

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 also has a SERS identification card. Carry it with you as proof of your association with the state of Illinois for government and retiree discounts.

Deferred Compensation Information

We've found that SERS members often have questions about their Deferred Compensation account after they retire. We have included several questions and answers that pertain to your Deferred Compensation account.

Q. Are there any penalties when taking a distribution?

A. To avoid penalties, you must begin distributions the year you turn age 70 1/2 or take two distributions in the following year (one before 4/1, second before 12/31).

Q. How do installment payments work?

A. You have the option of being paid over your life expectancy. The amount you receive each year will change based on your age and account balance.

You can choose to be paid over a specific number of years. You can also select a fixed dollar amount without concern until age 70 1/2 when you must receive the required minimum.

Q. When are distribution checks sent?

A. Periodic payments are scheduled for the first Friday of each month. Lump sum payments are usually paid the next day.

Q. How are funds taken from my account?

A. Distributions are pulled proportionately from each of your investment option.

Q. Are my distributions taxed?

A. IRS regulations require that federal withholding is taken from

Returning to Work After Retiring



If you return to state employment on either a non-permanent or permanent basis after retirement, you should notify the SERS Claims Division immediately.

If you receive a pension from more than one Illinois Public Retirement System and retired using reciprocity, you must notify all of the affected retirement systems.

Each reciprocal retirement system has specific rules to determine if retirees are eligible to receive pension benefits during reemployment.

If you're paying for Medicare Part B and your retirement income raises for any reason, your Medicare premium will increase to reflect this change in your income. If your income decreases the following year, your Medicare premium will also go down. For more information, go to www.medicare.gov.

(continued on back page)

(continued from page 1)

each distribution. The percentage depends on your distribution choice.

Q. Do I also pay Illinois income tax?

A. Deferred Compensation distributions are not subject to Illinois income tax.

Q. If I move to another state, do I pay state income tax on my distribution?

A. If you move to another state, you will be subject to their tax laws and requirements.

Q. Can I roll my account balance into my spouse's IRA?

A. Rollovers may only occur under another account under your name and Social Security number.

Q. Do I have to deplete my account by a certain age?

A. There is no age requirement to have all of your money out of your account.

Q. Can I still make changes to my investments after I leave state service?

A. You have always been able to move money between funds, just as you did while working.

Q. Can I still contribute to my account after I retire?

A. No. You can only contribute through payroll deductions. However, you can roll money from other retirement plans into your Deferred Compensation account.

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 2010 MRR Workshop You Would Like to Attend

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

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|--------------------------------------|---------------------------|
| Mar. 23 Tinley Park (95) FULL | Aug. 17 Carbondale (50) |
| Mar. 30 East Peoria (82) | Aug. 24 Gurnee (48) |
| Apr. 8 Springfield (01) | Aug. 31 Utica (30) |
| Apr. 13 Schaumburg (77) | Sep. 14 Rockford (90) |
| Apr. 20 Quincy (36) | Sep. 21 Springfield (01) |
| Apr. 27 Chicago (02) FULL | Sep. 28 Kankakee (12) |
| Jun. 2 Collinsville (24) | Oct. 5 Springfield (01) |
| Jun. 15 Champaign (37) | Oct. 7 Moline (46) |
| Jun. 22 Mt. Vernon (32) | Oct. 19 Effingham (67) |
| Jun. 29 Rockford (90) | Oct. 26 Collinsville (24) |
| Jul. 1 Marion (07) | Nov. 16 Springfield (01) |
| Jul. 7 Springfield (01) | Nov. 23 Tinley Park (95) |
| Jul. 20 Bloomington (04) | Nov. 30 Chicago (02) |
| Jul. 28 Chicago (02) | Dec. 14 Joliet (47) |

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