

# Understanding your total PSERS member benefit



**For over 100 years, PSERS has provided secure retirement benefits for millions of public school employees. As you continue on your own retirement journey, remember – with PSERS, you're on your way!**

As a member of the Public School Employees' Retirement System (PSERS) you have a retirement benefit that has both a Defined Benefit (DB) and a Defined Contribution (DC) component.

The DB component of your retirement guarantees you a monthly benefit for life based on the following calculation.



The DC component of your retirement is based on the amount of contributions made by you and your employer and the investment performance on those contributions, and the fees, costs, and expenses deducted from your PSERS DC account. Your contributions have the potential to grow based on investment earnings, but are not guaranteed against loss in declining investment markets.



## What could your PSERS benefit look like in retirement?

PSERS has a calculator on its website to estimate, using your own factors, what your retirement benefit will look like in the future. The Class Election online calculator is located under Class Election Resources. PSERS also has provided an example estimate below and on the next page.

**Member assumptions:** \$40,000 starting salary with 3% annual increases, working for 35 years (normal retirement).

**PSERS DB Plan factors:** Final average salary of \$103,093 and earns a guaranteed 4% on contributions and interest. Member leaves these in for maximum pension benefit. Assuming the base DB contribution rate of 5.50% for Class T-G and 4.50% for Class T-H without the fluctuation up or down from Shared Risk/Shared Gain.

**PSERS DC Plan assumptions\*:** 26 pay periods per year and 6% rate of return.

	Class T-G	Class T-H
<b>Total Retirement Benefit</b>	\$944,399	\$824,388
<b>Retirement Benefit Breakdown</b>	\$45,103 Annual Pension for life + DC account of \$344,304 at retirement	\$36,083 Annual Pension for life + DC account of \$344,304 at retirement
<b>Total Member Contributions</b>	\$199,525	\$181,386
<b>Total Employer DC Contributions</b>	\$54,416	\$48,370

*\*These hypothetical examples assume a 6% effective annual interest rate and no withdrawals. For illustrative purposes only, to show how the contribution rate and number of years invested in the DC Plan could affect your account value. Not intended as a guarantee of past or future performance of any security. Hypothetical assumptions are not guaranteed. Your actual results may vary. Actual rate of return may be more or less than shown and will depend upon a number of different factors, including your choice of investment options.*

### How can you track your PSERS retirement benefit?

Your annual statement of account shows a high-level overview of your DB and DC accounts. This includes total contributions, interest, years of credited service, wages, hours and days worked in that fiscal year, a summary of debts against your account (if applicable), an estimate of your monthly retirement benefits (if eligible), and your vested and non-vested DC account balances.

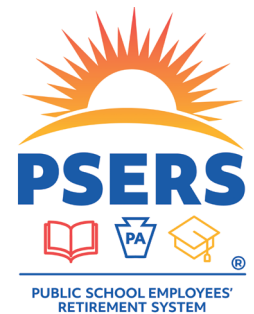
Each fall, PSERS sends out annual statements of account to members after all employers report wages, contributions, and annual service for that school year. Because your statement is based on employer reporting, you should review it for accuracy and resolve any discrepancies in salary or service with your employer as soon as possible.

Voya also sends out quarterly statements to all participants which includes your and your employer's contributions, your investment allocation, any investment gains (and losses), and associated fees of your DC account.

You can use the myOrangeMoney interactive, educational, online experience in your DC account to estimate the monthly income you'll likely need in retirement and the estimated progress you've made toward that goal. To give you a more accurate estimation, you also can add outside accounts such as your, estimated DB monthly benefit and any other retirement savings.

### Managing your account with PSERS

The PSERS Member Self-Service (MSS) Portal offers you secure, convenient, 24/7 access to your pension account information. With the MSS portal, you can conduct many pension plan-related transactions online instead of filling out paper forms or contacting PSERS staff. Plus, you will receive instant confirmation for all of your transactions, instead of waiting for a confirmation to be mailed to you. Visit [psers.pa.gov](https://psers.pa.gov) to register for PSERS MSS Portal or contact PSERS' Member Service Center at 1.888.773.7748 for more information about your PSERS membership.



## With PSERS, you're on your way!

**IMPORTANT:** The illustrations or other information generated by the calculators are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. This information does not serve, either directly or indirectly, as legal, financial or tax advice and you should always consult a qualified professional legal, financial and/or tax advisor when making decisions related to your individual tax situation.

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