

PLANNING TO RETIRE SOON?

Avoid Delays – Talk with Your SERS Retirement Counselor Sooner Rather than Later!

Your decision to retire is a personal one. That said, there are several parties involved in making it happen, and ultimately, getting your first pension payment to you -- from your employer's HR office and us, to the financial institution where you want your pension payments deposited.

The earlier you begin working with all involved parties, including your SERS retirement counselor, the smoother the process will be and the more likely you'll be able to avoid delays getting your first payment.

Call 1.800.633.5461 or e-mail your [SERS retirement counselor](#) to have an initial **confidential** discussion at least three months before your planned retirement date.

In this initial discussion, your retirement counselor will, among other things:

- Review your work history, in the event you have past service that you could purchase toward your SERS pension, like part-time or military service
- Identify your employer's pay schedule, to help you time your retirement to possibly see a bump in your final average salary calculation
- Discuss if you have a domestic relations order, which would likely impact the benefit payment option estimates

After that initial discussion, your retirement counselor will research your member record and pull related forms and information for your pension application appointment.

Apply for Your Pension

When you complete your pension application, you document your official decisions about your pension. Many of those decisions cannot be changed later.



PLANNING TO RETIRE SOON? (CONTINUED)

Researching and considering all options before you meet with your retirement counselor, and **before** you terminate employment, will give you the most time to make those important decisions, including:

- When am I going to retire?
- Will I receive a payout of my unused leave? (This may be [rolled into the Deferred Compensation Plan](#), allowing you to defer tax on the payout until you take distribution of the money.)
- What are my monthly payment options?
- Will I withdraw my contributions and interest in a lump sum at retirement?
- Who will I name as my beneficiary or survivor?
- Do I want money withheld from my monthly pension for federal income tax?
- What are my health care options in retirement?

The *Guide for Retiring Members* provides information on your options regarding the above questions and other helpful information, including a list of documents you will need to submit with your pension application (see *Documenting Your Age at Retirement*, next page). Working through that guide is a great first step as you prepare for retirement. 📖

**What information would you like to see in future editions?
Let us know: RA-ERCommunications@pa.gov**

RETIRES: MONTHLY PENSION PAYMENTS

Your monthly pension payments are deposited into your account on the last business day of each month.

If you want to change your account, submit a new [Direct Deposit of Pension Payments](#) form. (See [SERS.pa.gov](https://www.sers.pa.gov) – Defined Benefit Plan – Forms)

If you change accounts, you will receive at least one payment by paper check mailed to your home address as listed in your SERS member record. That allows the state Treasury Department to send a test transaction to the new account to be sure the information is correct.

If you receive your monthly pension payments by paper check, your check is mailed on the second-to-last business day of the month, payable on the last business day of the month. Please allow ten business days for your check to arrive.

If after ten business days your check does not arrive, call 1.800.633.5461 to report the check lost or stolen. 📖

DOCUMENTING YOUR AGE AT RETIREMENT

In your defined benefit pension plan, your retirement benefit is defined by a calculation. That calculation takes into consideration your years of service, salary, and class of service in the system.

Another key factor in your pension calculation is your age. If you apply for your pension **before** you reach your SERS retirement age, an early retirement reduction is applied to your pension. The earlier you retire, the bigger the reduction.

When you apply for your pension, you will need to provide proof of your age. And, if you choose a payment option that provides monthly payments for another person after your death – otherwise known as a survivor payment option – you will need to provide proof of that person’s age too.

There are several acceptable forms of age documentation. The original or a certified copy of your birth or baptismal certificate, passport, or a Real ID is preferred.

If you do not have one of those, you’ll need the original or a certified copy of two other forms of acceptable documentation, see the [Guide for Retiring Members](#) pg. 9 for a list of acceptable forms of documentation. 📄

SERS IS A LONG-TERM INVESTOR

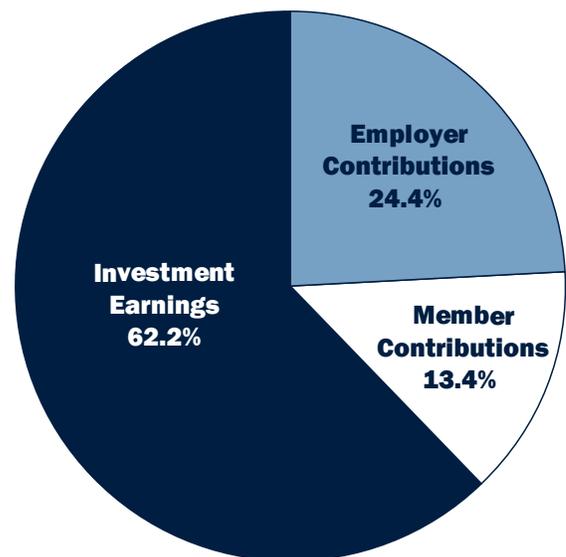
Your SERS pension plan is designed to pay you a monthly amount for your lifetime.

As the administrator of the pension plan, one of our two core functions is to invest the SERS pension fund to provide for those lifetime pension benefits. That is a long-term proposition, and for that reason, SERS invests with a 20–30-year horizon.

Over the past 25 years, the SERS fund investments have earned more than \$50 billion, and SERS has paid \$48 billion in pension payments. Pension payments are funded through three sources: member contributions; employer contributions; and investment earnings. Over the past 20 years, investment earnings have contributed the largest amount toward pension benefits: 62.2%.

While SERS pension fund performance may fluctuate year-to-year, the long-term performance of the fund over multiple market cycles is key to providing for long-term pension benefits. 📄

SERS Funding Sources
(20-Year Cumulative History)





STATE EMPLOYEES' RETIREMENT SYSTEM

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

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