

Benefit Statement Enclosed

Enclosed is your Annual Benefit Statement. Review your statement carefully, since it contains group insurance and death benefit beneficiary information.

The Minnesota Life Insurance Company maintains your life insurance beneficiary information. If you would like to update your beneficiary, contact Minnesota Life at 1-888-202-5525.

The statement contains an SERS identification card. Carry it with you as proof of your association with the state of Illinois for government and retiree discounts.

Income Tax Changes

New tax withholdings may reduce the amount of income tax withheld from your pension or survivor benefit. These tax changes, effective April 1, 2009, are the result of the American Recovery and Reinvestment Act.

If you do not want your withholding reduced, file a new Form W-4P with SERS. You may claim fewer withholding allowances or have additional amounts withheld.

For more information, visit the IRS website at www.irs.gov and see Publication 919 or the SERS website at www.state.il.us/srs and use the Withholding Calculator.

General Assembly Removes the Social Security Offset

The General Assembly passed legislation removing the Social Security offset on SERS survivor benefits. This new legislation, if signed by Governor Quinn, will take effect July 1, 2009.

How It Works

If an SERS member contributed to SERS and Social Security, a benefit offset is applied to the SERS widow or survivor benefit, when the survivor becomes eligible for Social Security benefits.

Survivors

- SERS survivors currently receiving a survivor benefit may have had their benefit reduced by the Social Security offset. This offset will be removed on July 1, thus increasing their survivor benefit.

Pre-'98 Retirees

- All SERS retirees who began receiving benefits before January 1, 1998 will have the offset removed from future benefits for their survivor at no cost to the retiree.

We answer your most frequently asked questions about the Social Security offset on the back page of this newsletter!

Post-'98 Retirees

- SERS retirees who began receiving benefits after January 1, 1998 but before July 1, 2009 will have a one-time election period (April 16-May 31) to reduce their retirement benefit by 3.825% monthly, in exchange for removing the offset from future benefits for their survivor.

Future Retirees

- Any member who retires after July 1, 2009 will have the option at the time of retirement to remove the offset provision. In exchange for the removal, SERS will reduce the member's retirement annuity by 3.825% monthly.

SERS will be sending letters to retirees and survivors impacted by this legislation (see the time line below).

Offset Mailing Timeline

Approximately April 16
Letters mailed to members who retired after '98

Approximately June 19
Letters mailed to all survivors and pre-'98 retirees

Social Security Offset Q & A's

If I retired in 1997, will I get a letter explaining my situation?

Yes, a letter will be mailed to you on or around June 19, 2009.

If I retired in 2001, will I get a letter explaining my situation?

Yes, an explanatory letter and an election form will be mailed on or around April 16, 2009.

If I am currently receiving a survivor benefit, will I be notified of

any changes?

Yes, a letter will be mailed to you on or around June 19, 2009.

If I retired after 1998 and I elect to participate in the offset removal, when will I notice the 3.825% reduction on my pension check?

The reduction will be applied to your July 2009 pension benefit.

If my spouse retired before 1998 and subsequently passed away, is

my survivor benefit affected by the offset?

Yes, if a Social Security offset is currently applied to your SERS survivor benefit, the offset will be removed on July 1, 2009.

Should I expect to receive a letter from the State Employees' Retirement System explaining the offset provisions?

Not necessarily. Letters will only be mailed to benefit recipients affected by this legislation.

SERS offers the Myths and Realities of Retirement (MRR) workshop to retirees, survivors, disability benefit recipients and their guests.

The MRR is a free, one-day workshop which runs from 9 a.m. until 3 p.m. It examines financial scams, the effects of inflation, estate planning, group insurance, and health & leisure. Participants will find this workshop worthwhile and informative.

If you would like to attend an MRR workshop, complete and return the application to us. You can also call our office to register. After you are registered, we will confirm your enrollment by letting you know the exact workshop location.

Circle the 2009 MRR Workshop You Would Like to Attend

Please disregard the numbers in parentheses. They are for internal office use.

Apr. 14	Schaumburg (77)	Aug. 19	Utica (43)
Apr. 21	Quincy (36)	Aug. 25	Fairview Hghts. (18)
Apr. 28	Springfield (01)	Sep. 8	Utica (43)
Jun. 2	Mt. Vernon (32)	Sep. 15	Bourbonnais (25)
Jun. 9	Springfield (01)	Sep. 22	Rockford (90)
Jun. 16	Rockford (90)	Sep. 29	Springfield (01)
Jun. 30	Champaign (37)	Oct. 6	Effingham (67)
Jul. 7	Chicago (02)	Oct. 14	Springfield (01)
Jul. 14	Bloomington (04)	Oct. 20	Orland Park (09)
Jul. 21	Moline (46)	Oct. 28	Chicago (02)
Jul. 28	Springfield (01)	Nov. 17	Marion (07)
Aug. 4	Carbondale (50)	Nov. 24	Joliet (47)
Aug. 11	Chicago (02)		

Name _____

Social Security Number _____

Are You Bringing a Guest? _____

Return This Form To:

State Retirement Systems, Field Services Division
2101 S. Veterans Parkway, P. O. Box 19255
Springfield, IL 62794-9255
217-785-6979 Fax: 217-785-7019

