



Dear SERS Member,

The pension portion of your SERS retirement benefit is funded by three sources: contributions from your employer, your contributions, and the investment performance of the SERS Fund. I'm reaching out with advance notice that the amount of pay you contribute to the pension portion of your retirement benefit through automatic payroll deductions will be increasing on July 1, 2025.

While we will not know the exact amount of the increase until May, at this time we expect the increase to be about 0.11% of pay. For an employee earning \$50,000 per year, that is an increase of approximately \$2.12 per bi-weekly payroll deduction.

The contribution increase applies to all SERS members in the A-5 and A-6 classes of service, which are subject to the "shared-risk/shared-gain" provision of the Retirement Code. According to the provision, you share some of the risk when SERS Fund investments perform below expectations and some of the benefit when investments perform above expectations. As a result, your contribution rate could increase, decrease, or stay the same from year to year.

As soon as we know the exact amount of the increase, we will reach back to you with that information.

If you have any questions about the shared-risk/shared-gain provision of your retirement benefit, please contact a SERS pension plan specialist at ra-SERSretc@pa.gov or 1.800.633.5461.

Joseph A. Torta
SERS Executive Director