



COMMONWEALTH OF PENNSYLVANIA
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

PSERS
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Harrisburg PA 17101-1905

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Local: 717.787.8540
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As a part of your retirement benefit, you are required to make retirement contributions to your account with the Public School Employees' Retirement System (PSERS). The amount you are required to contribute can fluctuate based on the long-term investment performance of PSERS.

This is to notify you that the amount you contribute towards your Defined Benefit (DB) with PSERS will increase July 1, 2021. The amount of this increase depends on your membership class with PSERS. Please see the chart below for how your DB contribution rate will change for service rendered after July 1, 2021.

What Is Shared Risk?

With a "shared risk/shared gain" provision, Class T-E, Class T-F, Class T-G, and Class T-H members can benefit when PSERS investments are doing well and share some of the risk when PSERS investments underperform. DB contribution rates may increase or decrease by 0.50% or 0.75% within the specified range every three years.

Act 120 of 2010 and Act 5 of 2017 created a risk-sharing program for all members who first enrolled in PSERS after June 30, 2011 (Class T-E, Class T-F, Class T-G, and Class T-H members).

Class	Base DB Contribution Rate	Shared Risk Increase	Total DB Contribution Rate Starting July 1, 2021
Class T-E	7.50%	+0.50%	8.00%
Class T-F	10.30%	+0.50%	10.80%
Class T-G*	5.50%	+0.75%	6.25%
Class T-H**	4.50%	+0.75%	5.25%

*+2.75% DC Contribution Rate; **+3.00% DC Contribution Rate

As an example, a Class T-E member earning \$45,000 a year who gets paid every other week would see an approximate \$8.65 increase in what is withheld towards their retirement each paycheck.

Why Is This Occurring Now?

In December 2020, the PSERS Board certified the member contribution rates for Class T-E, Class T-F, Class T-G, and Class T-H members effective from July 1, 2021 to June 30, 2024. There were errors in the data used for the calculation which has caused the PSERS Board to recertify the member contribution rate. PSERS investment performance did not meet the shared risk target range for the nine-year evaluation period ending June 30, 2020. Members subject to shared risk/shared gain will see their DB contribution rate increase.

The next evaluation will be based on PSERS investment experience for the period ending June 30, 2023 and will impact the DB member contribution rate for impacted members beginning July 1, 2024.

The rate increase only applies to what is required to be paid towards your Defined Benefit. Class T-G and Class T-H members will not see their Defined Contribution (DC) amount increase.

If you have questions, contact PSERS by calling 1.888.773.7748 (1.888.PSERS4U) or by sending a secure message from your Member Self-Service (MSS) account. Harrisburg local callers use 717.787.8540. The call center is open on business days from 8:00 a.m. to 5:00 p.m. *Note: Class T-G, T-H, or DC members can go to [PSERSDC.voya.com](https://psersdc.voya.com) or contact 833.432.6627 (833.4DC.MMBR) for more information about their defined contribution account.* You can manage many aspects of your account, obtain information, or view documents through your MSS account with PSERS. To set up or access your MSS account, you may visit PSERS online at www.psers.pa.gov.

Sincerely,

Public School Employees' Retirement System