In This Issue:

- Pension Reform Discussions  
  Page 2
- New Board Member  
  Page 2
- Ask SERS  
  Page 2
- Reboot the WEP  
  Page 2
- Health Care Costs  
  Page 2
- Retirement Tips  
  Page 3
- Swimming for Exercise  
  Page 3
- Brain Games  
  Page 3
- Educational Resources  
  Page 4

Eligibility, Pension Reform, and the Buy-up Option

Aug. 1, 2017 Deadline is Fast Approaching

If you do not have 25 years of service credit as of Aug. 1, 2017, and retire after Aug. 1, 2017, you are subject to the pension reform law that went into effect Jan. 7, 2013.

This means:
- In order to retire with unreduced pension benefits, you must be age 67 with 10 years of service, or age 57 with 30 years of service
- To retire early with reduced benefits, you must be age 62 with 10 years of service; or age 60 with 25 years of service

If you are among those who have at least 25 or more years of service credit before Aug. 1, 2017, you can retire under the current law with unreduced benefits. This means you can retire:
- 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

The law also includes a grandfather provision that allows members with 25 or more years of service on Aug. 1, 2017, to retire under current age and service requirements.

Pondering Pension Reform: Is it Wise to Wait?

Norma retired in July. She was 60 years old and had 21 years of service credit. She received a monthly pension from SERS of $1,063.56. If she had not retired before Aug. 1, 2017, she would not have been eligible to retire until she was 62. Had she waited, her monthly pension would have been calculated with the adjusted formula and would have been $733.23.

That’s more than a $300 difference. Is pension reform going to make a difference for you? If you are unsure, call us toll-free at 866-280-7377.

Buy-up Option

Members who will have fewer than 25 years of service credit as of Aug. 1, 2017, can retire under the current eligibility requirements if they pay the actuarial difference between the benefit they would have received under the new requirements, and the benefit they may receive under the current requirements.

Members who want to buy up must complete their one-time payment on or before Aug. 1, 2017. If you have questions, please call us toll-free at 866-280-7377.
Reboot the WEP: Unfair to Public Employees

Last year, H.R. 711, the Equal Treatment of Public Servants Act, was introduced in the U.S. House of Representatives. If passed, it would change the way the Windfall Elimination Provision (WEP) is calculated for public employees.

With few exceptions, the WEP reduces Social Security benefits for anyone who receives a public pension. Under the new law, a worker’s benefit amount will be calculated using total lifetime earnings and adjusted for the proportion of earnings that came from a job covered by Social Security. These recalculations will be more proportional for public and private sector workers.

As a result, many public sector retirees will receive more Social Security benefits than they do currently.

If you want to ask your House representative to support H.R. 711, visit our website at www.ohsers.org and click on the Take Action Now button.

If you want to send a letter through regular mail, call your County Board of Elections. Your County Board of Elections can give you the name and address of your federal legislator. Since each county has its own Board of Elections office, call the Ohio Secretary of State Office at 614-466-2655 to find the phone number of yours.

Are You Preparing for Health Care Costs?

Have you thought about how you will pay for health care when you retire?

According to Fidelity Investments Benefits Consulting Group’s 2015 analysis, the average 65-year-old retired couple can expect to pay about $245,000 in health care costs during the course of retirement.

This assumes they qualify for Original Medicare. It does not include other expenses, such as over-the-counter medications, and most dental services.

If you retire before age 65, your health care will cost even more.

These are all things to consider when deciding how much you need to have saved for retirement. Will what you have saved be enough?
Tips to Help You Plan for a Happy Retirement

Most couples plan for more than a year for their wedding day, and most families spend a year preparing for a Disney World vacation. Planning for your retirement should take at least as much thought. Consider these tips when planning for the next stage of your life:

Come up with a plan. Think about the big decisions. Where do you want to live? Do you want to travel? What will you do with your time?

Prepare a budget. The average monthly SERS pension is $1,254. Take into consideration regular monthly expenses, such as housing, utilities, transportation costs, medical bills, groceries, and outstanding debt. Will you have enough income left over to do what you want?

Practice. Carry out your plan for a year. Use your estimated monthly income to pay for everyday expenses. This helps you determine if you will be able to do everything you want on your new budget.

Pay off debt. While adjusting to your new budget during your “practice year,” use your extra income to pay off debt, invest in repairs or improvements to your home, and increase your retirement savings in Ohio Deferred Compensation or a similar fund.

Adjust. Identify areas that need reworked. Are there expenses you can cut? Could you move to a smaller home, or eliminate more debt?

You have time. Make sure your plan measures up to your expectations so you can enjoy a happy retirement.

As a school employee, you contribute 10% of your salary to your retirement. Schools defer 14% of employee wages to fund your retirement. SERS invests these contributions to pay your lifetime benefit.

= Happy Retirement

Swimming: Jump In

There are plenty of reasons to jump in the water this summer. Not only is swimming a way to cool down, it’s a fun way to be active.

In August, the Olympic games will bring swimming, diving, and water polo right into your living room.

Feel inspired? Do more than just cheer from your couch. Become an athlete. Swimming engages your whole body and can improve overall fitness, flexibility, and endurance. Do you know that lap swimming burns about 476 calories per hour or that water aerobics is an ideal workout for those with arthritis, back problems, or joint conditions?

For a list of swimming pools near you, visit www.where-to-swim.com.

So go on — cheer on the Olympians — and yourself.

Brain Games: School Employees Word Search

Beyond the simple fun of play, brain games also help keep our brains active and functioning at a higher level. Scientific American reports that exercise and socialization also have positive effects on cognition. Give this puzzle a try, and add a walk with a friend to your schedule.


Solution

ADMINISTRATIVE MAINTENANCE
AIDE MECHANIC
BUS OFFICE
CUSTODIAN PAYROLL
KITCHEN SECRETARY
LIBRARY TREASURER
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
300 EAST BROAD ST., SUITE 100
COLUMBUS, OHIO 43215-3746

Educational Opportunities and Resources Abound

Because everyone has a different method of learning, we provide many options to help you get the information you need. Attend a seminar, listen to a live webinar presentation, watch a video, or check out our website at www.ohsers.org.

PREP Seminar
If you’re thinking about retiring in the next 10 to 15 years, consider joining us for a PREP Seminar. The half-day program is ideal for those in the middle stage of their career.

- Aug. 1, 2016 – Cuyahoga Falls
- Aug. 2, 2016 – Beachwood

Retirement Conference, Webinar, or Video
If there’s a good chance you’ll retire in the next five years, attend a Retirement Conference.

- Sept. 10, 2016 – Waverly
- Sept. 17, 2016 – Tipp City
- Sept. 24, 2016 – Austintown
- Oct. 1, 2016 – Mansfield

The next webinar is July 13, 2016 at 2 p.m.

If our conference dates and times don’t fit your schedule, we also provide webinars so you can get the same information by logging in from your computer at work, or at home.

Website
If your preferred method of learning is reading, visit our website at www.ohsers.org/members to find information on contributions, service credit purchase, survivor and disability benefits, and much more. All our publications also are available on our website.