

Welcome to SERS

As a public school employee, you will be contributing to the School Employees Retirement System (SERS), one of five Ohio public pension funds. With some exceptions, SERS membership is required and most employees will be covered only by SERS and not by Social Security. You should be aware that SERS membership may have tax consequences on contributions to a personal IRA.

• About SERS

SERS was established by state law in 1937 and you are joining over 120,000 active contributors. The assets of the fund total \$10 billion and 60,000 retirees receive monthly pensions.

• Service Retirement

Under current law, a member qualifies for a lifetime monthly pension with the following combinations of age and service credit:

5 years of credit at age 60; or
25 years of credit at age 55; or
30 years of credit at any age

The pension is based on age, number of years of service credit, and final average salary. With 30 years, the pension is 66% of final average salary.

• **Disability Retirement**

A member who becomes physically or mentally unable to perform the duties of the school job and who has at least five years of credit may apply for disability benefits. If approved, the benefit amount ranges from 45% to 60% of final average salary.

• **Survivor Benefits**

The beneficiaries of a member who dies while working may qualify for monthly survivor benefits. A member must have at least 1.500 years of credit at the time of death, and must have earned a quarter of a year of credit within the two and one-half years prior to death.

If the member had children under the age of 18, or 22 if still in school, the children and spouse qualify for monthly benefits plus access to health insurance. If there were no minor children, then the spouse qualifies for a monthly benefit at any age if the member had at least 10 years of service. If the member had less than 10 years, the spouse qualifies at age 62.

The beneficiary also has the option of a lump sum withdrawal of the member's contributions, unless there are minor children.

• **Health Insurance**

Currently members retiring on service retirement with at least 10 years of qualified credit and all disability and survivor benefit recipients have access to health insurance through SERS. Retirees will pay part, or all, of the monthly premium based on the number of years of service at the time benefits begin. Current benefits include major medical, hospital, and prescription drug coverage. Dental coverage is also available.

Members should be aware, however, that health insurance is not guaranteed. Unlike pensions, which are established by Ohio law, health insurance is provided at the discretion of the retirement system.

• **After Retirement**

Retirees receive a 3% cost of living increase each year on the anniversary date of retirement. The increase is figured on the original base pension.

SERS partially reimburses retirees for the cost of Medicare Part B in the amount of \$45.50 each month.

Upon the death of a disability or service retiree, a \$1,000 lump sum death benefit is paid to the designated beneficiary.

• **Refund of Contributions**

You always have the option of withdraw your own contributions upon termination of school employment. You receive what you actually contributed, less withholding for federal income tax unless the money is rolled into a qualified account. If you are also a member of the Ohio Public Employees Retirement System or State Teachers Retirement System, you must withdraw from all accounts.

Since your contributions likely have not been taxed, they are subject to income tax when withdrawn. You may also be subject to an additional federal tax for early withdrawal.

• **More Information**

You will shortly receive a Member Handbook in the mail that contains more information about your retirement plan. Also, please visit our website at www.ohsers.org for comprehensive benefit information. By using the Member Log-in feature on the web, you can access your personal account and updated contribution balance.

SERS is your retirement system and the staff is here to help you. Do not hesitate to contact us toll free at 866-280-7377.

School Employees Retirement System of Ohio
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