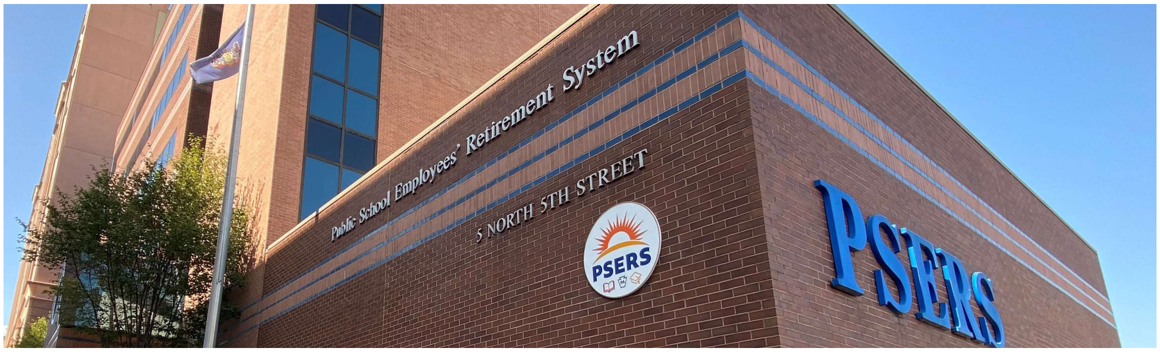
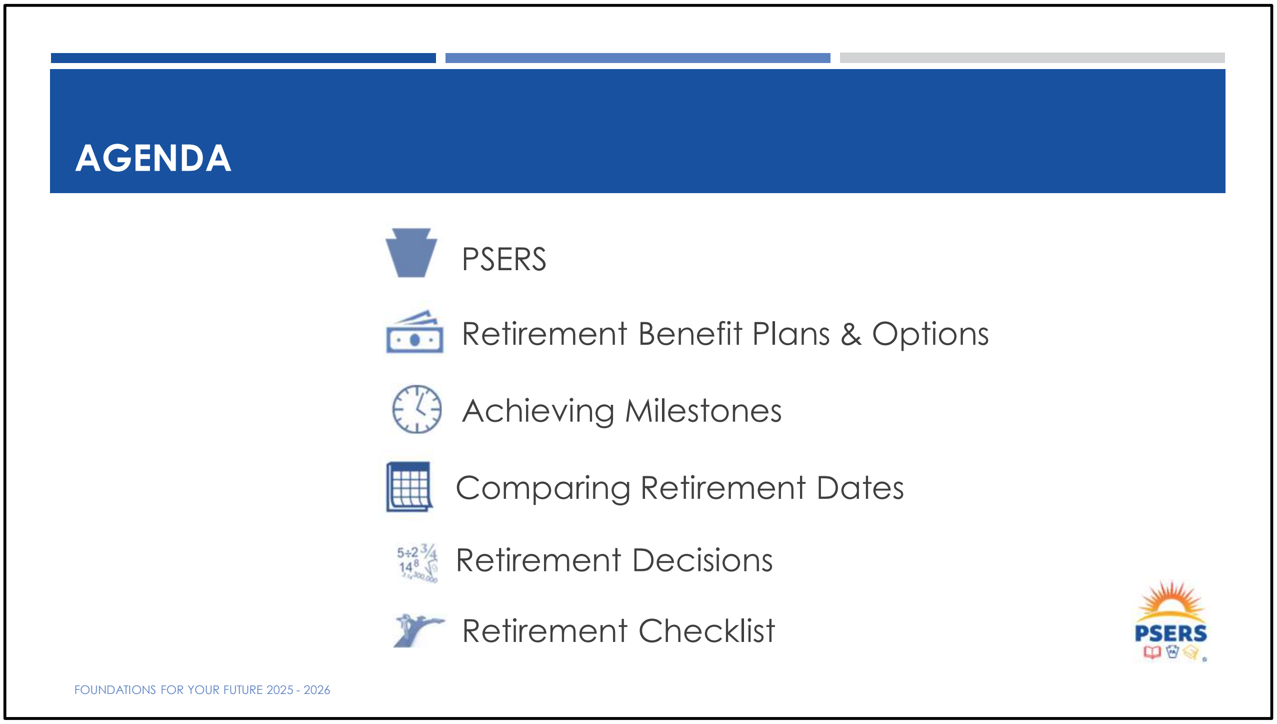
FOUNDATIONS FOR YOUR FUTURE

2025-2026



Welcome to "Foundations for Your Future," the general information program of the Public School Employees' Retirement System (PSERS).

For many of you, this program will be the starting point in your retirement planning, so if you don't feel you have all of the answers after this meeting, that's normal. There are many other sources of information and additional steps in your planning which we will discuss. We hope this will be a good introduction to get you acquainted with those steps and the ways in which PSERS is available to assist you along the way.



The purpose of this program is to provide information regarding your retirement system to help you better understand the benefits you have as a PSERS member and the important decisions you must make when you retire.

Today, we will talk about:

- PSERS - We'll discuss our agency and explain how PSERS retirement benefits work and what's provided for you.

- Retirement Benefit Plans & Options—We will review the types of retirement plans that PSERS offers. We will also explain how the retirement benefit options work and things to think about as you approach your retirement goals.

- Achieving Milestones – We will tell you about important milestones that may impact your future benefits.

- Comparing Retirement Dates - We will show you the importance of comparing retirement dates.

- Retirement Decisions – We will help to prepare you by giving you things to think about as you are making your very important retirement decisions.

- Retirement Checklists – As provided to you in your packets, we will review those things you need to be doing or at least thinking about when preparing for retirement.

WHAT IS PSERS?

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

PSERS is a mandatory, cost-sharing, non-ERISA, multiple employer retirement plan to which the public school employers, the Commonwealth, and school employees (members) contribute. Depending on your membership class, you may have a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, or a combination of both DB and DC components.

PSERS is qualified under Section 401(a) of the Internal Revenue Service Code and is one of the oldest in the U.S. Established 1917/ began operations 1919.

Participating employers include:

All Pennsylvania public school districts,
Intermediate units,
Vocational-technical or career technology schools,
Participating charter schools,
Community colleges,
The state-owned universities,
Pennsylvania State University,
And any other employer who offers PSERS as a retirement plan option.

PSERS is one of the most complex public pension systems in the country, with seven Membership Classes. When you began working for a Pennsylvania public school matters because your membership Class was decided then, based on what legislation was in place at the time you first qualified for PSERS membership.

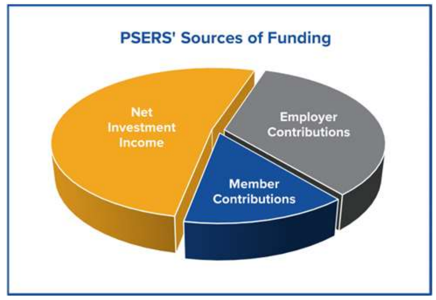
Special Notes:
Charter schools are considered public schools, but not all participate in PSERS. Charter schools may, but are not required, to offer PSERS as a retirement option; if not, they must offer an alternate retirement plan. If you are a member of PSERS and begin employment with a charter school, you should verify that the charter school participates in PSERS.

State-owned colleges and universities, the Pennsylvania State University (PSU), the 14 state-owned universities (comprising The State System of Higher Education colleges or PASSHE) and community colleges are required to offer PSERS as one of their retirement options. In addition to the mandatory offering of the State Employees' Retirement System (SERS) and PSERS, these employers may offer other retirement programs. Your employer should be able to discuss with you each of the retirement plans that they offer.

DEFINED BENEFIT PLAN (DB)

Membership Class T-C, T-D, T-E, T-F, T-G, T-H

- **401(a)** plan under Internal Revenue Service Code
- **Formula** to calculate benefits
- **Benefits are not affected** by contributions and investment earnings
- **Lifetime** monthly benefit



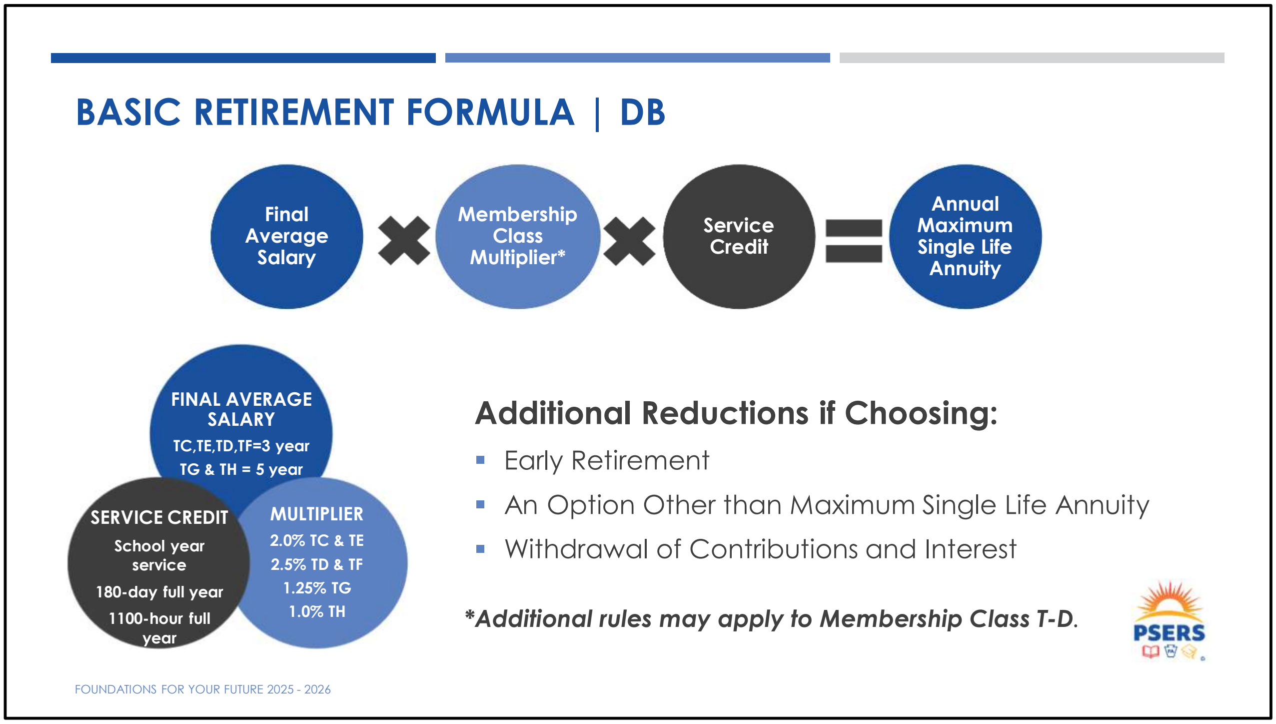
PSERS

The defined benefit portion of your retirement is not dependent on the amount of your contributions and investment earnings.

Please take a look at this pie chart. This illustrates the fund and what it is made up of. Picture it as a pie. Member contributions, employer contributions and investment earnings make up the general fund from which retirement benefits are paid. Your future retirement benefits are determined by a formula set by state law and guaranteed by the Commonwealth of Pennsylvania. If vested, you are guaranteed a lifetime monthly annuity.

The member contribution rate is set by legislation based on your PSERS enrollment date and membership class, which will be discussed shortly. The employer contribution rate changes yearly based on system funding requirements. Earnings from investments are the largest source of funding for PSERS.

Class T-G and T-H members have a Defined Contribution component (DC) in addition to the Defined Benefit component (DB) which is administered by Voya. Voya is a third party that PSERS partners with.



Remember we told you that your retirement benefit was based upon a formula?

The formula used to calculate your gross retirement benefits takes into consideration your final average salary, your membership class, and your years of credited service.

Multiplying the components together gives you the annual maximum single life annuity (MSLA) with no withdrawal of contributions and interest. Your PSERS plan offers options other than the MSLA with or without withdrawal of contributions and interest and to retire before normal retirement. This resulting amount, however, is multiplied by a reducing factor to the gross benefit. Retirement reductions are primarily designed to account for the longer period over which you will receive benefits, and to maintain the financial stability of the system. By applying a reduction factor for retiring early, choosing an option other than the MSLA, or withdrawing your contributions and interest, we can ensure that the system has enough resources to cover the payments for all retirees.

Final Average Salary (FAS): Generally, the final average salary is the average of a member's highest compensation received during any three school years (class T-C, T-D, T-E, T-F) or any five school years (class T-G and T-H). Included in the calculation of your FAS is any extra compensation for additional duties such as overtime or work as a coach or department head, etc. Using accrued leave is considered part of compensation. Payment for your unused leave or bonuses received because of your retiring are NOT included in the FAS calculation.

For school years in which you rendered part-time service, your compensation may be annualized. In other words, it may be calculated as if you worked full time, applied against the fractional portion of the service you rendered for the school year. As a GENERAL RULE Annualized RCC (Retirement Covered Compensation) for a fiscal year during which part-time service was rendered is equal to the RCC for the fiscal year divided by actual school service credit for such year.

For terminations before the end of the school year, the partial salary for that year may be used in combination with a proportionate percentage of a prior school year.

Membership Class: You were enrolled in one of the six membership classes based on when you first became eligible for PSERS membership.

If you became a qualifying member of PSERS prior to July 1, 2011, your membership class is either Class T-C or Class T-D. With Class T-C service, the multiplier is 2.0, meaning you get 2% of your final average salary for every year of Class T-C service you have. If you are a Class T-D member you have a 2.5% multiplier, so you get 2.5% of your FAS for each year of Class T-D service. If you were hired before July 1, 2001, you had an opportunity to elect to become a Class T-D member to get the higher multiplier. If you were hired between July 1, 2001, and June 30, 2011, you were automatically enrolled in Class T-D.

If you were first enrolled on or after July 1, 2011, you were enrolled in Class T-E by default. T-E uses the 2.0% multiplier for all service credit. You had a one-time opportunity to elect Class T-F membership which uses a 2.5% multiplier.

If you were first enrolled on or after July 1, 2019, you were enrolled in Class T-G by default and had a one-time opportunity to elect class T-H or DC. Class T-G uses the 1.25% multiplier for all service credit. Class T-H membership uses a 1.0% multiplier. This formula does not pertain to you if you elected to participate in the DC only plan.

Years of Service: Credited service accrual is based on a school or fiscal year (i.e., from July 1 to June 30). If you are a salaried or per diem employee, 180 days of service = 1 full year of credit. If you are hourly, 1100 hours is usually the amount needed to reach 1 full year of credit. If you worked less than the 180 days or 1100 hours in a qualifying school year, you will receive partial credit for that year. Partial-year service credit is calculated by dividing the days or hours worked by 180 for days, or by 1100 for hours. Please note that you cannot receive credit for more than 1 year of service in any school year.

Retirement reductions are primarily designed to account for the longer period over which you will receive benefits, and to maintain the financial stability of the system. By applying a reduction factor for retiring early, choosing an option other than the MSLA, or withdrawing your contributions and interest, we can ensure that the system has enough resources to cover the payments for all retirees.

MEMBERSHIP CLASSES/CONTRIBUTION RATE

Membership Class	Membership Established	Contribution Rate (Percentage of Salary)
T-C	Prior to July 1, 2001	6.25% *
T-D	Prior to July 1, 2001, elected On or after July 1, 2001	7.50% *
T-E	On or after July 1, 2011 (shared risk)	7.50% (7-1-24)
T-F	On or after July 1, 2011, elected (shared risk)	10.30% (7-1-24)
T-G	On or after July 1, 2019 (shared risk)	8.25% (7-1-24) 5.50 & 2.75%DC
T-H	On or after July 1, 2019, elected (shared risk)	7.50% (7-1-24) 4.50 & 3.00%DC
D-C	On or after July 1, 2019, elected	7.50%

Act 96
Act 9
Act 120
Act 5

*IF QUALIFIED PRIOR TO JULY 22, 1983, AND WITH NO BREAKS IN SERVICE, CONTRIBUTION RATES ARE 5.25% FOR T-C, AND 6.50% FOR CLASS T-D.

PSERS

Remember our pie? When you become a member of PSERS you start to contribute to the fund. Your employer also contributes to the fund and their current contribution rate is 34%. Your employer is also responsible to report to PSERS how much you are contributing, and they do this on a monthly basis.

BECOMING VESTED = ELIGIBLE FOR A MONTHLY BENEFIT

Defined Benefit (DB) Plan

Class T-C and T-D	Class T-E and T-F	Class T-G and T-H
▪ Five years of service **OR** ▪ Age 62 and then leave employment with one year of service	▪ Ten years of service **OR** ▪ Age 65 and then leave employment with three years of service	▪ Ten years of service **OR** ▪ Age 67 and then leave employment with three years of service

PSERS

To be eligible for a regular retirement benefit, you need to be vested.
Members who are not vested when they leave public school employment are only eligible to apply for a refund of contributions and interest. The criteria to be vested are different for Class T-C and T-D members versus Class T-E, T-F, T-G, and T-H members. Please review the slide for the vesting criteria for each membership class.

Once you are vested in the DB plan, you are eligible for monthly lifetime income upon termination of all public school employment.

If you are a Class T-C or Class T-D member, you become vested when you attain five years of qualified service or reach age 62 and then leave employment with at least 1 year of qualified service. If you are a Class T-E or Class T-F member, you become vested when you attain ten years of qualified service or reach age 65 and then leave employment with at least 3 years of qualified service.

If you are a Class T-G or Class T-H member, you become vested when you attain ten years of qualified service or reach age 67 and then leave employment with at least 3 years of qualified service.

Upon becoming vested, your PSERS death benefit increases from the total of your personal contributions and interest to the total value of your account. The total value of your account is an actuarial figure based on the amount of money PSERS would expect to pay you throughout your retirement lifetime.

DEFINED CONTRIBUTION PLAN (DC)

Membership Class T-G, T-H, DC

- Administration of the DC Plan is outsourced to a third-party administrator, Voya Financial.
- Participants choose investment options.
- Account balance (benefit) is based on:
  contributions and investment performance, and deductions for fees, costs, and expenses.
- Total account value has the potential to grow, but is not guaranteed against loss, based on investment performance.

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

If you are in Class T-G, T-H, or DC; you will receive all or part of your retirement benefit from the PSERS DC Plan. The Defined Contribution (DC) component of your retirement is based on the amount of contributions made by you and your employer, the investment performance on those contributions, and the fees, costs, and expenses deducted from your PSERS DC Plan account. Your contributions have the potential to grow based on investment earnings but are not guaranteed against loss in declining investment markets.

Employer Contribution Rate:
Your employer also contributes 2.00% (Class T-H and Class DC) or 2.25% (Class T-G) to your PSERS DC account

After-Tax Voluntary Contributions:
In addition to mandatory contributions, you may voluntarily contribute, on an after-tax basis, an additional percentage of your retirement-covered compensation to the PSERS DC Plan. If you have more than one employer, each employer will make after-tax voluntary contributions based on the same after-tax deferral percentage. After-tax voluntary contributions are post-tax contributions but enable you to grow assets through earnings that will be tax-deferred. Please refer to the Special Tax Notice Regarding Plan Payments (available at the Voya website) for more information on the federal tax treatment of a distribution from the PSERS DC Plan that includes after-tax voluntary contributions.

BECOMING VESTED = ELIGIBLE FOR EMPLOYER CONTRIBUTIONS

Defined Contribution (DC) Plan (Membership Class T-G, T-H, DC)

- Always 100% vested in participant contributions
- Minimum of 3 eligibility points to be vested and eligible to receive your employer's DC contributions
- A participant earns one point for each fiscal year in which they contribute to the PSERS DC plan

PSERS

Becoming Vested (PSERS DC Plan):
You have access to your DC contributions and earnings, if any, upon terminating public school employment. You will always be 100% vested in, and eligible to receive, the balance in your PSERS DC Plan account that is attributable to your DC participant contributions, your after-tax voluntary contributions, and your rollover contributions. To be vested and eligible to receive your employer's DC contributions in your PSERS DC Plan account and the earnings on those contributions, if any, after termination of employment, you must earn three eligibility points. A participant earns one eligibility point for each fiscal year in which the participant contributes to the PSERS DC Plan.

Obtaining Eligibility Points:
A participant earns one eligibility point for each fiscal year (12-month period beginning July 1) in which school service is rendered and the participant makes a DC participant contribution to the PSERS DC Plan. Your eligibility points will be displayed on your quarterly financial statements from Voya. An individual who returns to school employment after a period of USERRA leave, or who dies while performing USERRA Leave, will be given the eligibility points that the individual would have earned had the individual continued in school employment instead of performing USERRA Leave.

DC PLAN INVESTMENTS

- All money in the participant's account is invested, including after-tax contributions and rollovers with the potential to grow, but is not guaranteed against loss.
- A participant is automatically enrolled in a target date fund based on the participant's date of birth and estimated normal retirement age of 67.
- The participant may decide how to invest the total account among a variety of core investment choices and target date trusts.

VOYA FINANCIAL™

PSERS

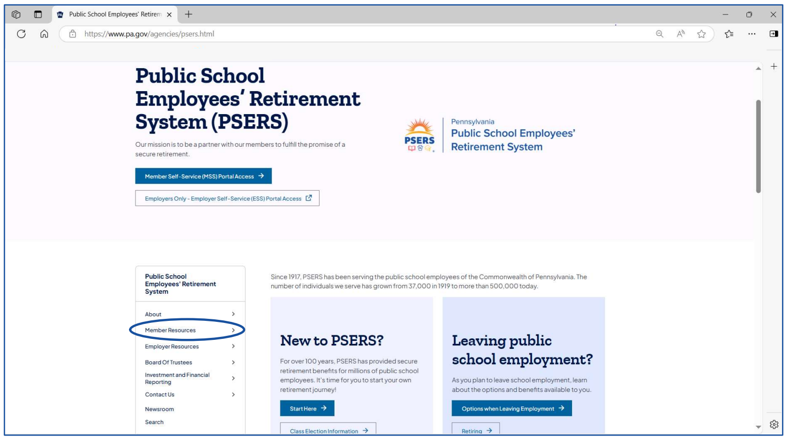
As a PSERS member participating in Class T-G, Class T-H, or Class DC, you and your employer's DC contributions are automatically invested in a target date investment based on your estimated normal retirement age (67) as determined by your date of birth.

You can remain in your default target date investment or change how all or part of your account balance is invested at any time by accessing your DC account through your PSERS Member Self-Service (MSS) account. You can select a different target date investment or choose from additional investment options.

In addition to mandatory contributions, you may voluntarily contribute, on an after-tax basis, an additional percentage of your retirement-covered compensation to the PSERS DC Plan. You may stop or change the percentage of your after-tax voluntary contributions at any time.

Your employer will deduct and remit your after-tax voluntary contributions for deposit in your PSERS DC account. Your employer will determine the amount to remit each pay date by multiplying your elected after-tax percentage times your retirement-covered compensation less your mandatory contributions to PSERS. No part of this amount will be remitted if, after all other payroll deductions required by law or elected by you have been taken, you do not have enough pay remaining on that pay date from which to remit the amount. Any amount not contributed will not be made-up at a future pay date.

WWW.PA.GOV/PSERS



- Visit the PSERS website
- Member Resources
- Forms/Publications
- Retirement Calculators
- Member Self-Service (MSS) login
- How-to Videos

We recommend that you as a member, become familiar with PSERS' website. Our website is filled with information beneficial to all PSERS members. The website includes links to our available publications and forms as well our Newsletters to keep you up to date with the latest information.

PSERS provides you with a Generic Retirement Calculator to help you plan for your retirement throughout your career in PA public schools.

You can access your Member Self Service (MSS) portal account at www.pa.gov/PSERS.

RETIREMENT CALCULATOR WITH DC BENEFITS

Need Help Deciding?

Click here for information to assist you when deciding your membership class and questions you may also want to ask yourself.

Calculator

Enter Your Age 40

Starting Salary 37000

 # Years You Will Work 27

Salary Increase Per Year 3

Return On Investment Per Year 6

Calculate

	Your Default Option	Your Other Elective Options	
	Class T-G *Highest guaranteed retirement benefit*	Class T-H *Reduced guaranteed retirement benefit*	Class DC *Value of account at time of distribution*
Total Retirement Benefit	$508,059	$440,451	$323,043
Retirement Benefit Breakdown	$25,407 Annual Pension for life + DC Plan Account of $170,022 at retirement	$20,325 Annual Pension for life +DC Plan Account of $170,022 at retirement	No Annual Pension (You assume all investment risk) + DC Plan Account of $323,043 at retirement
First Year Member Contribution	$3,052.50 or $117.40 from biweekly pay	$2,775.00 or $106.73 from bi-weekly pay	$2,775.00 or $106.73 from bi-weekly pay
Total Member Contributions	$124,266	$112,969	$112,969
Total Employer DC Contributions	$33,891	$30,125	$30,125

PSERS

We believe it is beneficial for everyone to start thinking about their retirement benefits as early as possible.

To assist PSERS members in deciding which membership class is right for them to elect, or those who are already in classes T-G, T-H, or DC, we promote using the Retirement Calculator With DC Benefits on PSERS' public website to see what the different benefit amounts may be when planning to retire. They just need to enter their age, starting annual salary, and the number of years they plan on working.

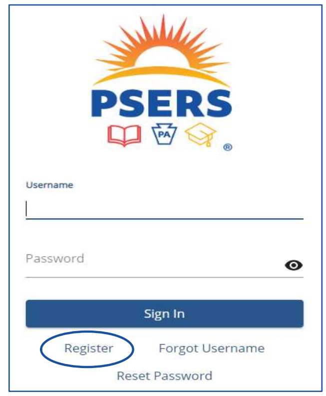
Use of this calculator is not a substitution for retirement counseling with PSERS.

This calculator is for anyone with a DC benefit, not just for use at the time of class election.

ACCESS YOUR MEMBER SELF-SERVICE ACCOUNT

- To register, you will need your Social Security Number, your PSERS ID, your Date of Birth, a working telephone number, and a valid email address.
- Your PSERS ID is on most correspondence that PSERS mails to members.
- You should regularly check your online account for communications or notifications from PSERS.

The functionality that is available on the MSS Portal represents **nearly 260,000 transactions** currently handled by PSERS staff.



You can access a lot of your personal account information and conduct many transactions, securely and quickly, for yourself using the PSERS Member Self-Service Portal (MSS). Setting up an account is easy. You should use a personal email address and will need your PSERS ID, social security number, and date of birth. A PSERS ID is a unique number that has been assigned to each member. Most correspondence from PSERS now includes your PSERS ID. Your PSERS ID can also be mailed to you by contacting PSERS directly.

You should regularly check your online account for communications or notifications from PSERS.

As you complete more transactions through the MSS Portal, PSERS staff can focus more of their time on providing additional value-added services.

MSS PORTAL

The PSERS Member Self-Service (MSS) Portal offers secure, convenient, 24/7 access to your pension account information.

MSS allows members to:

- Manage/update your personal info.
- Nominate/update beneficiaries
- Elect a membership class
- Print important documents
- Create retirement estimates
- Track the status of applications and estimates
- Update/change direct deposit info.

PSERS

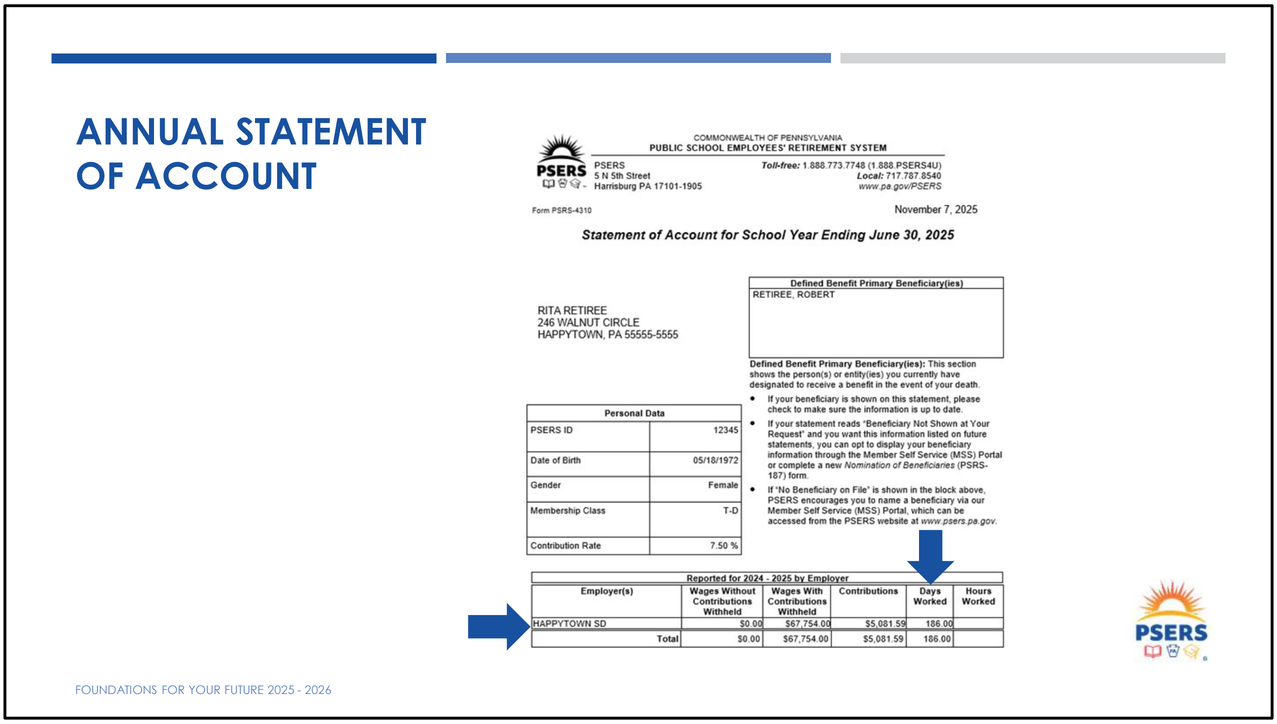
The PSERS MSS Portal offers you secure, convenient, 24/7 access to your pension account information and the ability to stay up to date with PSERS-related news.

You can conduct your pension plan-related transactions online and receive email notification when new documents are available for you to review.

MSS offers features allowing you to:

- Manage and update your personal information—phone numbers, email address, and mailing address.
- Nominate or update beneficiary(ies), (if eligible).
- Elect a membership class (if eligible).
- Elect multiple service membership (if eligible).
- View a summary of your account.
- Print important documents (e.g., Statement of Account, staff-prepared estimates).
- Create retirement estimates.
- Track the status of your Retirement Application, Request for Estimate, or Refund Application.

Additionally, after you start receiving monthly benefits via direct deposit, you can electronically update/change your direct deposit information!



COMMONWEALTH OF PENNSYLVANIA
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

PSERS
5 N 5th Street
Harrisburg PA 17101-1905

Toll-free: 1.888.773.7748 (1.888.PSERS4U)
Local: 717.787.8540
www.pa.gov/PSERS

Form PSRS-4310

November 7, 2025

Statement of Account for School Year Ending June 30, 2025

RITA RETIREE
246 WALNUT CIRCLE
HAPPYTOWN, PA 55555-5555

Defined Benefit Primary Beneficiary(ies)
RETIREE, ROBERT

Defined Benefit Primary Beneficiary(ies): This section shows the person(s) or entity(ies) you currently have designated to receive a benefit in the event of your death.

- If your beneficiary is shown on this statement, please check to make sure the information is up to date.
- If your statement reads "Beneficiary Not Shown at Your Request" and you want this information listed on future statements, you can opt to display your beneficiary information through the Member Self Service (MSS) Portal or complete a new *Nomination of Beneficiaries* (PSRS-187) form.
- If "No Beneficiary on File" is shown in the block above, PSERS encourages you to name a beneficiary via our Member Self Service (MSS) Portal, which can be accessed from the PSERS website at *www.psers.pa.gov*.

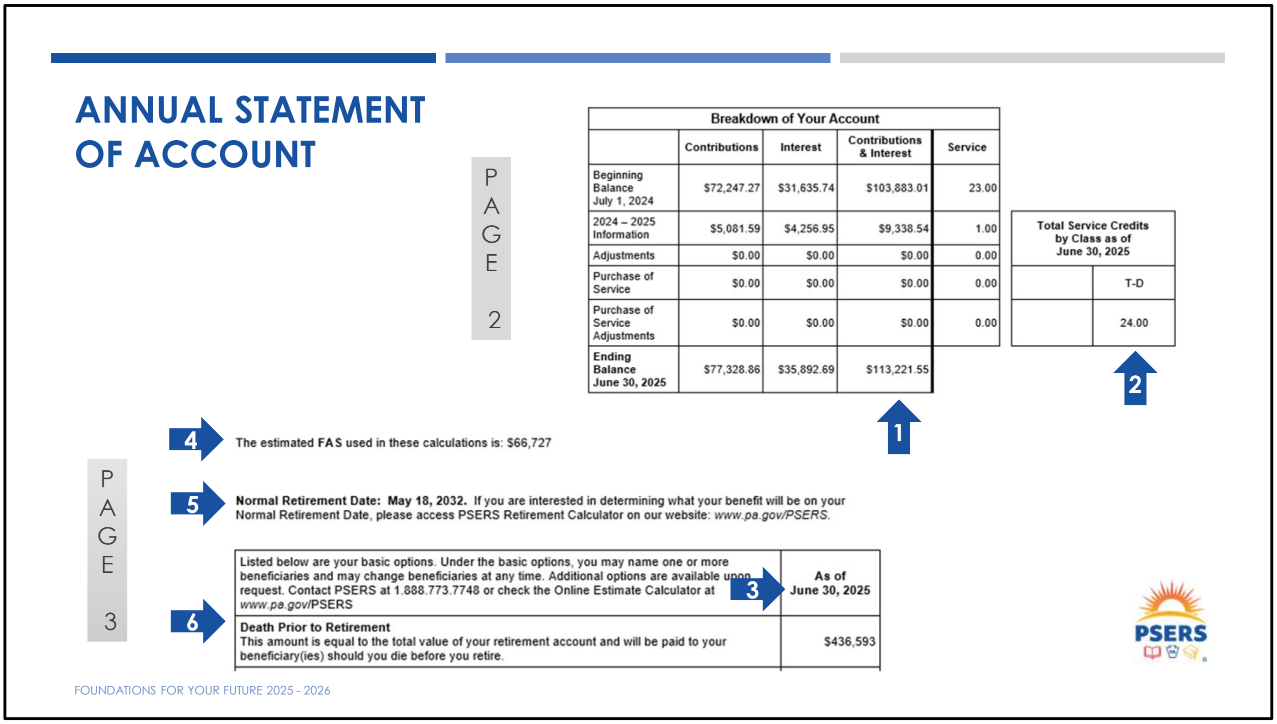
Personal Data	
PSERS ID	12345
Date of Birth	05/18/1972
Gender	Female
Membership Class	T-D
Contribution Rate	7.50 %

Reported for 2024 - 2025 by Employer					
Employer(s)	Wages Without Contributions Withheld	Wages With Contributions Withheld	Contributions	Days Worked	Hours Worked
HAPPYTOWN SD	$0.00	$67,754.00	$5,081.59	186.00	
Total	$0.00	$67,754.00	$5,081.59	186.00	

The slide shows page one of the Statement of Account for Rita Retiree who is a Class T-D member of PSERS. An annual *Statement of Account* (SOA) as of June 30th each year is issued by PSERS to eligible members after their school employer submits all salary and service reports. You may normally expect to receive your statement sometime ***near the end of the calendar*** year. Please verify the information on your SOA. Any corrections must be submitted to PSERS through your school employer.

The SOA is important because it provides you with a statement of wages and service reported to PSERS by your employer so you can track your progress and work toward your retirement goals.

School Year Credits/Years of Service:
Salaried or Per Diem: 180 days = 1 year
Hourly: 1100 hours = 1 year



The top image contains information from page two of your Statement of Account.

1. This provides you with an accumulated breakdown of contributions, interest, and 2. service starting with the beginning balances from the previous school year's statement and including the current school year information along with any adjustments that were made to your account during the school year. It also includes any purchase of service balances that were billed within that school year. We will explain what a purchase of service is in a future slide.

The bottom image reflects the information available on page three of your Statement of Account and will provide you with an estimate of your retirement benefits provided you are vested.

If you are not vested, page three of your SOA will not show monthly amounts. It will show your Death Prior to Retirement amount which would be equal to your total contributions and interest amount (which is the value of your account prior to being vested.)

3. This estimate will give you an idea of what your monthly benefits would be if you retired at the end of that school year under the single life annuities.

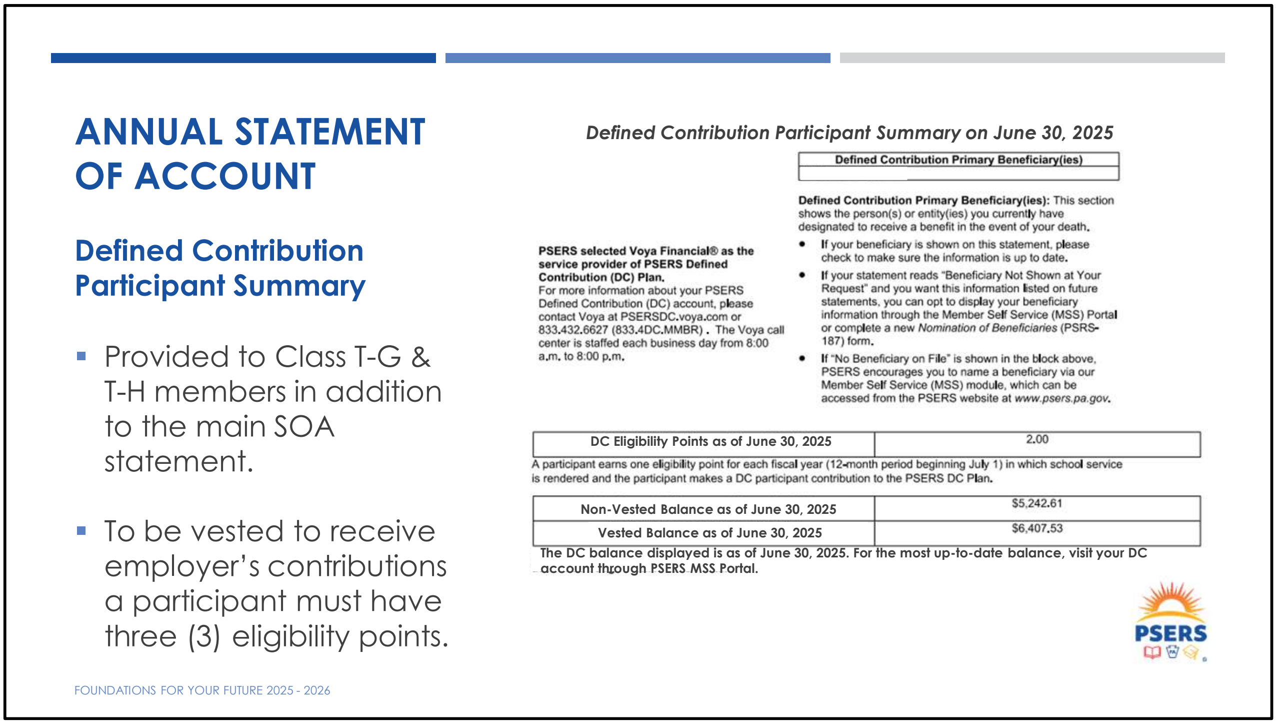
4. The Statement of Account uses an automated calculation that could result in an inflated

Final Average Salary

5. It also provides an estimated Normal Retirement date.

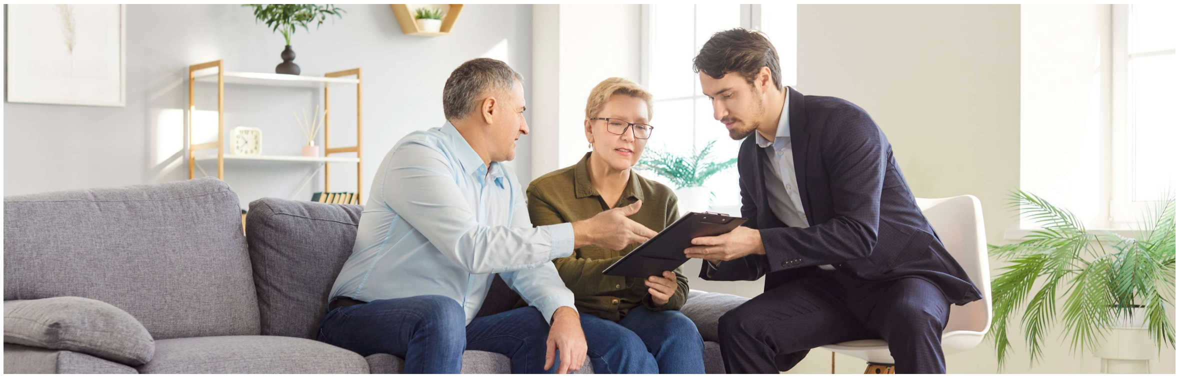
6. Provides you with your “Death prior to Retirement” amount (full present value of your account).

There is an “Understanding Your Statement of Account” presentation available on PSERS’ website which contains additional information about your statement.



Unlike the previous 2 slides where Rita is a Class T-D member of PSERS, those of you who are Class T-G or T-H members will receive what Rita did but also receive what we are seeing a sample of here, a summary from PSERS of what you have contributed to the Defined Contribution account, as of June 30.

On the next slides we will discuss vesting, but DC participants are always vested in their own contributions. To be eligible for the employer contributions, DC participants must reach three (3) eligibility points. An eligibility point is different in that they are not incrementally earned like service credits. An eligibility point is earned for each fiscal year in which contributions are made to the DC account.



RETIREMENT BENEFIT PLANS & OPTIONS (DB AND DC)

PSERS
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

This next section will cover the retirement types, plans, options, and distribution options available to you via the defined benefit and defined contribution plans. As previously mentioned, PSERS plans are Defined Benefit (DB) and/or Defined Contribution (DC) plans as described in Section 401(a) of the Internal Revenue Code.

DB RETIREMENT TYPES

Regular		Disability
Early	**Normal**	
▪ Reduced monthly payment ▪ Reduction based on age and/or service credit ▪ Eligible once vested	▪ Full, unreduced monthly payment ▪ Must meet eligibility criteria for membership class	▪ Unable to perform job duties due to medical condition ▪ Disability supplement offsets early retirement reduction

PSERS

With a defined benefit plan, as long as you are vested when you terminate employment with all PSERS employers you will be eligible to receive monthly retirement payments from PSERS for the rest of your life. There are two types of regular retirements, early and normal, and a third type of retirement benefit, disability retirement, which may be available if a medical condition prevents you from continuing your PSERS employment.

RETIREMENT BENEFIT OPTIONS (DB-REGULAR)

Withdrawal of Contributions and Interest

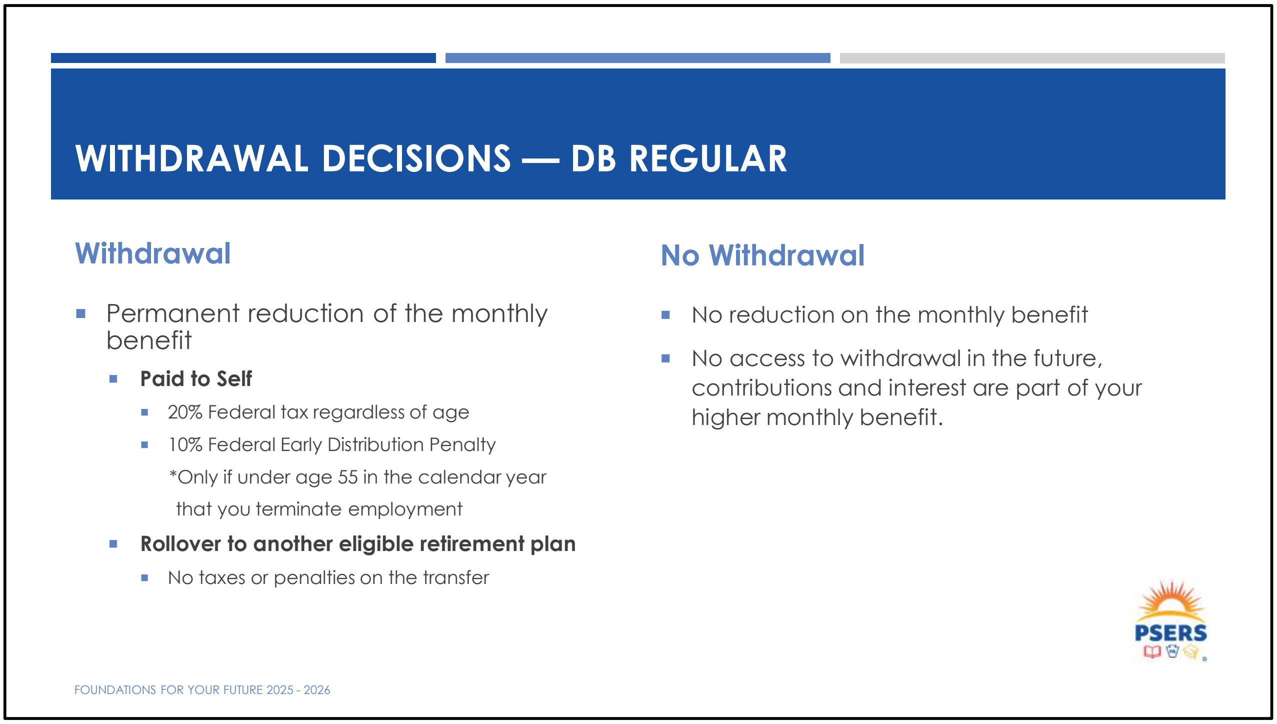
Lifetime Monthly Retirement Benefit

PSERS

The decisions you make at retirement are final and binding and will affect your lifelong income from PSERS.

Your decisions include whether or not you would like to withdraw any of your contributions and interest, as well as selecting a monthly payment plan.

When we say withdrawing any of your contributions and interest, we mean that you may wish to withdraw only a certain amount of that total. When you are within 12 months of your tentative date of retirement and are ready to request a retirement estimate prepared for you by PSERS staff, just let us know that you would like to see a scenario withdrawing only a specific amount of your contributions and interest. Tell us what that amount is, and we can include it in your retirement estimate so you can see how that withdraw effects your future monthly benefits.



When you retire, if you choose to leave all of your own contributions and interest in your PSERS account, you will receive a higher monthly payment than you will if you choose to withdraw any or all of your own contributions and interest at retirement. Keep in mind that you do not have any future access to withdraw or control your contributions and interest that you leave with PSERS. To be clear PSERS allows you to withdraw any or all of your contributions and interest at retirement.

You will receive a monthly payment from PSERS for the rest of your life; however, based on the amount of money you withdraw, your monthly benefit will be reduced. The more contributions and interest you withdraw, the more it reduces your payment amount. In some instances, for PSERS membership classes T-E/F/G/& H, if withdrawing all contributions and interest at retirement, can result in the Present Value of the account depleting to zero, thus resulting in no monthly benefit available for your lifetime. PSERS will let you know if this applies to you when you apply for a retirement benefit.

Any money withdrawn in a lump sum can either be paid directly to you minus federal taxes, or you can roll it over into a tax deferred account as directed by you.

Direct Payment to Member: If you choose to have the lump sum paid directly to yourself, PSERS as required by federal law will withhold 20% and send it to the IRS for your federal taxes. Ultimately, you will be taxed according to your federal tax bracket, so if the 20% is too much or too little withholding depending on your other income for the year, the difference is made up the next time you file your federal taxes. If you are under age 55 in the calendar year that you terminate your employment, an additional 10% early retirement tax may apply. You are responsible for paying the 10% tax on early distributions directly to the IRS. PSERS does not deduct this additional tax, but you must pay it when filing your annual federal tax return.

Direct Rollovers: If you prefer to defer federal taxes and possibly avoid the 10% early retirement penalty, you can choose to roll over any portion of your money into an eligible retirement plan. Taxes will not be withheld from any money PSERS sends to an eligible retirement plan as a direct rollover. The IRS has special rules about rollovers and distributions when you reach your Required Beginning Age. You may not be able to roll over 100% of your contributions and interest; PSERS will roll over only the amount allowed by IRS regulations.

MONTHLY BENEFIT OPTIONS – SINGLE LIFE ANNUITIES

Maximum Single Life Annuity

- Highest Monthly Benefit
- Guaranteed Contributions and Interest
- Death benefit depleted within 3-5 years

Option 1

- Lower Monthly Benefit
- Guaranteed Present Value
- Death benefit depleted within 15-20 years

PSERS

There are 4 monthly Retirement Options that PSERS must offer our retiring members. Let's review them.

The differences between each monthly benefit option is the amount of the monthly payment and the death benefit attached to the option.

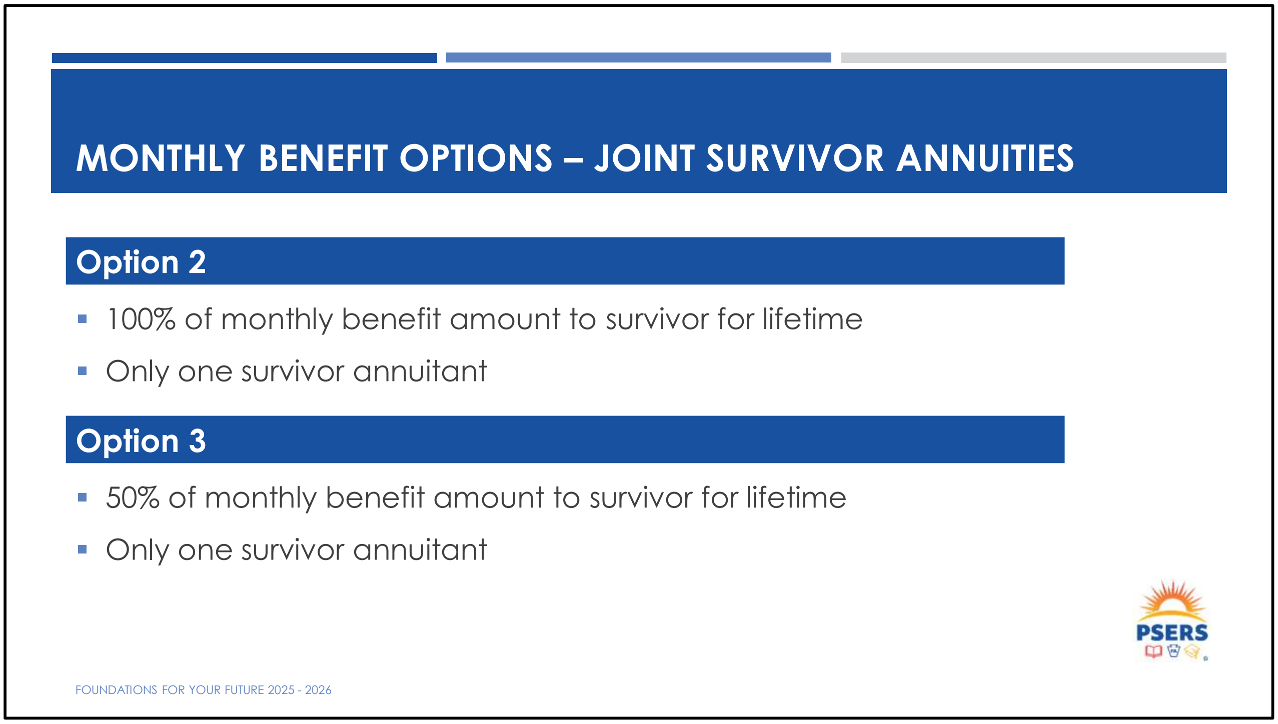
The **Single Life Annuities** provide a monthly payment for your lifetime only. The death benefit is based upon a guaranteed dollar amount.

Maximum Single Life Annuity

This provides the maximum monthly benefit amount available for your lifetime. If at the time of your death you have not received an amount equal to your contributions and interest, then the remaining balance is paid to your beneficiary(ies). Under this option, you may name more than one beneficiary, and you can change your beneficiary(ies) at any time.

This option provides a declining death benefit. Every month when you receive your payment, the death benefit is reduced by the amount of the payment you received. Once you have received this guaranteed amount, there is no money remaining for your beneficiary(ies). Remember, though, your monthly benefit is guaranteed to you for your lifetime no matter how long you may live.

Option 1
Your monthly benefit is reduced, and a “Present Value” is assigned to your account. The total value of your account is based on the amount of money PSERS expects to pay you over the rest of your anticipated life. If at the time of your death you have not received in monthly benefits an amount equal to your account’s Present Value, then the balance is paid to your beneficiary(ies).
This option provides a declining death benefit. Every month when you receive your payment, the death benefit is reduced by the amount of the payment you received. Once you have received this guaranteed amount, there is no money remaining for your beneficiary(ies). Remember, though, your monthly benefit is guaranteed to you for your lifetime no matter how long you may live. Under this option, you may name more than one beneficiary, and you can change your beneficiary(ies) at any time.



The **Joint Survivor Annuities** provide a monthly payment for your lifetime, and a guaranteed lifetime monthly payment for a survivor annuitant after your death.

Option 2 – Joint Survivor Annuity – 100%
Under this option, your gross monthly benefit is reduced based on your age and the age of your designated survivor annuitant. You may name only one survivor annuitant. At the time of your death, your survivor annuitant will receive for their lifetime, the same gross monthly benefit that was paid to you. Benefits payable to your survivor annuitant may be limited. In the event you select a Survivor Annuitant who is not your spouse and is greater than 10 years younger than you, the IRS prohibits PSERS from allowing you to select Option 2. Instead, you may wish to select a Special Option at an allowable percentage, which we will discuss shortly.

Option 3 – Joint Survivor Annuity – 50 %
Under this option, your gross monthly benefit is reduced. The reduction is based on your age and the age of your designated survivor annuitant. You may name only one survivor annuitant. At the time of your death, your survivor annuitant will receive for their lifetime, one-half of the gross monthly benefit that was paid to you.

Change in Option/Designated Survivor

Under Options 2, 3, or 4 (if it included a survivor annuitant), you may name a new survivor annuitant and/or elect a different option only if your marital status changes or your designated survivor annuitant dies before you. PSERS will recalculate your monthly benefit based on your new option. If you name a new survivor annuitant, your benefit will be recalculated based on your age as well as your new survivor annuitant's age. Depending on your new option and/or new survivor annuitant information, your monthly benefit may be further reduced. If your survivor annuitant dies before you and you do not elect a different option, your monthly benefit will not change. Special rules apply if you are divorced.

Divorce

In the case of divorce, the former spouse may not be automatically retained as the beneficiary or survivor annuitant under Pennsylvania law. Unless there is a Domestic Relations Order (DRO) which specifically grants the payment of the benefit to your ex-spouse, it is considered by PSERS as though your survivor died before you. If you wish to keep your ex-spouse as your designated survivor/beneficiary, you must inform PSERS in writing.

ADDITIONAL OPTIONS AVAILABLE

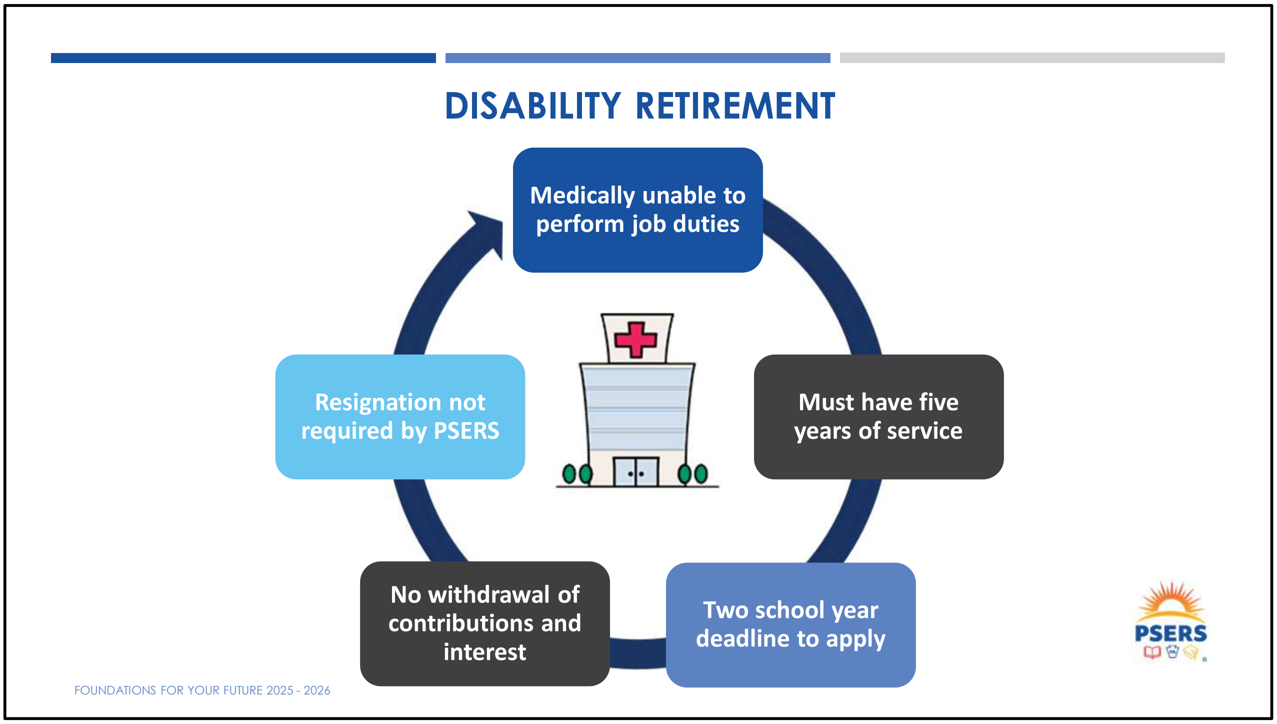
Special Option	Custom Options
▪ Designate a percentage other than 100% or 50% to a survivor	▪ Must provide for the payment of a level monthly benefit ▪ Must be approved by PSERS' actuaries

Special Option
In addition to the four standard monthly payment options, a Special Option or Customized Option may also be available for you to consider. A special option is also a joint survivor annuity, but you can select any percentage allowable to protect your survivor annuitant. Instead of option 2, this is where you could select a different percentage, as briefly mentioned in a previous slide. The Special Option cannot currently be calculated using the generic calculator but when using the MSS calculator or requesting a staff prepared estimate within 12 months of retirement, you can note on the Request for Retirement Estimate the specific survivor percentage you would like calculated.

Customized Option
A customized option may be requested if none of the other retirement options suit your needs. The customized option must provide for the payment of a level monthly benefit.
Example: Protect two people (i.e. provide monthly income for two designated survivors following member's death).

If you are considering a customized option, it is suggested that you make your request in writing to PSERS at least six months before retirement because extra processing time is involved. PSERS requires a letter including the following:

- Tentative Date of Retirement
- Your name
- PSERS ID or the last four digits of your social security number
- Beneficiary or Designated Survivor(s)
- Method of Distribution
- Signature
- Your customized option must be approved by PSERS’ actuary.



If you are leaving employment due to a physical and/or mental medical condition you may want to consider Disability Retirement. Your monthly benefit amount may be supplemented to offset the early retirement reducing factor. There are other advantages and some disadvantages that you may need to learn about under a Disability Retirement.

To be eligible for disability retirement, you must be unable to perform your current job duties because of a documented physical and/or mental medical condition. You need to have at least five years of credited service, and be an active, contributing member of PSERS at the time the disability occurred. You must apply by the end of the second school year after your last day of qualifying service or paid leave. You will need to provide medical documentation substantiating that you are unable to perform your job as well as a job description from your employer. This information is reviewed by PSERS medical examiners who make the determination regarding your eligibility for a disability retirement. One thing you might want to consider is to also submit the *PSRS-1351 Authorization for Release of Medical Information From PSERS* form. This form can assist PSERS medical examiners in obtaining additional medical information from your healthcare providers.

As I mentioned, there are advantages and disadvantages of a disability retirement. Unlike a regular retirement, you are not permitted to withdraw your contributions and interest.

However, your gross monthly benefit on disability may be greater than a monthly regular retirement benefit.

PSERS does not require that you resign from your position when you apply for a disability retirement; however, your school employer may have a different policy. You must check with your employer regarding their policy. Your *Application for Disability Retirement* will only be reviewed after your school employer notifies PSERS that you are either on an unpaid, non-contributing leave or have terminated employment. If you are approved for disability retirement, PSERS assigns your benefit effective date as the day after your last day of paid service.

You may receive a disability retirement benefit from PSERS and receive a disability benefit from another plan such as workers' compensation, Social Security, and/or an independent insurance company. Your PSERS disability retirement benefit will not be affected by other disability benefits; however, be sure to check with these other plans to see if they will be impacted by your PSERS disability benefit.

If you are leaving school employment for health reasons, you may request a disability estimate and subsequently schedule a disability counseling appointment.

DC DISTRIBUTION OPTIONS

Distributions Available the *later of*

- 30 days after termination date reported by your employer(s), or
- Last day of the month in which your employer reports your final work report

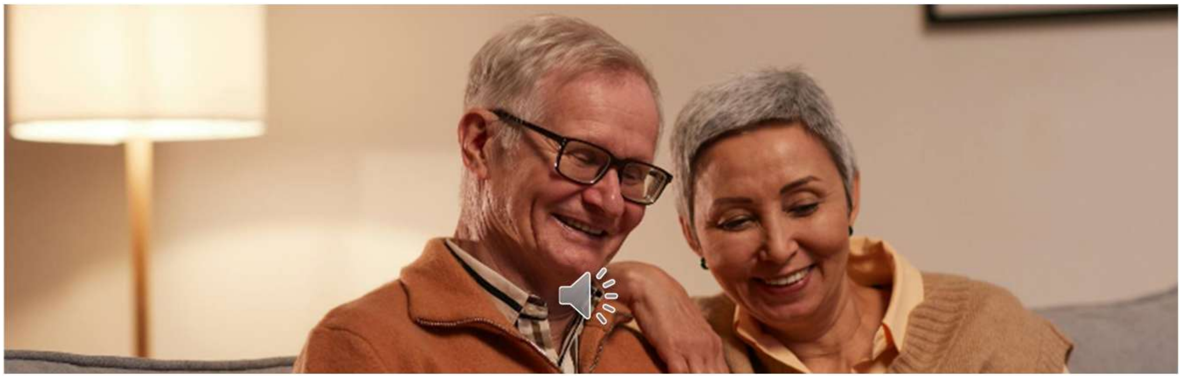
Balance over $5,000	Balance of $5,000 or less
Distribution options: ▪ Full distribution ▪ Partial distribution ▪ Installments ▪ Annuity	90 days to request distribution or rollover. Otherwise: ▪ **If balance is $5,000 to $1,000 –** Rolled over to Voya IRA ▪ **If balance is $1,000 or less –** Lump sum payment minus taxes

PSERS

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

We have a publication on our website under Financial Wellness articles called Exploring your distribution options and is sent with the termination notices that Voya sends out. That goes into more detail.

Voya cannot process a distribution request until the later of 30 days after the termination date reported by your employer or the last day of the month in which a balance of contract is reported by your employer.



FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

ACHIEVING MILESTONES

PSERS
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

There are a number of important milestones to be aware of throughout your career. These milestones can help you achieve and enhance your pension benefit.

NORMAL RETIREMENT – UNREDUCED BENEFIT

Class T-C and T-D Milestones	Class T-E and T-F Milestones	Class T-G and T-H Milestones
▪ 62 with one year of service; **OR** ▪ 60 with 30 years of service; **OR** ▪ 35 years of service at any age	▪ 65 with three years of service; **OR** ▪ "Rule of 92" with 35 years of service	▪ 67 with three years of service; **OR** ▪ "Rule of 97" with 35 years of service (T-G)

PSERS

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

You can apply to receive an unreduced retirement benefit after terminating public school employment if you meet normal retirement criteria for your membership class.

Normal retirement is achieved when you reach one of the membership class milestones (based on age and/or service requirements) below. You may receive a normal retirement benefit when you terminate public school employment and if:

Class T-C and Class T-D

- You are age 62 with at least one (1) full year of credited service at the time you terminate active or inactive service, or
- You are age 60 and have 30 or more years of credited service, or
- You have at least 35 years of credited service regardless of age.

Class T-E and Class T-F

- You are age 65 with at least three (3) years of credited service at the time you terminate active or inactive service, or
- You attain at least 35 years of credited service and reach an age that in combination is equal to or greater than 92 (for example, 36 years of service plus age 56 equals 92).

Class T-G

- You are age 67 with at least three (3) years of credited service at the time you terminate active or inactive service, or
- You attain at least 35 years of credited service and reach an age that in combination is equal to or greater than 97 (for example, 35 years of service plus age 62 equals 97).

Class T-H

- You are age 67 with at least three (3) years of credited service at the time you terminate active or inactive service.

EARLY RETIREMENT – REDUCED BENEFIT

Early Retirement

- Standard Reduction approximately 4% - 7% per year

Special Early Retirement

- Reduction 3% per year
- Classes T-C/D/E/F/H, age 55 with 25 years of service (55/25)
- Class T-G only, age 57 with 25 years of service (57/25)

PSERS

If you leave employment before you are eligible for normal retirement, you can apply to begin receiving a reduced retirement benefit immediately. The younger you are and the less service you have when you begin receiving your retirement benefits, the greater the reduction to your retirement benefit.

PSERS must receive your completed application for retirement within 90 days of your last day of employment for your benefit to be effective retroactive to your termination date. Otherwise, your date of retirement will be effective the date we receive your properly completed retirement application.

Early Retirement:

The reduction to your pension benefit for an early retirement will be between approximately 4% to 7% per year for each year you are away from your nearest point of normal retirement. There is no cap on the amount of the reduction.

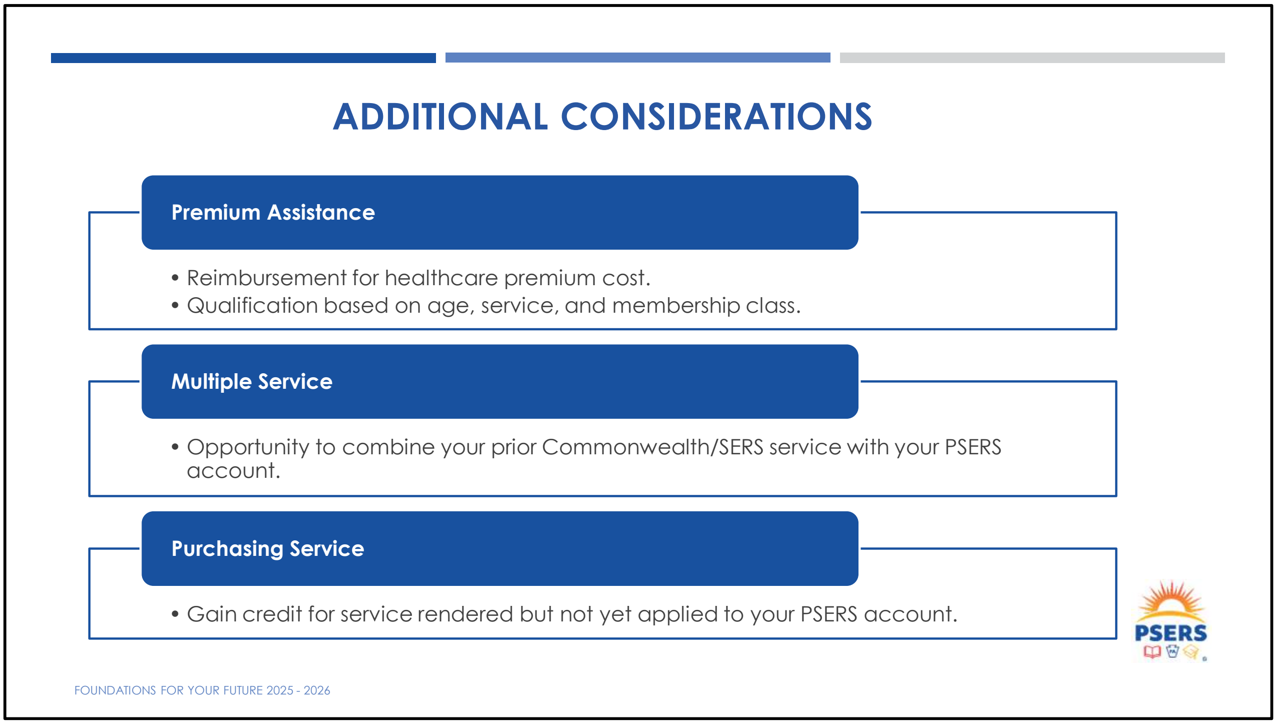
Age 55/25 Years of Service (Special Early Retirement):

For Class T-C, Class T-D, Class T-E, Class T-F, and Class T-H members, a special early retirement is available if you are at least age 55 and have 25 or more years of credited service ("55/25"). A "55/25" retirement is reduced by one quarter of one percent per month for each month you are under normal retirement requirements. The maximum reduction to your benefit is 3% per year, capped at 15% overall for T-C and T-D members, and 30% overall for T-E and T-F members. You must meet both conditions--the age (55) and the service (25 years) to qualify for this benefit.

Age 57/25 Years of Service (Special Early Retirement):

Class T-G members, have a special early retirement available if you are at least age 57 with 25 years of service.

Before making a decision to retire early, we encourage you to use the Retirement Calculator on the PSERS website to create estimates of your benefits.



While these are not specific retirement types, here are three additional considerations for potential benefit enhancements:

Premium Assistance
Multiple Service
Purchasing Service Credit

We will discuss each of these in more detail in the coming slides.

PREMIUM ASSISTANCE

- A special financial incentive provided by PSERS to help eligible retirees pay for health coverage through the Health Options Program or a school employer group plan.
- Helps pay monthly premium, up to $100 a month.
- Non-taxable reimbursement added to your monthly pension benefit.

Another consideration to think about prior to retiring, is to consider your eligibility for Premium Assistance.

To assist retired PSERS members with their health care costs, the Pennsylvania legislature established premium assistance. Premium assistance provides a non-taxable reimbursement toward the cost of the retiree's basic health care premium. The amount of the reimbursement is set by legislation at a maximum of $100 per month for eligible retirees.

Premium assistance is not payable for premiums for prescription drug, dental, or vision benefits. It is also not payable for a spouse's and/or dependent's coverage. To be eligible, a PSERS retiree must be required to pay out-of- pocket for basic health insurance with a Pennsylvania public school employer or PSERS sponsored plan and meet eligibility criteria. If you meet the eligibility requirements, premium assistance will be added to your monthly PSERS retirement benefit.

PREMIUM ASSISTANCE IS AVAILABLE TO ELIGIBLE RETIREES

Eligibility

- **Classes T-C, T-D, T-E, T-F, T-G, & T-H member with 24.50 eligibility points; or**

  T-C and T-D: Terminate at 62 with 15 eligibility points; or

  T-E and T-F: Terminate at 65 with 15 eligibility points; or

  T-G and T-H: Terminate at 67 with 15 eligibility points; or

  PSERS disability retirement

- **Class DC member**

  Terminate with at least 25 eligibility points and eligible for Medicare and have received all or part of their distributions; or

  Terminate on or after reaching age 67 with at least 15 eligibility points and have received all or part of their distributions

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Here are some more considerations regarding Premium Assistance qualification.

To qualify, you must meet one of the following requirements:

Class T-C and Class T-D members: Terminate employment on or after age 62 and retire with at least 15 eligibility points;

Class T-E and Class T-F members: Terminate employment on or after age 65 and retire with at least 15 eligibility points;

Class T-G and Class T-H members: Terminate employment on or after age 67 and retire with at least 15 eligibility points.

For the previously mentioned classes, you can also retire at any age with at least 24.5 eligibility points.

However, for class DC, you must meet the following criteria to be eligible:

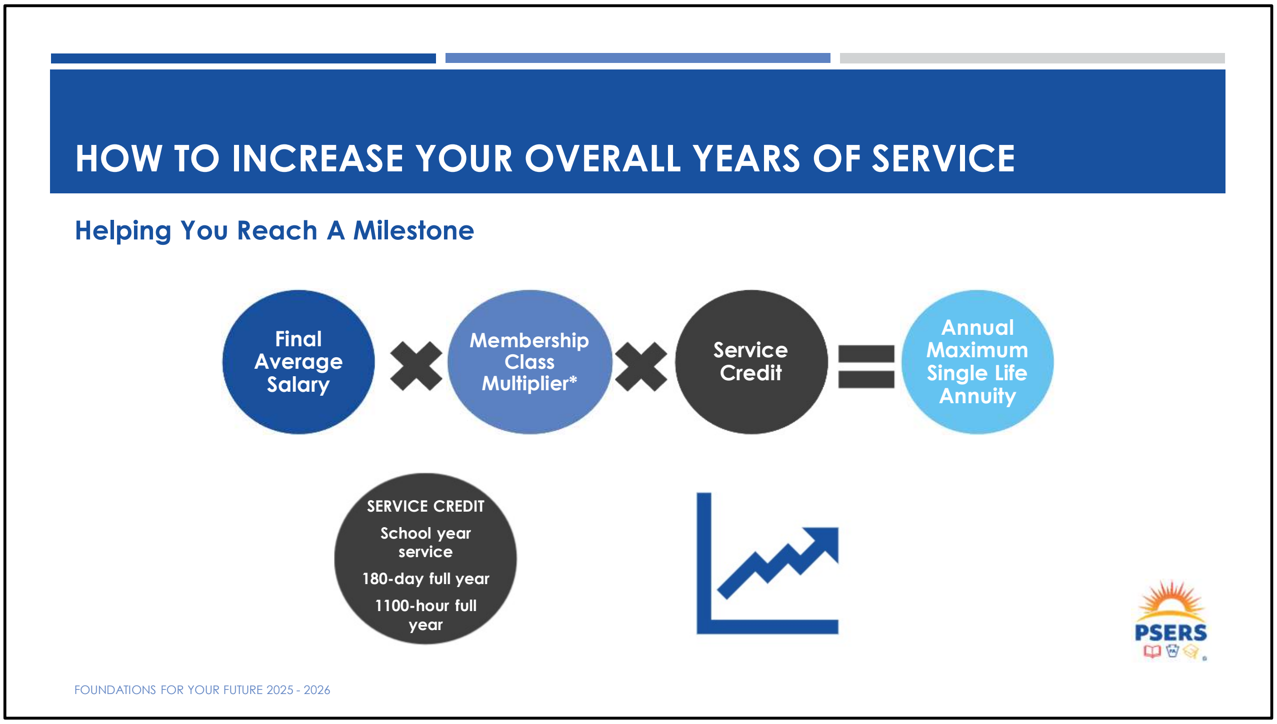
Terminate with at least 25 eligibility points and be eligible for Medicare and also have received all or part of your distributions; or

Terminate on or after reaching age 67 with at least 15 eligibility points and also have received all or part of your distributions.

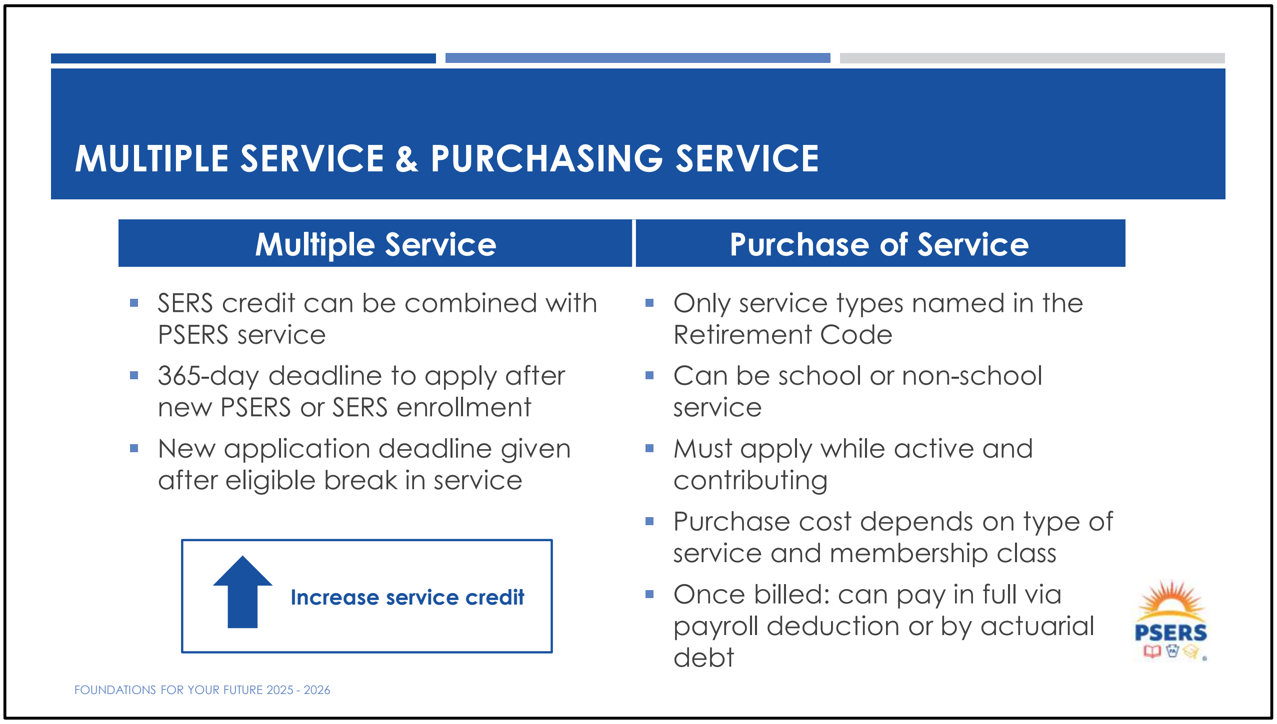
Members receiving a PSERS disability retirement benefit also meet the eligibility requirement.

If you meet the above criteria, you will automatically be sent an election form for Premium Assistance, which you will have to complete and sign the form and submit to either your school, or back to PSERS, depending on who you are purchasing your health insurance from. If you enroll in HOP later in life, PSERS staff can send you a copy of that form after you have enrolled in HOP. PSERS staff cannot create this form for you early: it will be generated only after you have been on PSERS annuitant payroll and have been found eligible for Premium Assistance. Don't look for your form until at least 30 days after receiving your first retirement payment. This form must be completed and signed by you and then taken to your employer for verification if you have your health insurance coverage through them. Once the verification process has been completed, the Premium Assistance will be added to your monthly benefit. This may take several months. You will then receive a payment for any additional Premium Assistance money due you retroactive to your first full month of eligibility.

Remember we said earlier that to be eligible for the employer contributions, participants must reach three (3) eligibility points? An eligibility point is different in that they are not incrementally earned like service credits. An eligibility point is earned for each fiscal year in which a participant works and contributions are made to the DC account.



Because your service credit not only impacts the overall retirement formula but can also help in attaining a milestone (or reaching a milestone more quickly), let’s review some potential ways to increase your total service credit.



Two ways to potentially increase service credit include electing multiple service membership and purchasing qualifying service.

Multiple Service:

Multiple service membership may be available to individuals who have public school service with PSERS and qualified membership in the State Employees' Retirement System (SERS) as a current or former Commonwealth of Pennsylvania employee. If you elect multiple service, both retirement benefits will be combined at retirement, and you will receive one total monthly benefit.

If eligible, you must apply for multiple service membership within 365 days of your initial qualifying school service. If you have both SERS and PSERS service and experience a Break-in-Service, you have 365 days from the day you enter back into qualifying public school employment to elect multiple service membership.

For more information regarding Breaks in Service, please refer to the Active Member Handbook.

Purchase of Service:

Purchasing service means you are electing to have credit from previous employment added or restored to your PSERS service credit. To be eligible to purchase service, the credit must be one of the types specifically named in the retirement code.

These are categorized as school and non-school service. We explain this on the next slide.

You must be an active, contributing member of PSERS when PSERS receives your fully and properly completed purchase of service application. Please note that a partially completed Application to Purchase Service does not extend any deadlines.

Having additional service credit can also increase the death benefit available to your beneficiaries if you were to die before retirement.

The cost depends on the type of service and your membership class.

Once your purchase application is processed, you will be sent a statement of amount due. This statement reflects the service being purchased and the associated cost. Service will immediately be added to your account. You will have several choices to make:

- You can choose to pay for the purchase within 90 days to avoid paying additional interest. If you choose not to pay off the debt within 90 days, you have the following 2 options:

    - You can choose to pay for the debt via payroll deductions through your employer if your employer is willing to do this.

    - You can make payments directly to PSERS.

- Any balance outstanding beyond the initial 90-day billing period will accrue additional interest. You are not required to pay for the purchase out of pocket as PSERS provides an actuarial debt plan which is also the default if no action is taken. When you retire, all debts with PSERS are settled by a one-time reduction of the present value of your account. Your retirement estimate will include the actuarial debt, if appropriate.

Some purchases can be rescinded, but a written request to rescind a purchase must be received by PSERS within 90 days of your original Statement of Amount Due billing date.
Please note that Act 5 of 2017 allows Class T-E/F/G and H members to withdraw their own Contributions and Interest at retirement at the “full actuarial cost” rate. It is for this reason that if you are considering withdrawing your own Contributions and Interest at retirement that you allow the debt to stand until then, because the actuarial debt method of paying your total bill to PSERS will not cost you additionally in the form of an even lower monthly benefit for your lifetime.

We encourage you to apply to purchase service early in your career. Service is credited to your retirement account immediately upon eligibility and as an active member, this will usually increase your death benefit. Often if a you wait to purchase service, records are lost or difficult to locate or the you could forget to file an application while actively contributing to PSERS.

PURCHASE OF SERVICE

School Service

- Return of withdrawn contributions
- Former part-time uncredited school service
- Approved leave of absence
  - Special sick leave
  - Professional study leave
  - Activated military leave
  - Exchange teacher leave
  - Collective bargaining leave

Non-School Service

- Non-intervening military service
- Out-of-state public school service
- U.S. Government service

Applications to purchase service can be found on the PSERS website. All applications include instructions, purchase qualifications, and information regarding how the cost is calculated. Some purchases have deadlines for applying and this would be on the application as well. Due to the volume of purchase requests, there may be a delay in processing your application; however, you will receive an acknowledgement letter when your application is received by PSERS.

The cost to purchase NQPT service and most types of non-school or non-state service credit is the full actuarial cost for Class T-E, T-F, T-G, and T-H members. In other words, when you purchase service credit, you are self-funding the additional benefit to your future PSERS retirement benefit from the purchase. After your application for service credit has been submitted and approved, PSERS will calculate the cost of your purchase based on your projected total credited service, final average salary, contributions, and interest, plus the projected amount of funds needed to cover the appropriate corresponding portion of your lifetime benefit. No payment will be required at that time. PSERS recalculates the cost to ensure only that the amount you were previously billed is not more than the actual cost of the purchase at retirement.

When considering whether to pay for your purchase out of pocket, understand that these payments will increase the amount of total contributions and interest available for withdrawal at retirement. Higher withdraw amounts result in a greater reduction to the monthly retirement benefits.

You are encouraged to apply to purchase service early in your career.

PURCHASE OF SERVICE

Payment/Debt Plan Calculations

PSERS Generic Retirement Benefit Calculator Tips

To receive a PSERS retirement benefit, you must meet certain age and/or service requirements as of your retirement date.

Entering the Data

Before you get started, you should have available your most recent Statement of Account (PSRS-4310). Please enter values in all fields listed under the "Required Fields." Use the "Tab" key to go to the next field. When you have completed entering your information, click the "Calculate" button.

If you do not have a Statement of Account, please reference the "My Account" tab in the Member Self-Service (MSS) Portal for your most recent account information.

Do You Have A Purchase Of Service Debt?

To produce estimates reflecting two different payment options, follow these steps:

For an actuarial debt plan:

- Enter the lump sum dollar amount listed on your *Statement of Amount Due* in the box titled ***'Purchase of Service Debt (if any).'*** The interest on the debt will automatically calculate to the date of retirement.

For Payment in full (lump sum):

- Add the lump sum dollar amount listed on your *Statement of Amount Due* to the contributions from your *Annual Statement of Account*
- Enter the combined total in the box titled ***'Contributions.'***

Next

After receiving your Statement of Amount Due, you may want to use the PSERS Generic Retirement Benefit Calculator to see the impact of this service on your future retirement benefits. You can compare paying for the purchase of service out of pocket versus using the actuarial debt plan.

To produce your estimates, you will need your most recent Statement of Account (SOA) as well as your Statement of Amount Due. When generating your estimates, you may want to produce one that is based exclusively on the amounts from your Statement of Account. This would act as your baseline. Estimates to compare the impact of paying for your purchase of service out of pocket versus actuarial debt plan can be created by following the instructions in the Generic Calculator tips.

ANNUAL STATEMENT OF ACCOUNT

Additional Account Information

Debt Summary as of June 30, 2025					
Name	**Original Principal**	**Adjustment(s)**	**Interest**	**Payments**	**Ending Balance**
Frmr Uncredited Part Time	$81.59	$0.00	$27.35	$0.00	$108.94
Frmr Uncredited Part Time	$116.49	$0.00	$34.31	$0.00	$150.80

Note: The debts appearing above have been incorporated into the calculation of your Estimated Retirement Benefits.

The Debt Summary table displays any money you owe to PSERS due to the purchase of service credits, elimination of the effects of a frozen annuity (FA), or overpayment of benefits. The summary shows the activity of the debt(s) from its creation to the close of the statement year. You should have previously received a *Statement of Amount Due* or a letter explaining the debt(s).

For more information regarding debts, visit our website at *www.psers.pa.gov* or see the *Active Member Handbook*.

To keep you informed regarding purchase of service debts, the last page of your annual Statement of Account will include a debt summary.

COMPARING RETIREMENT DATES

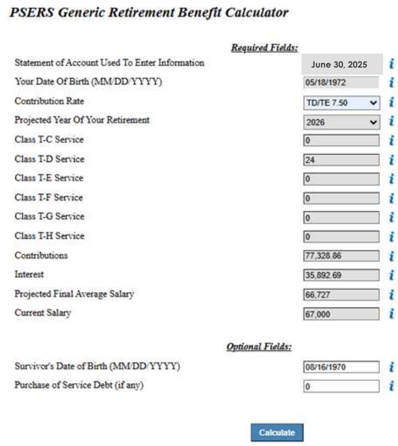
FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

One of the questions members regularly ask is “how do I choose my retirement date”?

It is a personal choice that PSERS cannot make for you; nevertheless, we can provide some scenarios to consider in making that decision. In this section, we will use retirement estimate information and some specific comparison examples to illustrate the impact of retiring early versus delaying until a retirement milestone.

PSERS WEBSITE – GENERIC ESTIMATE CALCULATOR

- Over 12 months away
- *pa.gov/PSERS*


PSERS Generic Retirement Benefit Calculator

Required Fields:

Statement of Account Used To Enter Information	June 30, 2025
Your Date Of Birth (MM/DD/YYYY)	05/18/1972
Contribution Rate	TD/TE 7.50
Projected Year Of Your Retirement	2026
Class T-C Service	0
Class T-D Service	24
Class T-E Service	0
Class T-F Service	0
Class T-G Service	0
Class T-H Service	0
Contributions	77,328.86
Interest	35,892.69
Projected Final Average Salary	66,727
Current Salary	67,000

Optional Fields:

Survivor's Date of Birth (MM/DD/YYYY)	08/16/1970
Purchase of Service Debt (if any)	0

Calculate

To help you to decide when the best possible time would be for you to retire, you will need estimates providing you with projected calculations of your benefit amount.

If you are more than 12 months away from when you think you might retire or are still trying to decide when the best time for retirement will be in the future, you may want to try the PSERS online retirement calculators. PSERS provides a few different types of estimate calculators.

On our website we provide you with a “generic calculator” pictured here. When using this calculator, you will need your most recent Statement of Account so that you have the information needed to manually enter your information into this calculator.

You can produce as many scenarios as you would like. There are easy to use instructions provided when using this tool to help you make decisions for retiring on different dates, or purchase of service decisions.

However, our generic calculator has limited functions. You may need to contact PSERS if you are in need of an estimate for special circumstances such as disability, part-time employment, frozen annuities, and/or divorce.

PSERS WEBSITE – GENERIC ESTIMATE CALCULATOR

PSERS Generic Retirement Benefit Calculator

Prepared on 4/16/2025

Member Information			
Member Name:	No Name On File	**Final Average Salary:**	$66,727.00
Date of Retirement:	06/30/2026	**Years of Service:**	24
Date of Birth:	05/18/1972	**Class T-C Service:**	0
Retirement Type:	EARLY	**Class T-D Service:**	24
Age:	52 Yrs. 11 Mos.	**Projected Service at Retirement:**	25
Age at Retirement:	54 Yrs. 1 Mos.	**Contributions:**	$87,378.86
Account Debts:	$0.00	**Interest:**	$45,537.59
Survivor Annuitant Information			
Date of Birth:	08/16/1970		

Member Calculation				
Option	**Withdrawing No Money**		**Withdrawing All of Your Money**	
	Yearly	**Monthly**	**Yearly**	**Monthly**
Maximum	$30,679	$2,557	$23,256	$1,938
Option 1	$29,879	$2,490	$22,650	$1,888
Option 2	$28,408	$2,367	$21,535	$1,795
Option 3	$29,501	$2,458	$22,363	$1,864

Death Benefit for Option 1 (Withdrawing No Contributions and Interest): $549,392

Death Benefit for Option 1: (Withdrawing All Contributions and Interest): $416,475

Another Estimate

PSERS

Once you enter your information into the appropriate drop-down boxes, this is the result you will see when using our “generic” calculator. You will notice some differences in the appearance of your estimates depending on which calculator you are using. The information provided to you will be all the same.

MEMBER SELF-SERVICE PORTAL - ESTIMATE

Commonwealth of Pennsylvania – Public School Employees' Retirement System 1951

Mail Center

5 N 5th Street
Harrisburg PA 17101-1905
Toll-free: 1.888.773.7748
Fax: 717.772.3860
www.psers.state.pa.us

MEMBER SELF SERVICE RETIREMENT ESTIMATE

This PSERS *Retirement Benefit Calculator* provides you with estimated potential benefit amounts under the basic retirement options. The results of your experience with this calculator will only be as accurate as the data used in the calculation for your estimated retirement date. Your use of this calculator is not a substitute for retirement counseling. Use of this calculator and the resulting outcome neither changes nor validates your member account information with PSERS.

Member Original Input Information			
Current Annual School Year Salary:		Hours to be worked in final year:	
Projected Final School Year Salary:		Days to be worked in final year:	
Final Average Salary:		Survivor's Date of Birth:	
Projected Termination Date:		Survivor's Relationship to You:	
Projected Date of Retirement:		Special Option – Specific Percentage:	

You can also log in to your Member Self-Service (MSS) account with your username and password.

The estimate calculator provided in the MSS portal may be easier to use because some of the information is prepopulated for you. This information is pulled into the estimate wizard directly from your PSERS account.

This calculator can be used by part-time members (as we said during a previous slide, the generic calculator does not work for member's who work part-time, only.) The MSS calculator can also produce estimates for leaving employment on one day and vesting/delaying your retirement to a date in the future.

MEMBER SELF-SERVICE PORTAL - ESTIMATE

Important Information

- Days/Hours
- Projected Termination Date
- Projected Date of Retirement
- Current Annual School Year Salary
- Final School Year Salary
- Final Average Salary (FAS)
- Special Option Specific Percentage
- Survivor Annuitant's Birthdate & Relationship to You

PSERS

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Some information does pre-populate with your current account information. You may have to override the contents to project your estimate correctly. Pay attention to the following:

Days/hours –If you are going to be working less than a full school year you will have to edit the days/hours you are expecting to work.

Projected Termination date – your last day working or your last being paid to work.

Projected Date of Your Retirement – is usually the next day, unless you are choosing to delay your retirement date to reach a milestone.

Current Annual School Year Salary – your full salary from July 1 through June 30 of the school year you are currently in.

Projected Final School Year Salary – If you are doing a comparison estimate for more than 12 months in the future.

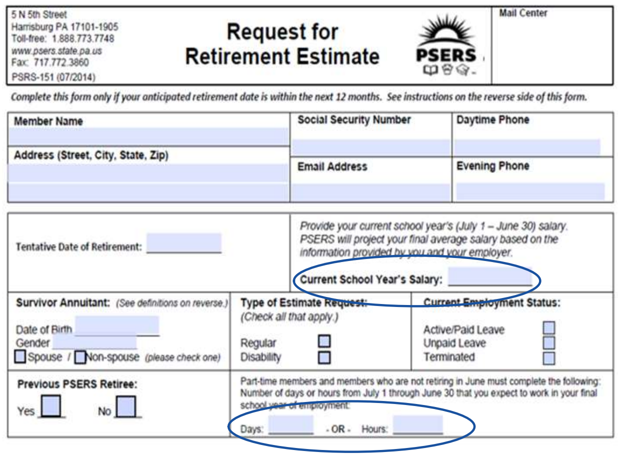
Projected Final Average Salary – The system pulls in the current projection for your final average salary. This can be adjusted to the calculation of your highest 3- or 5-year average.

Special Option – Specific Percentage Projected – if you would like to see a specific percentage for a survivor annuitant, enter that percentage.

Scroll down and it will ask you to populate information regarding your survivor annuitant – enter their gender/birthdate.

PSERS STAFF-PREPARED ESTIMATE

Can be requested within 12 months of retirement



If planning to retire within the next 12 months, you should attend PSERS Retirement Exit Counseling. To attend exit counseling, you must have a PSERS staff-prepared retirement estimate. To obtain a staff prepared estimate, we strongly suggest you call PSERS and allow PSERS staff to complete this form & request the estimate on your behalf.

This form is also available on the PSERS public website and is titled, *Request for Retirement Estimate* (form PSRS-151). Please note, your request will be denied if the requested benefit effective date is greater than 12 months from the date the form is received. Please fill out the form in its entirety.

Also, it is important to include an accurate full current school year's salary which is circled on the slide.

If you plan to retire mid-year, you must also indicate the number of days/hours you plan to work during your final school year of employment. This is also circled on the slide.

PSERS STAFF-PREPARED ESTIMATE

COMMONWEALTH OF PENNSYLVANIA
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

PSERS
5 N 5th Street
Harrisburg PA 17101-1905

Toll-free: 1.888.773.7748 (1.888.PSERS4U)
Local: 717.787.8540
www.pa.gov/PSERS

EARLY RETIREMENT ESTIMATE
April 16, 2025

RITA RETIREE
246 WALNUT CIRCLE
HAPPYTOWN, PA 55555-5555

PSERS ID: 12345
Application #: 98765

DATE OF RETIREMENT - June 30, 2026

Your Birthdate:	05/18/1972	**Final Average Salary:**	$66,727
Your Gender:	Female	**Years of Service:**	25.00
Survivor Annuitant's Birthdate:	08/16/1970	**Class TD Service:**	25.00
Survivor Annuitant's Gender:	Male	**Class TC Service:**	0.00

Pre-87 Investment in Contract:	$0.00
Post-86 Investment in Contract:	$0.00
Contributions:	$87,333.89
Interest:	$45,535.69
Total Contributions and Interest:	$132,869.58

This is what your "staff prepared" estimate will look like. A more detailed explanation will take place during a Retirement Exit Counseling session. If you have any questions when you receive your staff prepared estimate, you should call and speak to a representative prior to attending an Exit Counseling session.

The first page of the estimate has your demographic information and your survivor annuitant's information (if applicable.) Make sure to confirm the address and birthdates on your estimate are correct, as the birthdates will determine some of the calculations on your estimate.

You will see your estimated Final Average Salary and your years of service and will want to check this for accuracy.

You will also see a breakdown of your contributions and interest amounts.

PSERS STAFF-PREPARED ESTIMATE

MAXIMUM SINGLE LIFE ANNUITY: The maximum single life annuity provides the highest check amount for your lifetime. If at the time of your death you have not received an amount equal to your contributions and interest, the balance will be paid to your beneficiary. You may change your beneficiary at any time and/or name more than one beneficiary.

Condition	Monthly Check	Death Benefit Protected	Years Until Death Benefit is Depleted	Percent of Benefit That is Taxable
Withdrawing No Money	$2,458	$132,869	4 Years 6 Months	100.00%
Withdrawing Your Pre-87 Funds ($0)	$2,458	$132,869	4 Years 6 Months	100.00%
Withdrawing All Of Your Eligible Money ($132,869)	$1,839	$0		100.00%
Withdrawing A Specific Amount ($0)	$2,458	$132,869	4 Years 6 Months	100.00%

OPTION 1: Under this option, your monthly benefit is reduced. The reduction is based on your gender and age at the time of your retirement. A value, called the Present Value, is placed on your account at the time of your retirement. If at the time of your death you have not received an amount equal to the present value of your account, the balance will be paid to your beneficiary. You may change your beneficiary at any time and/or name more than one beneficiary.

Condition	Monthly Check	Death Benefit Protected	Years Until Death Benefit is Depleted	Percent of Benefit That is Taxable
Withdrawing No Money	$2,394	$528,266	18 Years 5 Months	100.00%
Withdrawing Your Pre-87 Funds ($0)	$2,394	$528,266	18 Years 5 Months	100.00%
Withdrawing All Of Your Eligible Money ($132,869)	$1,791	$395,396	18 Years 5 Months	100.00%
Withdrawing A Specific Amount ($0)	$2,394	$528,266	18 Years 5 Months	100.00%

PSERS

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Page 2 of your staff prepared estimate contains the "Single Life Annuities" - Maximum Single Life Annuity and Option 1. You will see your monthly benefit amounts and the declining death benefit amounts under each condition of withdrawal.

Your retirement estimate contains a table under each monthly payment plan. These tables help you better understand the impact on your monthly benefit amount when you withdraw some or all of your contributions and interest. The following conditions are the same for all monthly payment plans: First condition: This reflects leaving all your contributions and interest in PSERS, providing you with the highest monthly benefit available to you under each option. Second condition: If applicable, this shows what your payments would be if you withdraw only your tax-free funds (Pre-87). Third condition: This shows what your payments would be if you withdraw all your eligible contributions and interest. If you request to see the withdrawal of just a specific amount of contributions and interest on your estimate, you will see a fourth condition that details your projected payments if you were to withdraw only that portion. With these conditions in mind, there are four standard monthly payment options.

Maximum Single Life Annuity: This provides the maximum monthly benefit amount for your lifetime. If at the time of your death you have not received an amount equal to your contributions and interest, then the remaining balance is paid to your beneficiary(ies). Under this option, you may name more than one beneficiary, and you can change your beneficiary(ies) at any time. This option provides a declining death benefit. Every month when you receive your payment, the death benefit is reduced by the amount of the payment you received. Once you have received this guaranteed amount, there is no money remaining for your beneficiary(ies). Remember, though, your monthly benefit is guaranteed to you for your lifetime no matter how long you may live.

Option 1 (Single Life Annuity): Your monthly benefit is reduced, and a "Present Value" is assigned to your account. The total value of your account is based on the amount of money PSERS expects to pay you over the rest of your anticipated life. If at the time of your death you have not received in monthly benefits an amount equal to your account's Present Value, then the balance is paid to your beneficiary(ies). This option provides a declining death benefit. Every month when you receive your payment, the death benefit is reduced by the amount of the payment you received. Once you have received this guaranteed amount, there is no money remaining for your beneficiary(ies). Remember, though, your monthly benefit is guaranteed to you for your lifetime no matter how long you may live. Under this option, you may name more than one beneficiary and you can change your beneficiary(ies) at any time.

PSERS STAFF-PREPARED ESTIMATE

OPTION 2 (100%): Under this option, your monthly benefit is reduced. This reduction is based on your gender and age and the gender and age of your designated survivor annuitant. You may name only one survivor annuitant. **At the time of your death, your designated survivor will receive for their lifetime, the same monthly benefit that was paid to you.**

Condition	Monthly Check	Monthly Check (Survivor Annuitant's)	Percent of Benefit that is Taxable
Withdrawing No Money	$2,276	$2,276	100.00%
Withdrawing Your Pre-87 Funds ($0)	$2,276	$2,276	100.00%
Withdrawing All Of Your Eligible Money ($132,869)	$1,703	$1,703	100.00%
Withdrawing A Specific Amount ($0)	$2,276	$2,276	100.00%

OPTION 3 (50%): Under this option, your monthly benefit is reduced. This reduction is based on your gender and age and the gender and age of your designated survivor annuitant. You may name only one survivor annuitant. **At the time of your death, your designated survivor will receive for their lifetime, one-half of the benefit that was paid to you.**

Condition	Monthly Check	Monthly Check (Survivor Annuitant's)	Percent of Benefit that is Taxable
Withdrawing No Money	$2,363	$1,181	100.00%
Withdrawing Your Pre-87 Funds ($0)	$2,363	$1,181	100.00%
Withdrawing All Of Your Eligible Money ($132,869)	$1,769	$884	100.00%
Withdrawing A Specific Amount ($0)	$2,363	$1,181	100.00%

PSERS

If you have indicated that you want to see “Joint Survivor Annuity” options, your estimate will have a Page 3. On page 3, you will see your monthly amounts under each condition of withdrawal and also what your Survivor Annuitant would receive in a monthly amount after your death.

Option 2 (Joint Survivor Annuity) Your monthly benefit is reduced based on your age and the age of your survivor annuitant at retirement. The younger the survivor, the more your benefit is reduced. At the time of your death, the same monthly benefit is paid to your survivor annuitant throughout his or her lifetime. Due to federal restrictions, Option 2 may not be available if providing for a survivor other than a spouse. You may name only one survivor annuitant, and you will select this individual at the time of your retirement. Change in Option/Designated Survivor Under Options 2, 3, or 4 (if it included a survivor annuitant), you may name a new survivor annuitant and/or elect a different option only if your marital status changes or your survivor annuitant dies before you. PSERS will recalculate your monthly benefit based on your new option. If you name a new survivor annuitant, your benefit will be recalculated based on your age as well as your new survivor annuitant’s age. Depending on your new option and/or new survivor annuitant information, your monthly benefit may be further reduced. If your survivor annuitant dies before you and you do not elect a different option, your monthly benefit will not change. Special rules apply if you are divorced. Divorce According to PA law, if you choose a survivor option naming your spouse as survivor annuitant and you divorce after retirement, your designated survivor will not automatically receive a monthly payment upon your death. Unless there is a Domestic Relations Order (DRO) which specifically grants the payment of the benefit to your ex-spouse, it is considered by PSERS as though your survivor died before you. If you wish to keep your ex-spouse as your survivor annuitant, you must inform PSERS in writing.

Option 3 (Joint Survivor Annuity) Your monthly benefit is reduced based on your age and the age of your survivor annuitant at retirement. The younger the survivor, the more your benefit is reduced. At the time of your death, one-half of your monthly benefit is paid to your survivor annuitant throughout his or her lifetime. You may name only one survivor annuitant, and you will select this individual at the time of your retirement. Change in Option/Designated Survivor Under Options 2, 3, or 4 (if it included a survivor annuitant), you may name a new survivor annuitant and/or elect a different option only if your marital status changes or your designated survivor annuitant dies before you. PSERS will recalculate your monthly benefit based on your new option. If you name a new survivor annuitant, your benefit will be recalculated based on your age as well as your new survivor annuitant's age. Depending on your new option and/or new survivor annuitant information, your monthly benefit may be further reduced. If your survivor annuitant dies before you and you do not elect a different option, your monthly benefit will not change. Special rules apply if you are divorced. Divorce According to PA law, if you choose a survivor option naming your spouse as survivor annuitant and you divorce after retirement, your designated survivor will not automatically receive a monthly payment upon your death. Unless there is a Domestic Relations Order (DRO) which specifically grants the payment of the benefit to your ex-spouse, it is considered by PSERS as though your survivor died before you. If you wish to keep your ex-spouse as your designated survivor, you must inform PSERS in writing.

RETIREMENT DECISIONS

PSERS
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Let's review some of the things you can do to help yourself with your retirement decisions and get ready for your PSERS Retirement Exit Counseling session. We'll use Rita Retiree as an example.

RETIREMENT DECISIONS

PSERS

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

PSERS has many valuable resources to assist you with your retirement decisions. These include the Active and Retired Member Handbooks as well as the PSERS Disability Retirement Benefits publication as shown on the slide.

Your first big decision is the decision to leave employment. After deciding to leaving employment, research your options to determine which type of retirement you will fall under.

If you are not eligible for a Normal Retirement at the time of your resignation you will need to decide whether to take an Early Retirement or to delay the benefit.

Disability Retirement is a retirement type. It is not generally a planned retirement. No matter how carefully you plan your retirement, an injury or illness may bring about unforeseen circumstances that prevents you from continuing to work in your public school position as long as you had intended. In this situation, disability retirement might be an option for you and may provide additional benefits and/or supplements for which you may not otherwise have been eligible.

RETIREMENT DECISIONS

How Do I Choose My Retirement Date?

If you achieve normal retirement, you should consider beginning to receive your retirement benefits immediately after terminating employment.

If you have an early retirement, you can begin to receive your benefits immediately, or delay (vest) your benefits.

If you are not eligible for a Normal Retirement at the time of your resignation, you will need to decide whether to take an Early Retirement or to delay the benefit.

Normal Retirement:

If you have achieved normal retirement when you decide to leave employment, you should consider initiating your retirement benefits immediately after terminating employment, since your retirement benefit will have reached its maximum value.

Vesting Your Account:

If you leave employment and are not yet eligible for normal retirement, as just discussed, you have the option of taking your retirement early with whatever reduction is applicable, or you can vest your account. When you vest, you defer retirement and any lump sum payments until a later time. Your contributions and interest continue to accrue 4% interest while vesting and the early retirement reduction lessens during that course of time. If you vest your account and wait until you reach normal retirement eligibility age, you will be entitled to your full, unreduced, benefit amount, based on the formula calculation, as we discussed earlier in this presentation.

While you can vest as long as you wish, if you are no longer an active PSERS member, your account reaches its maximum value once you attain eligibility for normal retirement. Also, after you have terminated employment, the Internal Revenue Service (IRS) mandates that retirement benefits must begin to be distributed by April 1 of the calendar year following the year you reach your Required Beginning Age.

RITA'S MILESTONE COMPARISON CHART

	Statement of Account Estimate as of June 30, 2025 Age 53	Early Retirement (Resigning employment & retiring immediately) June 30, 2026 Age 54	55/25 Milestone (Resigning & Delays for 1 year) June 30, 2027 Age 55	Normal Retirement (Resigning & Delays until Unreduced Benefit) June 30, 2032 Age 60
Monthly Maximum Single Life Annuity	$1,960	$2,460	$2,960	$3,475
Contribution & Interest increasing 4% annually	$113,220	$132,870	$138,185	$168,120
Monthly payments not received if vesting			$29,520	$177,120
Years to break even			5 years	14.5 years
Age at break even			Age 60 *Approximately*	Age 74 ½ *Approximately*

When thinking about when to retire, you should consider if you are approaching any milestones. You may find it beneficial to compare retirement dates that qualify you for a milestone and see if the calculation increases your benefit significantly enough to delay your date by either vesting your account or working longer. Comparing these amounts may help you feel confident that you are choosing to retire at a time that is best for you financially.

This slide shows all of the different tentative dates of retirement that Rita was considering. The comparison chart is showing what Rita's Monthly Maximum Single Life Annuity would have been had she retired in June of 2025. Per page 3 of her Statement of Account, Rita's monthly amount is estimated at approximately $1,900 and her contribution and interest amount is about $113,000.

Rita was seriously thinking she wanted to work one more school year and retire in June of 2026. Rita requested a staff prepared estimate with a tentative date of retirement of June 30, 2026. Upon receipt of her estimate, she found that working one more school year her monthly amount increases to about $2,400 and contributions and interest increase to around $132,000.

Because Rita requested a staff prepared estimate, the PSERS representative that processed her request found that Rita would reach a very special milestone if she waited one more year to retire, so PSERS automatically provided her with this comparison estimate to help Rita make an informed decision. This scenario shows Rita vesting until qualifying for the 55/25 (T-D member) special early retirement. Rita could become eligible for this benefit by vesting her account until her 55th birthday. If she **vests** until meeting the age criteria, her monthly lifetime benefit is approximately $500 higher than it would have been had she retired immediately upon leaving employment in 2026. Rita gives up $29,000 she could have received in retirement payments if she began receiving her retirement in June 2026. In this vesting scenario, it would take Rita 5 years to break even with what she could have received during the vesting period.

Now Rita is really thinking about the effects of her choices and became curious to see what her benefit would be if she continued to vest until she reached “Normal” Retirement criteria, to receive an unreduced retirement benefit. Rita went into her MSS account and ran her final scenario estimate. Rita wanted to see the amounts if she leaves employment in June 2026 but doesn’t start collecting her retirement benefit (vests) until six years later in June 2032. Though Rita is no longer making additional contributions to PSERS or adding additional service credit after June 2026, her retirement benefits amounts still end up higher because she vested her account. Because the early retirement reducing factor is eliminated by vesting until normal retirement, Rita’s monthly payment increases by $515. Interest continues to accrue while vesting so her lump sum that is available to withdraw increases by $30,000. Rita gives up $177,000 worth of pension payments during the six years by vesting instead of starting to collect her retirement. In this vesting scenario, it would take Rita approximately 14 years to break even with what she could have received during those six years.

Remember, if you are using the online estimate calculator on PSERS website to plan your retirement, you can calculate estimates for working to any future date.

Looking at this big picture, Rita decides that she still wants to leave employment in June of 2026, but she will delay retirement until her 55th birthday to receive the benefit under the Special Early Retirement benefit (age 55 with 25 years of service.)

TAXES ON MONTHLY PAYMENTS

Subject to **Federal Income Tax**

No state tax in PA

No local taxes in PA

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Your gross monthly pension benefit is subject to Federal Income Tax. As long as you live in Pennsylvania, your gross monthly benefit is not subject to state or local taxes. If you move outside of Pennsylvania, you must check with that state regarding whether your benefit will be subject to state and/or local taxes. Federal Income Tax is the only tax that PSERS will withhold from your gross monthly benefit.

COUNTDOWN TO RETIREMENT CHECKLIST

RETIREMENT MORE THAN 12 MONTHS

- ✔ Review your annual Statement of Account for accuracy of information every year including your beneficiary designations.
- ✔ Apply to purchase any uncredited service.
- ✔ Submit pending Divorce or Court Orders.
- ✔ Consider designating someone as your Power of Attorney (POA).
- ✔ Consider setting aside funds to cover your living expenses during your retirement benefit processing timeframe.
- ✔ Use the PSERS MSS retirement calculator to obtain a personalized Retirement Estimate.

The *Countdown to Retirement Checklist* is a guideline of things to consider and steps to take as you plan for retirement. Not every item will apply to you and not every member plans their retirement within the same timeframe, but the checklist provides suggestions to assist you in your planning.

Please ensure that you are reviewing your annual Statement of Account. The statements are mailed each year in the fall and provide a listing of your primary beneficiaries and a summary of information that your employer has submitted to PSERS for the prior school year. Your statement includes your total contributions, interest, service for which you were credited through the end of the previous school year and, if you are vested, provides you with a partial estimate of retirement benefits calculated as of the end of the last school year. Any corrections to salary, days or hours must be submitted to PSERS through your school employer. There is an “Understanding Your Statement of Account” presentation available on PSERS’ website which contains additional information about your statement.

Purchase of service has already been discussed in detail, so you should already be aware that you must submit your application to purchase service credit while you are still an active and contributing member of PSERS.

If you have made an inquiry to PSERS regarding your account for a divorce proceeding, ensure that we have received the appropriate documents so that your retirement benefit can be paid out in a timely manner.

You may find it necessary or advisable to designate another person as your agent to handle your personal affairs. A Power of Attorney (POA) can give your agent the authority to change your address, change or start direct deposit, change federal tax withholding status, change or stop medical insurance coverage, change beneficiary designations, etc., with PSERS. Before you consider filing a POA with PSERS, you may want to discuss this matter with your family, friends, or an attorney. To designate a person or persons to act as your agent with PSERS, you can complete a PSERS *Power of Attorney* (PSRS-248) form.

PSERS suggests setting aside funds to cover at least 3 months worth of living expenses while you are waiting for your retirement benefits to begin.

Lastly, if you are planning for a retirement more than 12 months in advance, we recommend using the retirement estimate calculators PSERS provides on our website, and within your MSS account portal, to help determine when will be the best time for you to retire.

RETIREMENT WITHIN THE NEXT 12 MONTHS

- ☑ Request a PSERS staff-prepared Retirement Estimate.
- ❑ Schedule and attend a PSERS Retirement Exit Counseling Session.
- ❑ Contact employer/s to discuss employment exit process.
- ❑ Consult with a financial service representative or a tax professional, if appropriate.
- ❑ Consider health insurance choices, including PSERS Health Options Program (HOP).
- ❑ Contact Voya to discuss distribution options (T-G, T-H, DC).

If you are planning to retire within the next 12 months, call PSERS and request a staff prepared retirement estimate, including any requests for special option or withdrawal calculations. The staff-prepared estimate will estimate your gross benefits under all the monthly payment plans and withdrawal options (if applicable).

PSERS STAFF-PREPARED ESTIMATE

Can be requested within 12 months of retirement

FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

Please remember to have the following information available when you call us to request an estimate:

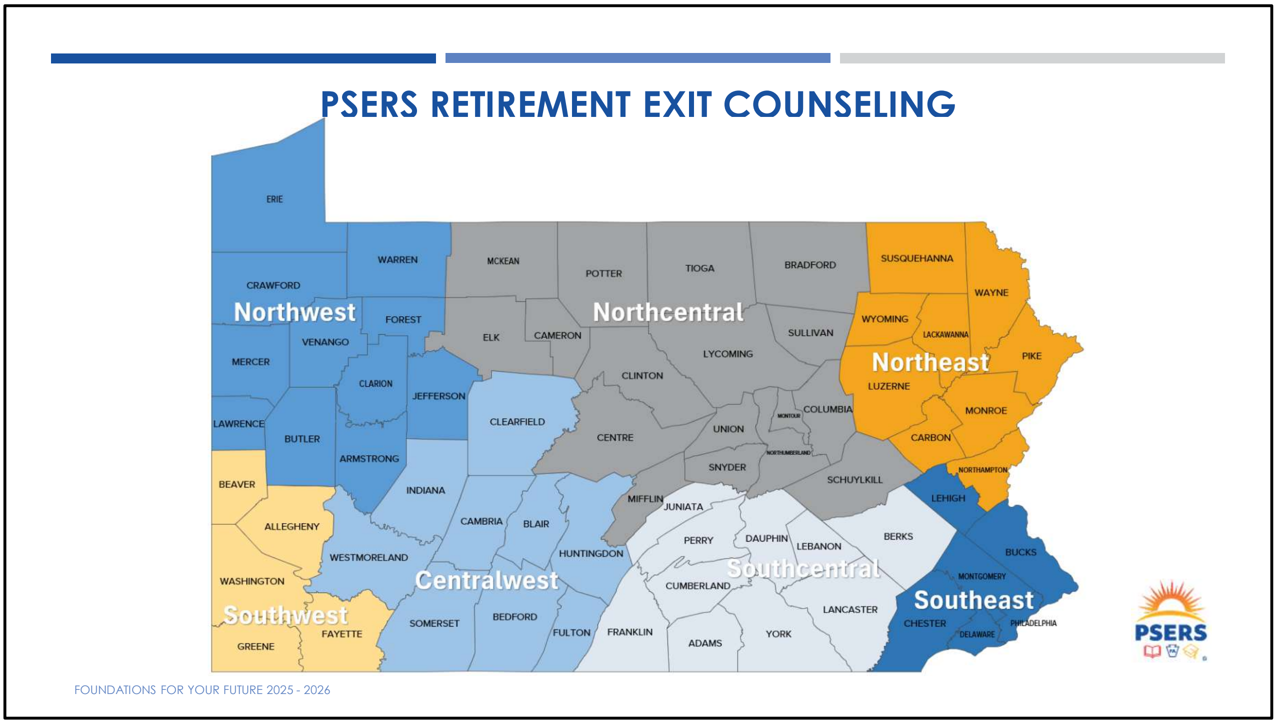
Your projected date of retirement, current and final full school year salaries, survivor annuitant information, and the number of days/hours you plan to work during your final school year of employment (for a mid-year tentative date of retirement).

Allow 4 to 6 weeks for processing. Allow more time for special estimates such as multiple service, frozen annuities, divorces, and customized options.

RETIREMENT WITHIN THE NEXT 12 MONTHS

- ☑ Request a PSERS staff-prepared Retirement Estimate.
- ☑ Schedule and attend a PSERS Retirement Exit Counseling Session.
- ❑ Contact employer/s to discuss employment exit process.
- ❑ Consult with a financial service representative or a tax professional, if appropriate.
- ❑ Consider health insurance choices, including PSERS Health Options Program (HOP).
- ❑ Contact Voya to discuss distribution options (T-G, T-H, DC).

Schedule and attend a PSERS Retirement Exit Counseling Session.



After you have reviewed your estimate and determined that you will be retiring during the current school year, make an appointment for Retirement Exit Counseling by contacting PSERS. Appointments are available throughout the year at various locations and times; but we suggest that you make your appointment as far in advance as possible. Please note that the majority of these sessions are scheduled during the regular workday, and last approximately 90 minutes, so you may need to take time off from work to attend.

Exit counseling helps to ensure a smooth transition and addresses any issues before you retire. Prior to your meeting, your counselor will review your account to be familiar with your work history and any special considerations of which you may need to be aware. At your Retirement Exit Counseling session, PSERS staff will explain all the option choices and the retirement process before you make your final, binding retirement decisions on your application. We will discuss the benefit processing time frames, working after retirement, and health insurance. Health insurance is a complex topic, so it is important to research your options carefully. There is an informational handout in your packet regarding the PSERS Health Options Program (HOP) and Premium Assistance.

Your *Application for Retirement* must be received by PSERS no more than 90 calendar days after your termination date in order to receive retroactive retirement benefits. Even in those situations where there is a pending divorce action or purchase of service, in order to preserve retroactive benefits, the *Application for Retirement* must still be submitted within the 90-day timeframe. If your *Application for Retirement* is received later than 90 calendar days after your termination date, your benefit will be effective on the date it is received.

RETIREMENT WITHIN THE NEXT 12 MONTHS

- ☑ Request a PSERS staff-prepared Retirement Estimate.
- ☑ Schedule and attend a PSERS Retirement Exit Counseling Session.
- ☑ Contact employer/s to discuss employment exit process.
- ☐ Consult with a financial service representative or a tax professional, if appropriate.
- ☐ Consider health insurance choices, including PSERS Health Options Program (HOP).
- ☐ Contact Voya to discuss distribution options (T-G, T-H, DC).

Make sure to reach out to your employer.

DISCUSS WITH EMPLOYER

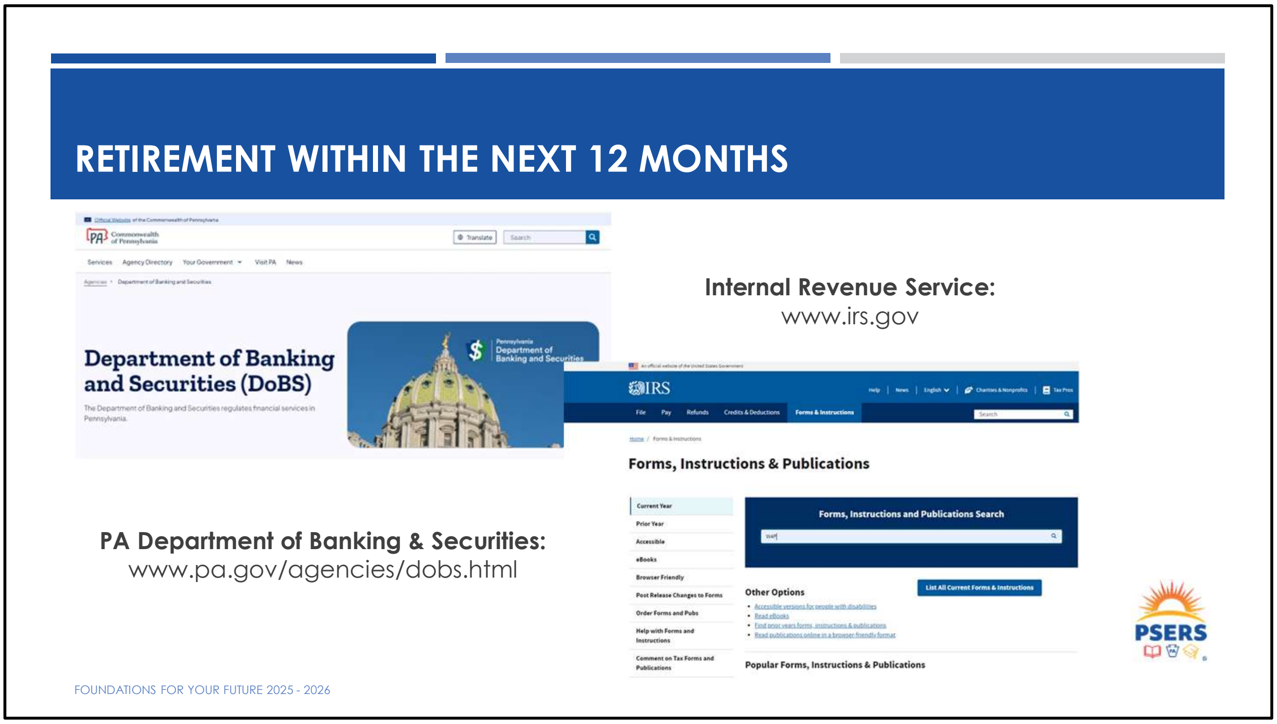
- Employer notification timeframes
- Payments for unused leave
- Options for balance of contract payments ~
  - Consider lump sum payment vs. BOC
  - …and healthcare options

When you have made your decision to retire, you MUST discuss your employer's termination requirements with your human resources and/or business office. Items for discussion could include employer notification timeframes, payments for unused leave, options for balance of contract payments, and healthcare. If possible, in your last school year of employment, consider lump sum payment of salary from your employer in month of termination instead of having balance of contract salaries spread out over the summer months.

RETIREMENT WITHIN THE NEXT 12 MONTHS

- ☑ Request a PSERS staff-prepared Retirement Estimate.
- ☑ Schedule and attend a PSERS Retirement Exit Counseling Session.
- ☑ Contact employer/s to discuss employment exit process.
- ☑ Consult with a financial service representative or a tax professional, if appropriate.
- ☐ Consider health insurance choices, including PSERS Health Options Program (HOP).
- ☐ Contact Voya to discuss distribution options (T-G, T-H, DC).

Financial advisors/planners can be a great source of information regarding money matters, and you may wish to consult with one if you would like advice on making your retirement decisions before attending your PSERS Retirement Exit Counseling meeting.



In case you are looking to hire a financial advisor, there is a resource provided to you by the Commonwealth of PA:

The PA Dept of Banking & Securities website is www.pa.gov/agencies/dobs.html

Also, the IRS website is available for help in completing your W4P and is located at www.irs.gov

RETIREMENT WITHIN THE NEXT 12 MONTHS

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Health insurance is a complex topic, so it is important to research your options carefully. There is an informational handout in your packet regarding the PSERS Health Options Program (HOP) and Premium Assistance.

HEALTH OPTIONS PROGRAM

HOP
HEALTH OPTIONS PROGRAM
WWW.HOPBENEFITS.COM®

Pennsylvania School Retiree Health Coverage Sponsored by Public School Employees' Retirement System

Talk to a Representative at 1.800.773.7725

- The Health Options Program (HOP) is sponsored by PSERS for the exclusive benefit of our retirees and their families. For many retirees, HOP is one of the most competitive retiree health plans available.
- HOP includes Medicare Supplement and Medicare Advantage plans as well as the SilverSneakers fitness program. Prescription drug coverage and a combined dental and vision option may be added to a Medicare Supplement plan.

4.5-Star Quality Rated by Centers for Medicare and Medicaid Services
CMS

**Medicare Star Rating: Medicare evaluates prescription drug plans and awards a one-to-five-star rating based on performance. For 2025, the Health Options Program's prescription drug plans received a 4.5-star rating from the Centers for Medicare and Medicaid (CMS).*

PSERS

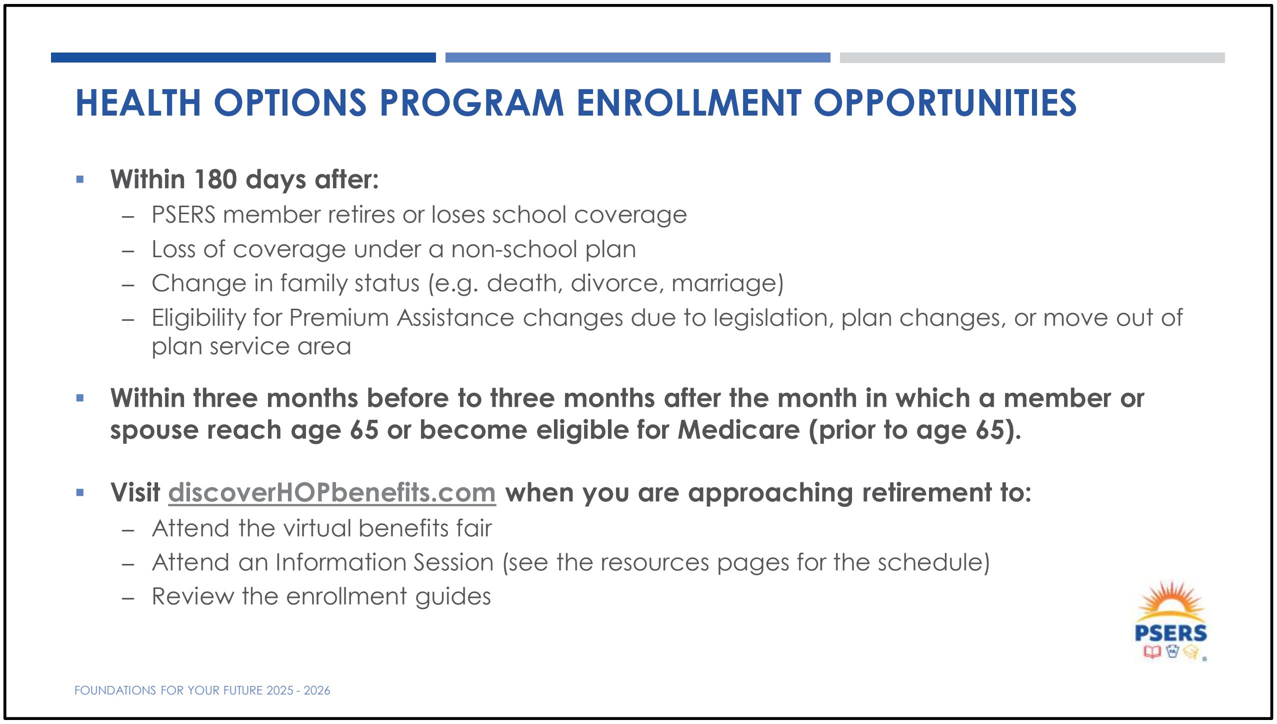
FOUNDATIONS FOR YOUR FUTURE 2025 - 2026

PSERS Health Options Program (HOP)

Health insurance has become very complicated and costly so you should explore all opportunities available to you.

PSERS offers group health insurance for PSERS retirees, spouses of retirees, survivor annuitants and their dependents through the PSERS-sponsored Health Options Program or HOP. HOP includes Medicare Supplement and Medicare Advantage plans and the SilverSneakers fitness program. Prescription drug coverage and a combined dental and vision option may be added to a Medicare Supplement plan.

Each year, Medicare evaluates prescription drug plans and awards a star rating to each plan based on performance. This star rating can be used to help you determine which plans excel based on measured categories, including customer service, overall member satisfaction, and patient safety. Ratings range from 1 to 5 stars with 5 being the highest score. The Health Options Program's prescription drug plans received a 4.5-star rating for 2025, indicating that the program is highly rated in comparison to other prescription drug plans nationwide.



Generally, you first become eligible to enroll in the Health Options Program when you retire as a PSERS annuitant.
You must enroll within the three months before or the three months after you turn age 65 (or become Medicare eligible); otherwise, you will only be able to enroll in the Health Options Program if you experience a qualifying event.

If you are not enrolled in the Health Options Program and experience a qualifying event, you may be able to enroll. Qualifying events can apply to you, your spouse and your dependents.
Eligible qualifying events include:

1 You retire or lose health care coverage under your school employer's health plan. Coverage under your school employer's health plan includes any COBRA continuation coverage you may elect under that school employer's plan.

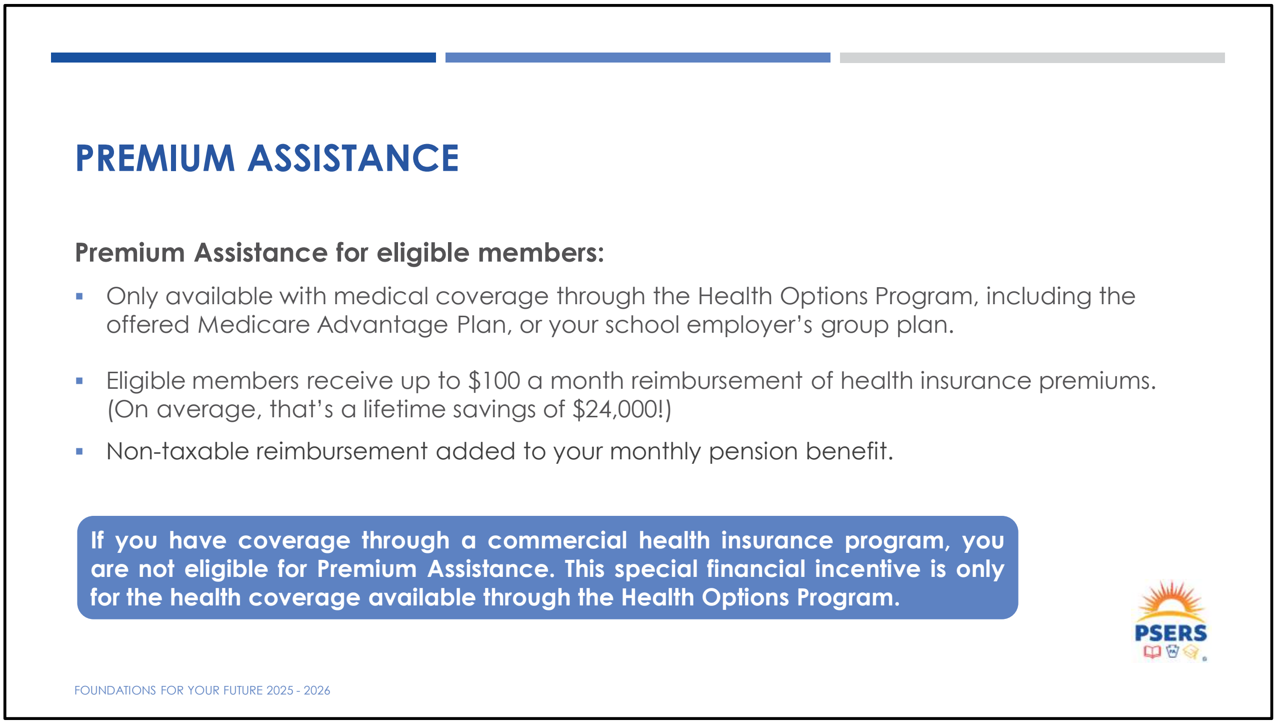
2 You involuntarily lose health care coverage under a non-school employer's health plan, including any COBRA continuation coverage you may elect under that non-school employer's health plan.
3 You or your spouse reach age 65 or become eligible for Medicare.

4 There is a change in your family status including divorce, the death of a spouse, addition of a dependent through birth, adoption, or marriage, or a dependent loses eligibility.

5You become eligible for Premium Assistance due to a change in legislation.

6 A plan approved for Premium Assistance terminates or you move out of a plan's service area.

Changes to your coverage must be made within a specified time frame, depending on your Qualifying Event. Call the HOP Administration Unit at 1-800-773-7725 for more information.



As a reminder, premium assistance is only available if the retiree is enrolled in HOP, the HOP Medicare Advantage Plan, or the employer's group insurance plan. This special financial incentive through HOP is not available with a commercial program such as AARP or Blue Cross Blue Shield.

Premium Assistance is for reimbursement of the retiree's health insurance premiums up to $100 a month, except for premiums for prescription drug, dental, or vision benefits. (On average, that's a lifetime savings of $24,000!)

It is also not payable for a spouse's and/or dependent's coverage. To be eligible, a PSERS retiree is required to pay out-of- pocket for basic health insurance with a Pennsylvania public school employer or HOP and meet eligibility criteria. If the retiree meet the eligibility requirements, premium assistance will be added to the PSERS monthly retirement benefit.

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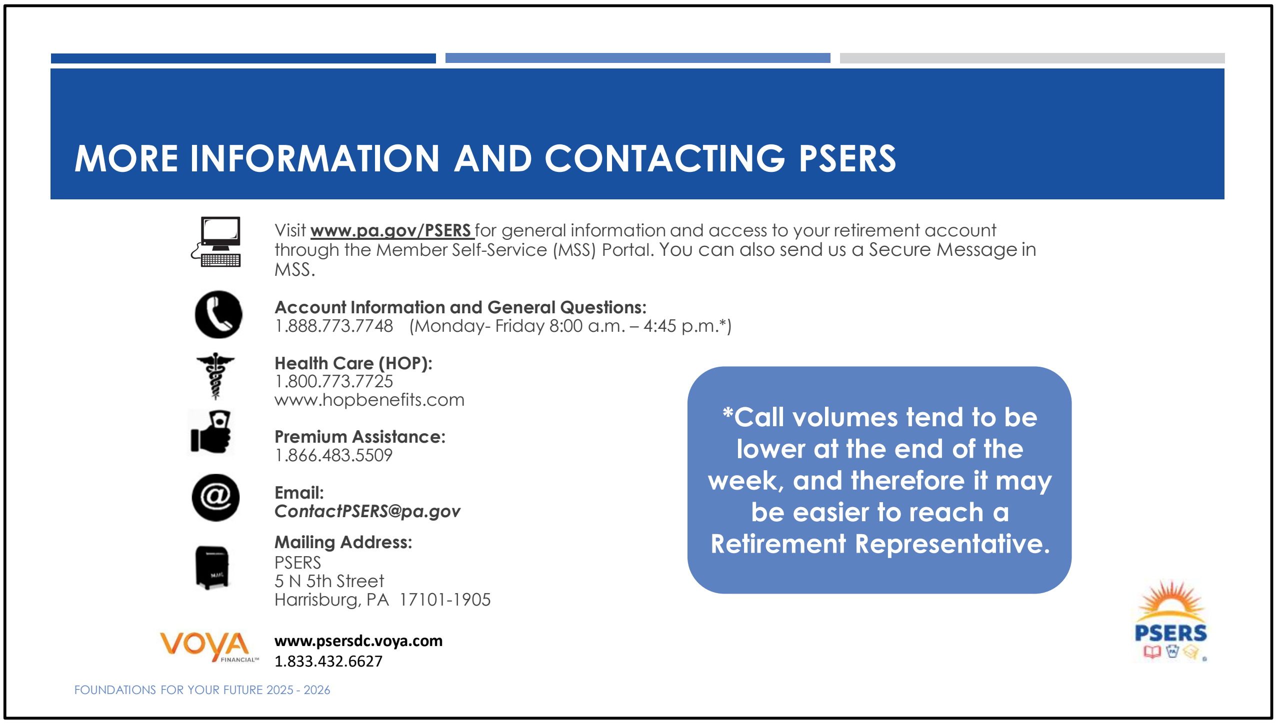
If you are in membership classes TG, TH, or DC, contact Voya to discuss distribution options.

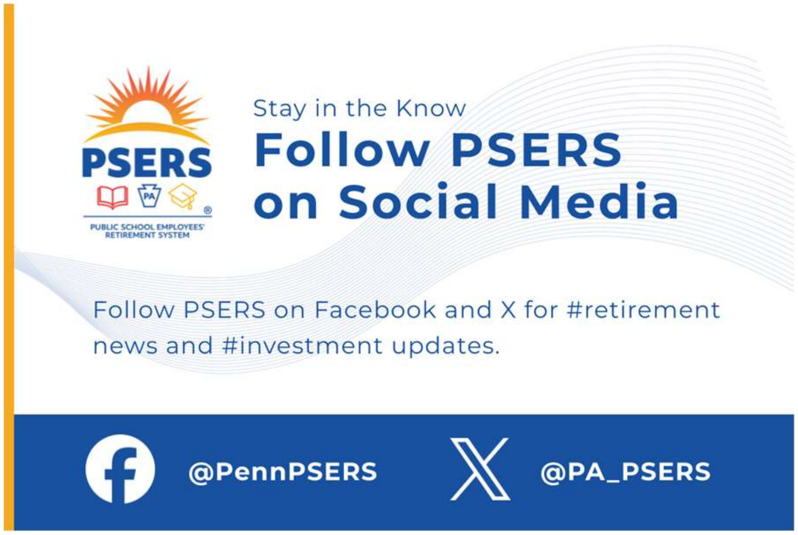


Remember, contact us at PSERS any time you have a concern or question because we are here to assist you.

If you contact us in writing, be sure to include identifying information so PSERS can review your account.

Please include the following:

- Date
- Your name
- Your PSERS ID, or the last four digits of your social security number
- Inquiry details
- Signature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