COLA Changes: Effective January 1, 2018

Beginning January 2018, whether an annual Cost-of-Living Adjustment (COLA) is granted in any given year is at the discretion of the SERS Retirement Board.

If granted, COLAs will be based on the increase in the Consumer Price Index and capped at 2.5%.

COLA changes were necessary to address immediate financial challenges and long-term funding goals.

The Board, staff, and actuary examined possible options to address these issues. The Board held roundtable discussions with its advocacy groups in 2015, and continued to host stakeholder meetings through 2017.

The resulting consensus indicated that changes to the COLA were the best and most fair way to manage financial challenges and funding goals, and for active and retiree members to share in the solution.

At a special Board meeting in October, the Board suspended COLAs for retirees and benefit recipients for three years beginning January 1, 2018.

The actuary detailed SERS’ financial challenges, along with the urgency to improve its funding status.
When Can I Retire?

To retire with full benefits, you must be age 67 with 10 years of service credit, or age 57 with 30 years of service credit.

Is There Any Way I Can Retire Earlier?

You can retire at age 62 with 10 years of service credit, or age 60 with 25 years of service credit, but your benefits will be actuarially reduced to make up for the extra time you’ll spend in retirement.

Invest in Yourself: Ohio Deferred Compensation

One of the perks of being a SERS member is that your public sector employment entitles you to take advantage of the Ohio Public Employees Deferred Compensation Program.

Ohio Deferred Compensation is a supplemental retirement plan that gives Ohio public employees the opportunity to accumulate tax-deferred assets.

It’s a convenient way to help you meet your retirement goals.

Ohio Deferred Compensation offers voluntary retirement savings plans that allow you to supplement your existing pension benefit by saving and investing pre-tax dollars through payroll deferrals.

These days, your public pension alone may not be enough to sustain you in retirement.

Ohio Deferred Compensation can help bulk up your retirement nest egg. The sooner you start saving, the better.

When you enroll in Ohio Deferred Compensation, consider its SMarT Plan.

With SMarT, the deferrals to your Ohio Deferred Compensation account automatically increase each year by the amount you choose.

You can change your deferrals at any time.

Still not sure about being smart with your retirement funds?

The chart below shows your saving potential with Ohio Deferred Compensation and its SMarT Plan.

It’s a small price to pay now for a big peace of mind later.

That extra $100,000 could make all the difference in bringing your retirement dreams closer to reality.

For more information and to watch a video from “Professor Penny” about the reasons why enrolling in Ohio Deferred Compensation makes sense, visit Ohio Deferred Compensation at www.ohio457.org.

Refunds: Whether or Not

After termination of your school employment, you are entitled to a refund of your contributions and any amounts you paid for the purchase of service credit.

No refund is issued before three months after the termination of employment. SERS cannot pay partial refunds of, or provide loans on, your accumulated contributions.

You are not required to request a refund; you can leave your contributions with us.

Once a refund is paid, you lose any right to a retirement or disability benefit, and your dependents lose any right to survivor benefits.

Refunds may be subject to federal and state income tax withholding. You can avoid taxes on your refund if you roll it over to an IRA or other eligible retirement plan.

By keeping an account with SERS, you retain any service retirement or disability benefits you may be eligible for, or benefits for your qualified survivors.

There are three Ohio public retirement systems that are connected for the purposes of combining service credit: SERS; the State Teachers Retirement System of Ohio (STRS); and the Ohio Public Employees Retirement System (OPERS).

If you are a member of more than one system, at the time of retirement, you may have all deposits, salary, and service credit combined.

Another option you have if you also are a member of STRS and/or OPERS is to refund your SERS account without affecting your membership or rights to a benefit or refund of contributions under those systems.

For more information, visit our website at www.ohsers.org.
Antibiotics: Not Always Necessary

Have a sore throat, cough, or a runny nose? You probably don’t need antibiotics. According to the American Board of Internal Medicine’s Choosing Wisely, antibiotics might not help you – in fact– they may harm you.

Antibiotics can help treat some bacterial infections; but often, they aren’t necessary. And if you take antibiotics when you don’t need them, you build up an immunity or a tolerance, so when you do need them, they might not work.

When taking antibiotics, ask yourself:

- **Do I really need them?** Antibiotics work if you have a bacterial infection; they don’t work for viruses like the common cold and flu.
- **What are the risks?** Antibiotics can cause diarrhea, vomiting, serious allergic reactions, and more.
- **Are there simpler options?** These may include rest and liquids.

Other Choosing Wisely resources are available through SERS’ website by visiting www.ConsumerHealthChoices.Org/SERS.

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Budget Your Life, Budget Your Future

Have you ever really broken down your life’s expenses to the exact penny? Use this worksheet to see just how much money you really spend each month, and to gauge how much you should be saving for the future you want.

<table>
<thead>
<tr>
<th>Monthly Expenses</th>
<th>Monthly Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent or Mortgage</td>
<td>$</td>
</tr>
<tr>
<td>Utilities</td>
<td>$</td>
</tr>
<tr>
<td>Internet, Cable, Phones</td>
<td>$</td>
</tr>
<tr>
<td>Gas</td>
<td>$</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Groceries</td>
<td>$</td>
</tr>
<tr>
<td>Household Items</td>
<td>$</td>
</tr>
<tr>
<td>Meals Out</td>
<td>$</td>
</tr>
<tr>
<td>Homeowner’s/Renter’s Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Car Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Car Loans</td>
<td>$</td>
</tr>
<tr>
<td>School Loans</td>
<td>$</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>$</td>
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<tr>
<td>Medicine</td>
<td>$</td>
</tr>
<tr>
<td>Child Care</td>
<td>$</td>
</tr>
<tr>
<td>Entertainment</td>
<td>$</td>
</tr>
<tr>
<td>Credit Card Debts</td>
<td>$</td>
</tr>
</tbody>
</table>

**Total monthly expenses** $  

$ - Expenses = Income

$ - Income = What You Can Put in Savings for Retirement

Adds up fast, doesn’t it? Start saving now; thank yourself later.

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Follow Us

Stay connected to your retirement system.  
“Like” our Facebook page to stay up-to-date on the latest SERS news.

We share financial, wellness, and other helpful tips to help you plan, prepare for, and enjoy your retirement.

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SERS’ Financial Reports

You Got This: Benefits of Membership

**Disability Benefits**
Disability isn't something most people like to think about as they plan for retirement. However, according to the Social Security Administration, a 20-year-old worker has a 30% chance of becoming disabled before reaching retirement age.

Although the thought of becoming disabled is scary, it’s comforting to know that if the road to retirement takes an unexpected turn, disability benefits are available. Access to these benefits if you become disabled while employed is one of the many advantages of being a SERS member.

**Survivor Benefits**
As a SERS member, your spouse, children, or parents may be entitled to survivor benefits.

If you die before receiving an age and service retirement benefit, your spouse and eligible dependents may receive monthly benefits.

If your beneficiary is not entitled to monthly benefits, he or she could receive the accumulated contributions in your account.

Having these benefits is just another advantage of being a SERS member.