



**Employees' Retirement  
System of Georgia**

404.350.6300  
ers.ga.gov



**Peach State Reserves**

1.877.342.7339  
gabreeze.ga.gov

## **Employees' Retirement System (ERS) GSEPS (Tier 3): Employees hired since January 1, 2009**

### **Action Checklist**

#### **Designate Your Beneficiary**

- ERSGA Pension: [ers.ga.gov](http://ers.ga.gov)
- Peach State Reserves (PSR) 401(k): [GaBreeze.ga.gov](http://GaBreeze.ga.gov)

### **The Power of Your Pension and PSR 401(k)**

#### **Part 1: Your Pension**

Your Georgia State Employees' Pension and Savings (GSEPS) Defined Benefit (pension) plan provides a foundation for your retirement security. Once you are vested with 10 years of Creditable Service, you are eligible for a lifetime monthly retirement benefit when you retire under the provisions of the plan. Your pension provides dependable income throughout your retirement.

#### **Part 2: Your Peach State Reserves (PSR) 401(k)**

Your Peach State Reserves (PSR) 401(k) Plan helps you build additional retirement savings to complement your pension. To help you get the most from this valuable benefit, all newly hired eligible State of Georgia employees are automatically enrolled to contribute 5% of pay, maximizing the available employer match from day one. The employer match is an important part of your retirement savings and can significantly increase the amount you have available in retirement.

### **Pension Benefit Calculation Formula**

You can run a Benefit Estimate calculation by logging in to your ERS account.

To calculate the Maximum Plan Benefit for a normal retirement, GSEPS uses the following formula:

|                   |   |                                 |   |                    |   |                         |
|-------------------|---|---------------------------------|---|--------------------|---|-------------------------|
| Formula<br>Salary | x | 1%<br>Benefit Formula<br>Factor | x | Creditable Service | = | Maximum Plan<br>Benefit |
|-------------------|---|---------------------------------|---|--------------------|---|-------------------------|

#### **Formula Salary:**

The average of the highest 24 consecutive calendar months of earnable compensation as an ERS Member.

#### **Benefit Factor:**

1% benefit factor for every year of service.

#### **Creditable Service:**

You earn Creditable Service for each month ERS Employee Contributions are deducted. If you only receive partial pay, you will receive a partial month of Creditable Service.

#### **Forfeited Leave to Creditable Service:**

If you have at least 960 hours of forfeited leave time (forfeited annual leave, forfeited sick leave, and unused sick leave), your forfeited leave may be converted to Creditable Service at retirement at the rate of one month of Creditable Service for every 160 hours of forfeited leave.

## Your Defined Benefit Pension Plan

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contributions</b>     | Members are required to contribute 1.25% of their earnable compensation to the pension plan each pay period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Vesting</b>           | Your Contributions to the GSEPS pension plan are always 100% vested. Once you earn 10 years of Creditable Service, you have a vested right to a service retirement at age 60, even if you terminate employment before reaching age 60.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Retirement Income</b> | <p>You can retire and start receiving monthly benefits when (whichever is earlier):</p> <ul style="list-style-type: none"> <li>• you are at least age 60 and have 10 years of Creditable Service</li> <li>• you have at least 30 years of Creditable Service (or 25 years for Early Retirement*)</li> </ul> <p>*You can receive an Early Retirement pension with 25 years of Creditable Service, with a reduction for each year prior to age 60 or each year under 30 years of Creditable Service, whichever is less.</p> <p>Your benefit is calculated using the formula on the front of this page for the Maximum Plan Benefit. For other Optional Forms of Payment, please see the ERS Plan Handbook.</p> |

## Peach State Reserves (PSR) 401(k) Plan

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contributions</b>      | Employees hired after June 30, 2014 are automatically set to contribute 5% of pre-tax compensation. Members hired before this date were enrolled at 1%. You have the option to make pre-tax or Roth (after-tax) contributions to your account and can change your contribution rate or type at any time at GaBreeze.                                                                                                                                                                                                                                                    |
| <b>Employer Match</b>     | Employers will match member contributions dollar per dollar, up to 5% of pay. Members saving 5% or more receive a full 5% match. GSEPS members with at least six years of service, and who are contributing at least 5%, will get an additional half percent employer match for every full year of service in excess of five years, up to a maximum employer match of 9%.                                                                                                                                                                                               |
| <b>LEO Employer Match</b> | Employers will match member contributions dollar for dollar. Eligible Law Enforcement Officers (LEOs) who contribute at least 5% to their Peach State Reserves 401(k) Plan begin receiving increased employer matching contributions after six years of Creditable Service. The LEO employer match increases by 2% (instead of 0.5%) each year based on years of Creditable Service until it reaches a maximum employer match of 15%. Learn more about the LEO benefit and eligible positions on the GSEPS (Tier 3) page at: <a href="http://ers.ga.gov">ers.ga.gov</a> |
| <b>Vesting</b>            | Your contributions to your PSR account are immediately 100% vested. However, the employer match portion of your 401(k) balance is subject to a 5-year vesting schedule. A member vests 20% of the employer match for each continuous year of GSEPS service in a GSEPS-eligible position.                                                                                                                                                                                                                                                                                |
| <b>Retirement Income</b>  | You may begin taking distributions from your PSR 401(k) Plan 30 days after you terminate your PSR eligible employment. You may elect to receive a lump sum, a partial lump sum, payments for a specific time period, payments based on your life expectancy (or you and your spouse's joint life expectancy), or to purchase an annuity. Monthly, quarterly, semi-annual, or annual payment options are available. If you withdraw funds before age 59 ½ from your 401(k), a 10% IRS tax penalty may apply.                                                             |

For more detailed information about your GSEPS (Tier 3) pension plan, please see the ERS Plan Handbook and GSEPS Plan Highlights at the ERSGA Website.

## Beneficiaries

It is important to keep your beneficiary information current. Please log in to your ERSGA and GaBreeze accounts and review your beneficiary information, and make any necessary changes.

**Important! Contribute at least 5% to your PSR 401(k)**  
**So you don't miss out on free money!**