

## Contact Information

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### **South Dakota Retirement System**

222 East Capitol Avenue, Suite 8  
P.O. Box 1098  
Pierre, SD 57501  
Toll-Free: 1-888-605-SDRS  
Phone: 1-605-773-3731  
Fax: 1-605-773-3949  
Website: [www.sdrs.sd.gov](http://www.sdrs.sd.gov)

### **Supplemental Retirement Plan**

222 East Capitol Avenue  
Pierre, SD 57501  
Toll-Free: 1-800-959-4457 (Customer Service)  
Phone: 1-605-224-2230  
Fax: 1-605-224-2395  
Website: [www.srp457.com](http://www.srp457.com)

### **Special Pay Plan**

222 East Capitol Avenue  
Pierre, SD 57501  
Toll-Free: 1-800-959-4457 (Customer Service)  
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Website: [www.srp457.com](http://www.srp457.com)



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## Reading Your Personal Benefits Statement

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An informational guide for  
SDRS Foundation Members



# Personal Benefits Statement

As of July 1, 2016

South Dakota Retirement System

This statement is prepared especially for:

This statement is designed to provide you with an estimate of your SDRS retirement benefit when you reach normal retirement age, when you reach age 62, and when you qualify for special early retirement. Please review this information carefully and contact us if you have any questions at (605) 773-3731 or toll-free at (888) 605-SDRS.

Foundation Member Information					
SDRS ID Number	Date of Birth	Current Final Average Compensation	Normal Retirement	Special Early Retirement	
①		②	③	④	Date
<small>Calculations based on normal and special early retirement dates assume all outstanding purchases have been completed. Special early retirement relates to the Rule of 85 for Class A members, the Rule of 80 for Class B-Judicial members, and the Rule of 75 for Class B-Public Safety members.</small>					
Your Months of Credited Service					
Service	Non-Contributory	Contributory	Currently Purchased	Redeposited	Total Credited Service
Class A					
Class B	⑤	⑥	⑦	⑧	⑨
Personal Contribution Information					
<small>It is essential to note that the South Dakota Retirement System is a defined benefit plan. The amount of your retirement benefit is based on your credited years of service and your final average compensation. It is not based on the amount of contributions made by you or on your behalf and/or the interest credited to your account. The following is for informational purposes only:</small>					
Member Contributions and Interest to Date	Employer Contributions and Interest to Date	Accumulated Contributions*			
⑩	⑩	⑩			
<small>*Effective July 1, 2010, accumulated contributions are the sum of 100 percent of your contributions and 50 percent of your employer contributions if you have less than three years of service (non-vested) or 85 percent of your employer contributions if you have three years or more of service (vested), all credited with the effective rate of interest. SDCL 3-12-89.2 is the governing law that fully defines accumulated contributions. Purchase and redeposit amounts are included as member contributions.</small>					
Online Member Statements					
<small>The SDRS website (<a href="http://www.sdrs.sd.gov">www.sdrs.sd.gov</a>) offers you the opportunity to obtain your complete personal account information 24 hours a day, seven days a week. As an active member, you can visit the My SDRS section of the site to look up your contribution totals, years of credited service, last 40 quarters of salary history and current final average compensation, and to estimate your retirement benefit. You may review your address, beneficiaries, other personal information, and your most recent <i>Personal Benefits Statement</i>. Inactive members can also visit the My SDRS section of the site; however, information will be limited.</small>					

- ① **SDRS ID:** A unique seven character identification number assigned to each SDRS member and used instead of Social Security numbers in SDRS records.
- ② **Current Final Average Compensation:** Highest average annual salary earned during 12 consecutive calendar quarters in the last 40 quarters of your SDRS employment. This figure is used to calculate any SDRS benefit, including retirement, disability, and survivor benefits.
- ③ **Normal Retirement:** The age at which you can retire with an unreduced SDRS benefit, provided you have at least three years of contributory service (age 65 for Class A and Class B-Judicial members and age 55 for Class B-Public Safety members).
- ④ **Special Early Retirement:** The age at which you become eligible to receive an unreduced benefit when specific combinations of age and credited service are met. Special early retirement relates to the Rule of 85 for Class A members, the Rule of 80 for Class B-Judicial members, and the Rule of 75 for Class B-Public Safety members.

## Reading Your Personal Benefits Statement

- ⑤ **Non-Contributory Service:** Months of service without member or employer contributions but which by law counts as credited service.
- ⑥ **Contributory Service:** The period of time you work for an SDRS employer and make contributions to SDRS. Three years of contributory service are required to be eligible for most SDRS benefits.
- ⑦ **Purchased Service:** Additional credited service bought for other eligible public employment and/or nonqualified permissive service as permitted under federal and state law.
- ⑧ **Redeposited:** Additional credited service that a member, after having terminated employment and refunded from SDRS, has chosen to repay upon returning to SDRS-covered employment.
- ⑨ **Total Credited Service:** The total months of service as of the statement date.
- ⑩ **Personal Contribution Information:** Member contributions and interest include your contributions, purchase and/or redeposit amounts (if applicable), and interest credited. Employer contributions and interest include contributions matched by your employer and interest credited. Accumulated contributions are the total of your member contributions and interest (100 percent) and your employer contributions and interest (50 or 85 percent, depending on your vested status).

### 1 Your SDRS Retirement Benefits Using Today's Final Average Compensation (FAC)\*

Based on your current final average compensation (FAC) shown on the prior page and assuming continued active membership in SDRS until you reach the following retirement ages, your estimated SDRS retirement benefits are as follows:

At Normal Retirement		At Age 62		At Special Early Retirement	
Monthly Amount	⑪	Monthly Amount	⑪	Monthly Amount	⑪
Annual Amount		Annual Amount		Annual Amount	

\*For inactive-vested members, benefit estimates assume no additional service.

### 2 Your SDRS Retirement Benefits Using Projected Final Average Compensation (FAC)\*

Based on an annual projected 2.1 percent increase in your current final average compensation (FAC) and assuming continued active membership in SDRS until you reach the following retirement ages, your projected SDRS retirement benefits are as follows:

At Normal Retirement		At Age 62		At Special Early Retirement	
Monthly Amount	⑫	Monthly Amount	⑫	Monthly Amount	⑫
Annual Amount		Annual Amount		Annual Amount	

\*For inactive-vested members, benefit estimates assume no additional service.

### 3 Your SDRS Income Replacement Percentage\*

Your income replacement percentages below reflect only your SDRS retirement benefit. For a career employee, SDRS benefits will replace approximately 50 percent of pay. For overall retirement planning purposes, your total income replacement percentage, including SDRS, Primary Social Security, and additional personal savings, should be at least 85 percent of your final compensation.

At Normal Retirement		At Age 62		At Special Early Retirement	
Income Replacement Percentage	⑬	Income Replacement Percentage	⑬	Income Replacement Percentage	⑬

\*For inactive-vested members, income replacement percentages assume no additional service.

### 4 Your Estimated Lifetime SDRS Retirement Benefit Payments

At retirement, SDRS will pay you a monthly benefit for as long as you live—you cannot outlive your SDRS retirement benefit. Therefore, your SDRS retirement benefit may be your greatest financial asset. To help illustrate this value, SDRS has taken your estimated retirement benefit as shown in number 2 above and projected the total amount of all your monthly benefit payments, including annual cost-of-living allowances at 2.1 percent, for your estimated life expectancy.

Lifetime Payments of SDRS Normal Retirement Benefit	Lifetime Payments of SDRS Age 62 Retirement Benefit	Lifetime Payments of SDRS Special Early Retirement Benefit
⑭	⑭	⑭

- ⑪ **Retirement Benefits Using Today's FAC:** Estimate of the retirement payment you would receive based on your current final average compensation - in today's dollars. The calculation does not project your final average compensation. For active members, your continued employment is projected to your retirement date(s).
- ⑫ **Retirement Benefits Using Projected FAC:** Estimate of the retirement payment you would receive based on your current final average compensation - projected by 2.1 percent on an annual basis to your retirement date(s). For active members, your continued employment is also projected to your retirement date(s).
- ⑬ **Income Replacement Percentage:** The income replacement percentages, assuming continued active SDRS membership until the retirement ages listed.
- ⑭ **Estimated Lifetime SDRS Retirement Benefit Payments:** The estimated total amount of your projected retirement benefit payments, including annual cost-of-living allowances at 2.1 percent, over your estimated life expectancy.