Are You Old Enough to Retire?

Pension Reform Changes Eligibility Requirements

With retirement around the bend, let’s review the pension reform changes that go into effect Aug. 1, 2017.

Pension reform law increased the age and service credit needed for retirement.

Eligibility before Aug. 1, 2017
If you have at least 25 or more years of service credit before Aug. 1, 2017, you can retire under the current law with unreduced benefits:

- At any age with 30 years of service credit
- At age 65 with 5 years of service credit

You can retire early with reduced benefits:

- At age 55 with 25 years of service credit
- At age 60 with 5 years of service credit

Eligibility on or after Aug. 1, 2017
If you have less than 25 years of service credit on or after Aug. 1, 2017, you will be affected by pension reform law. You can retire with unreduced benefits:

- At age 57 with 30 years of service credit
- At age 67 with 10 years of service credit

You can retire early with reduced benefits:

- At age 60 with 25 years of service credit
- At age 62 with 10 years of service credit

Even with pension reform, retiring with SERS is still a pretty good deal. SERS is a Defined Benefit (DB) plan, which provides you with a dependable source of retirement income based on your age, years of service, and final average salary.

If you have any questions, please visit our website at www.ohsers.org, or call us toll-free at 866-280-7377.

Remember, it’s always best to talk to SERS first. Don’t rely on rumors for information about your retirement, get it straight from us.
I will be eligible for Social Security. If I retire from SERS, will my Social Security benefit or SERS pension be affected?

Your Social Security benefit will most likely be reduced, but your SERS pension will not be reduced.

If you plan to retire from SERS and are eligible for a Social Security benefit, your Social Security benefit may be reduced by either the:

**Government Pension Offset (GPO)**
- Only SERS retirees who receive, or will receive, a benefit based on their spouse’s Social Security account are affected by the GPO.
- If impacted, your Social Security spousal benefit is reduced by $\frac{2}{3}$ the amount of your SERS pension.

**Windfall Elimination Provision (WEP)**
- This penalty affects SERS retirees who receive, or will receive, a benefit based on their own Social Security account.
- If you have 30 or more qualified years of earnings under Social Security, your benefit will not be reduced by the WEP.

For more information regarding the GPO and WEP, contact the Social Security Administration by telephone at 800-772-1213, or by visiting its website at www.ssa.gov.

Want More Information about SERS’ Finances?

SERS publishes two documents summarizing the financial health and investment performance of the last fiscal year.

Both are available on our website at www.ohsers.org/financial-reports-1.


Did You Know?

- School employees contribute a part of their salary toward their retirement with SERS.
- Schools defer a portion of employee wages solely to fund your retirement.
- SERS invests these contributions to help pay your lifetime benefit.
You probably recognize the blue School Employees Retirement System of Ohio (SERS) logo on the top of this newsletter, but who are we?

**SERS is your retirement system.**

We provide lifetime retirement income for anyone who works for a public school in a non-teaching position, and meets the age and service requirements.

**What does being a SERS member mean?**

SERS is a defined benefit plan, which provides a dependable source of retirement income based on your age, years of service, and final average salary at the time you fill out your retirement application.

Unlike a 401(k) plan that bases benefit amounts on contributions and any investment gains or losses, SERS invests contributions over the long term.

**We are here to help.**

If you ever have any questions regarding your SERS account or benefits, call us toll-free at 866-280-7377 or visit our website at www.ohsers.org.

Let us know how we can help. We want to partner with you to help you achieve the retirement of your dreams.

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### Retirement Education Opportunities

It is never too early to plan for retirement. Take advantage of the multiple resources available to guide you along the planning process. Whether you prefer in-person or online education, we have options that will work for your schedule.

If you plan to retire in the next five years, consider participating in our webinar, “Retiring with SERS.” Our staff discusses retirement eligibility requirements, Social Security’s Government Pension Offset and Windfall Elimination Provision, health care options, and the retirement process.

If you plan to retire in 10-15 years, we recommend attending our educational PREP seminar, “Traveling the Path to Retirement.” The seminar is a half-day program that covers important aspects of retirement planning: pension eligibility, pension payment options, Social Security, financial planning, and health care options. PREP seminars are held from mid-summer to early autumn.

Registration is open for webinars and PREPs. Visit www.ohsers.org to register today.

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### You May Hear Something About Pension Reform

Pension reform discussions aimed at achieving 90% funded status for SERS’ pension fund continue. While actuaries model options and explore potential changes that are fair to both active and retiree members, no decisions have been made.

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### Events Around Ohio

**NORTHWEST**

FORT RECOVERY HARVEST JUBILEE

June 16-19

www.fortrecovery.org

**NORTEAST**

RECYCLED ROCKS!

April 22

Hike Ledges Trail at Cuyahoga Valley National Park

www.nps.gov

**PRO FOOTBALL HALL OF FAME MARATHON**

April 24

Marathon/Half Marathon/Team Relay

www.hofmarathon.com

**SOUTHEAST**

TOUR HISTORIC DOWNTOWN CAMBRIDGE

Year round

www.downtowncambridge.com

**SOUTHWEST**

CHUCK WAGON DINNER RIDES

Saturdays, June-September

Bonnybrook Farms in Clarksville, Ohio

bonnybrookfarms.com/chuckwagondinnerrides

**CENTRAL**

BLOOMS & BUTTERFLIES

Franklin Park Conservatory

March 12 - September 18

Butterflies released every day

www.ohio.org/events/blooms-butterflies

NEW ALBANY WALKING CLASSIC

September 11

Largest walking-only race in country

www.newalbanywalkingclassic.com
How is SERS Saving for Your Retirement?

SERS has three main sources of income that pay for retirement benefits: employer contributions (14% of pay), employee contributions (10% of pay), and investment income from the $12 billion in the retirement fund.

Employee and employer contributions, which are received monthly, are the system’s most reliable and dependable sources of income. Investment returns are less predictable, but often supply the largest source of income. In a typical year, they provide more than 60% of a retirement fund’s income.

To figure how much money SERS will have to pay for the future retirement benefits of working members, we estimate that investment returns will average 7.75% per year. This estimate is adjusted as economic conditions change. Over the last 31 years, SERS’ investment returns have averaged slightly more than 9% per year.

SERS’ investment staff monitors the daily, weekly, and monthly performance of our investments. However, results over 10, 20, and 30 years hold greater significance because we invest over a member’s entire working career.