov/Consumers/Pages/Investigate.aspx)
- **U.S. Securities and Exchange Commission** - Database of investment professionals and their backgrounds, and a database of financial planners named in SEC court actions or other administrative proceedings - [sec.gov/check-your-investment-professional](http://sec.gov/check-your-investment-professional)
- **Financial Industry Regulatory Authority, Inc.** - Tool to research the background and experience of financial brokers, advisers and firms - <https://brokercheck.finra.org>
- **Certified Financial Planner Board of Standards** - Registry of financial professionals and financial planning resources - [www.letsmakeaplan.org](http://www.letsmakeaplan.org)
- **SERS - Fee Comparison Worksheet** [www.sers.pa.gov/pdf/Deferred\\_Compensation/DCP-Fee-Comparison.pdf](http://www.sers.pa.gov/pdf/Deferred_Compensation/DCP-Fee-Comparison.pdf)



# pennsylvania

STATE EMPLOYEES' RETIREMENT SYSTEM

30 NORTH 3RD STREET, SUITE 150 | HARRISBURG, PA 17101-1716

PRESORTED  
FIRST CLASS  
US POSTAGE  
PAID  
PERMIT NO 110  
STATE COLLEGE PA

## CONTACT SERS

### Bensalem

215.244.6592

### Harrisburg

717.783.9065

### Montoursville

570.368.5680

### Pittsburgh

412.770.1148

### Seneca

814.677.0741

### State College

814.863.6505

### Wilkes-Barre

570.829.0632

**SERS.pa.gov**

**1.800.633.5461**

## HELLO CYBERWORLD!

At the end of July, we unveiled a new social media initiative designed to provide you with a wide assortment of news and information related to your retirement needs – SERS-related retirement news, useful finance stories, money management tips, savings options, as well as advice on how to live a healthy, happy life, and much more!

Follow us on Facebook and Twitter at: **PennSERS**

## SERS BOARD

David R. Fillman, Chairman | Glenn E. Becker | John M. DiSanto | Dan B. Frankel  
Vincent J. Hughes | Mary A. Soderberg | Gregory C. Thall | Michael G. Tobash  
Joseph M. Torsella | Robin L. Wiessmann



Pennsylvania State Emp... · 9/30/19 ▾

What is your long-term [#career](#) goal? Are you looking at an early [#retirement](#)? Or do you expect to go on working? Either way, you'll need to make a plan. Here are some tips to help you understand the [#financial](#) pros and cons of either choice. [wapo.st/2z2gl9S](http://wapo.st/2z2gl9S) 2z2gl9S



Perspective | Retire early or keep on working? How to prepare for e... [washingtonpost.com](http://washingtonpost.com)

