

Most Frequently Asked Questions from Retired Members

When will I receive my retirement benefit check?

The ERS issues retirement checks on the last working day of the month. For example, if your retirement date is March 1, 2010, your first check will be issued on March 31, 2010, which is the last working day of the month. Electronically deposited checks will be deposited on that same day.

The ERS strongly encourages retirees to elect to have their retirement benefit checks sent directly to their financial institution by electronic funds transfer (EFT), also known as direct deposit. Members using direct deposit do not have to worry about lost, stolen, or damaged checks, nor arrange for someone to deposit their checks when they are out of town or unable to go to their financial institution. Direct deposit also ensures your check is in your account the last working day. This service is free, secure, reliable and convenient.

To obtain a [DIRECT DEPOSIT AUTHORIZATION](#) form, contact Member Services at 877.517.0020 or download the form from our Web site at www.rsa-al.gov.

Will I automatically receive a Cost-of-Living Adjustment (COLA) every year?

No. COLAs for state retirees are made on an ad hoc basis by the state Legislature. The amount of the increase is based upon the provisions of the legislation. COLAs for retirees of local units (non-state member agencies) usually require approval of the governing body of the ERS agency, which must fund the cost of living increase for persons retired from that agency.

What will be deducted from my retirement benefit check?

The following amounts may be deducted from your retirement benefit check:

- Federal income taxes
- Health and miscellaneous insurance premiums if applicable
- ARSEA dues if applicable

Your retirement benefit is **not** subject to Alabama income tax. If you move to another state, your benefit will be subject to that state's tax laws. You can find information about other states' tax laws at www.1040.com.

Why is it important to keep my address up-to-date with the ERS?

Having your current home mailing address on file with the ERS is very important. Many important documents are mailed to each member such as tax information, the *Advisor* and ERS Board of Control Election ballots.

If you receive your retirement check by mail and the ERS does not have your correct mailing address, your check will be delayed. Changing your address with the Post Office does not change your address with the ERS. Please report any change of address to the ERS in writing, either by letter or [CHANGE OF ADDRESS NOTIFICATION](#) located on our Web site. You can also change your address online by registering and logging in to [Member Online Services](#) on our Web site.

May I change my beneficiary after I retire?

If you selected the Maximum benefit or the Option 1 benefit, you may change your beneficiary or beneficiaries at any time.

If you selected the Option 2 or Option 3 benefit, you may name a new beneficiary under either of the two following conditions:

- If the named beneficiary dies before the retired member, or
- There is a divorce between the retired member and the beneficiary

The retired member should contact the ERS for information and forms. Generally, there will be a recalculation of the benefit amount for the retired member and beneficiary. The replacement beneficiary must be in place for at least two years to become effective. However, if the retired member dies within this two year period, no monthly benefit is payable.

What if I decide to work with an RSA member agency after I retire?

When you retired, you were sent information about postretirement employment limitations. If you are employed by an agency that participates in the ERS or TRS, there is a limitation on earnings. If you are employed by a non-participating agency, there are no limitations. For more information on postretirement limitations, contact the ERS or visit our Web site.

I retired on disability. What are the requirements for me to continue receiving disability retirement?

A disability retiree will be reviewed once each year for the first five years and once every three-year period thereafter until age 60 (52 for State Police) to determine whether the retired member remains disabled. Disability retirees will be sent a [REPORT OF DISABILITY PACKET](#) and a QUESTIONNAIRE ON DISABILITY RETIREMENT for each evaluation period.

Prepared by the Communications staff of the Retirement Systems of Alabama. To have your questions answered in "Preparing for Retirement", please address them to **Michael Pegues, Communications, Retirement Systems of Alabama, P.O. Box 302150, Montgomery, Alabama 36130-2150**. Please visit our Web site at www.rsa-al.gov.