

# Public School Employees' Retirement System 2019-2020

With the implementation of Act 5 of 2017, the Public School Employee's Retirement System (PSERS) has undergone significant pension reform. PSERS has created three new classes for new members hired on or after July 1, 2019: T-G, T-H, & DC. Below is some information for current members and a comparison of all PSERS classes.

### Current Member Election

- ▶ Members who are ***hired prior to and are active on*** July 1, 2019, will have a one-time opportunity to elect into one of the new three classes
- ▶ No action is needed to retain your current class
- ▶ Members will be notified through the September Member Newsletter and have a 90 day window to make an election
- ▶ Members must speak with a PSERS Retirement Representative prior to making a class election to consider and understand the impact of changing classes
- ▶ Election into a new class is irrevocable and permanent
- ▶ New class elections will be effective January 1, 2020

<b>Membership Comparison Snapshot</b>											
		Member Contribution to DC	+	Member Contribution to DB	=	Total Member Contribution	Employer Contribution to DC	+	Employer Contribution to DB	=	Total 2019-20 Employer Contribution
<b>CURRENT</b>	<b>Class T-D</b>	0.00%	+	6.50%	=	6.50%	0.00%	+	34.29%	=	34.29%
	<b>Class T-D</b>	0.00%	+	7.50%	=	7.50%	0.00%	+	34.29%	=	34.29%
	<b>Class T-E</b>	0.00%	+	7.50%	=	7.50%	0.00%	+	34.29%	=	34.29%
	<b>Class T-F</b>	0.00%	+	10.30%	=	10.30%	0.00%	+	34.29%	=	34.29%
<b>NEW</b>	<b>Class T-G</b>	2.75%	+	5.50%	=	8.25%	2.25%	+	32.04%	=	34.29%
	<b>Class T-H</b>	3.00%	+	4.50%	=	7.50%	2.00%	+	32.29%	=	34.29%
	<b>DC Only</b>	7.50%	+	0.00%	=	7.50%	2.00%	+	32.29%	=	34.29%

**Defined Benefit (DB)** = Contributed to PSERS

**Defined Contribution (DC)** = Invested with Voya Financial (PSERS' Service Provider)

Along with the new PSERS classes, Act 5 also requires school districts to provide four 403(b) vendors as investment options to their employees. Please refer to the Welcome Back Packet for more information regarding 403(b) vendors.