

Benefit Information Meeting





What Will Be Covered...

**At the end of this webinar,
you will be able to:**

- Recall how your retirement benefit is calculated
- Recognize the additional protections you have as part of the defined benefit plan
- Identify the additional retirement savings tools PERA offers
- Find additional resources

Plan Comparison

Defined Benefit

- Pension plan makes investment decisions
- Shared risk
- Lifetime income benefit with annual increases
- Survivor benefit
- Disability benefit
- Health care subsidy

Defined Contribution

- Participant makes investment decisions
- Participant assumes the risk
- No predictable benefit
- Participants can out live the money

Contribution Distribution

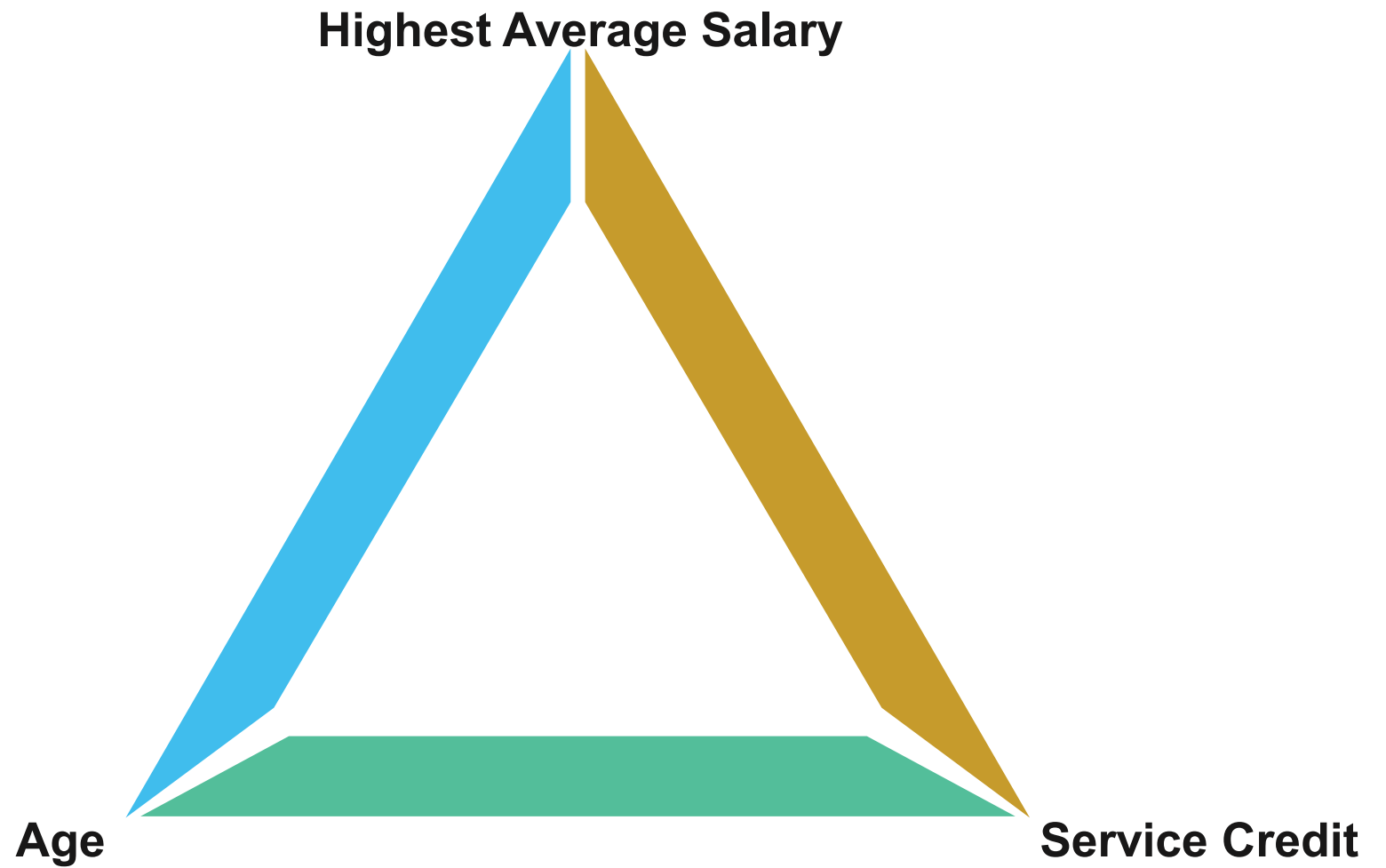
Employer Contributions

- Retirement
- Benefit increases
- Survivor benefits
- Disability program
- Health benefits program

Employee Contributions

- Retirement

Basis of Defined Benefit



Highest Average Salary (HAS)

Averages several years of highest salaries

- Periods of 12 consecutive months of service credit
- Number of years depends on membership date
 - Three years (plus base year) if you had five years of service as of January 1, 2020
 - Five years (plus base year) if you did not have five years of service as of January 1, 2020



5-Year HAS Calculation – 8% Cap

Base Year			Salary used:
June 2010–May 2011	\$30,000		N/A
Salary Year 1			Salary used:
June 2011–May 2012	\$35,000	8% limit = \$32,400	\$32,400
Salary Year 2			+
Nov 2015–Oct 2016	\$37,000	8% limit = \$34,992	Salary used: \$34,992
Salary Year 3			+
Nov 2018–Oct 2019	\$36,000	8% limit = \$37,791	Salary used: \$36,000
Salary Year 4			+
Sept 2021–Aug 2022	\$39,000	8% limit = \$38,880	Salary used: \$38,880
Salary Year 5			+
Jan 2023–Dec 2023	\$42,000	8% limit = \$41,990	Salary used: \$41,990
$\$184,182 \div 5 = \$36,836 \div 12$			HAS = \$3,069

Age and Earned Service Credit

Age (all plans)

- Your age at the time of retirement

Service credit (all plans)

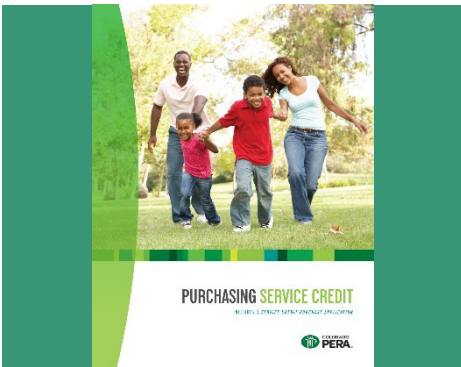
- One month of service credit for any month in which your earnings equal or exceed 80 times the federal minimum wage
- Prorated for earnings less than 80 times federal minimum wage
- Currently $80 \times \$7.25 = \580.00

Purchasing Service Credit

For more information:



Attend a
Purchasing Service
Credit Webinar



Review the
Purchasing Service
Credit booklet



Benefit Options

Option 1 Single-Life Benefit

- Maximum benefit amount
- Paid for retiree's lifetime only

Option 2 Joint-Life Benefit

- Reduction of benefit amount
- Upon your death, cobeneficiary receives half of your benefit

Option 3 Joint-Life Benefit

- Further reduction of benefit amount
- Upon your death, cobeneficiary receives same amount

Option 1—HAS Percentages PERA 6

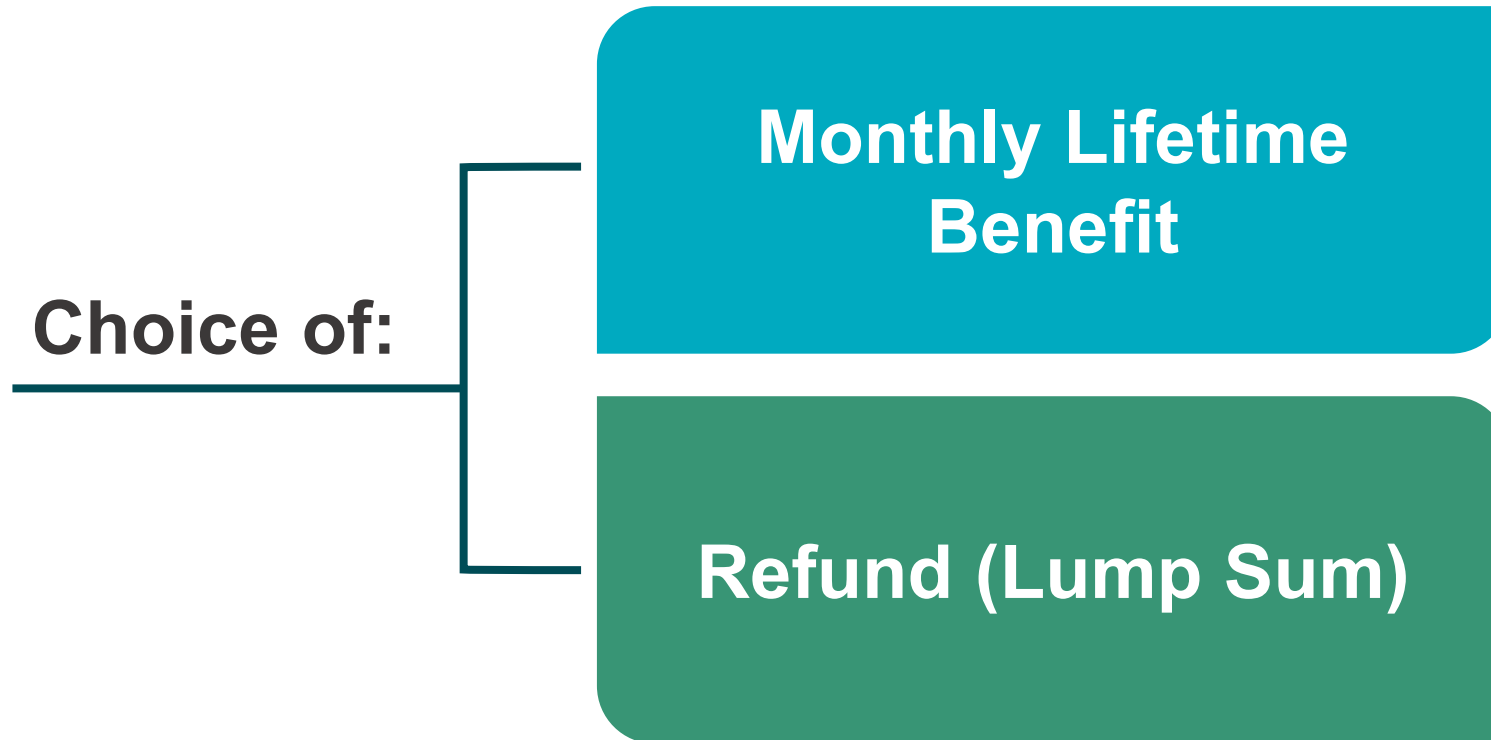
Add 2.5% to 87.5% for each year over 35 up to 100%

		Age at Retirement															
		50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
Years of Service	5											7.9	8.7	9.5	10.4	11.4	12.5
	6											9.5	10.4	11.4	12.5	13.7	15.0
	7											11.1	12.1	13.3	14.5	15.9	17.5
	8											12.7	13.9	15.2	16.6	18.2	20.0
	9											14.3	15.6	17.1	18.7	20.5	22.5
	10											15.9	17.4	19.0	20.8	22.8	25.0
	11	No benefits payable										17.5	19.1	20.9	22.8	25.0	27.5
	12	No benefits payable										19.1	20.8	22.8	24.9	27.3	30.0
	13	No benefits payable										20.6	22.5	24.6	26.9	29.6	32.5
	14	No benefits payable										22.2	24.3	26.6	29.1	31.9	35.0
	15	No benefits payable										23.8	26.0	28.5	31.2	34.2	37.5
	16	No benefits payable										26.7	27.8	30.3	33.2	36.4	40.0
	17	No benefits payable										29.6	30.9	32.2	35.3	38.7	42.5
	18	No benefits payable										32.9	34.3	35.8	37.4	41.0	45.0
	19	No benefits payable										36.3	37.9	39.6	41.4	43.3	47.5
	20						32.6	34.0	35.4	36.8	38.4	40.0	41.8	43.7	45.6	47.8	50.0
	21						35.8	37.3	38.8	40.4	42.2	44.0	45.9	47.9	50.2	52.5	52.5
	22						39.2	40.8	42.5	44.3	46.2	48.2	50.3	52.6	55.0	55.0	55.0
	23						42.8	44.5	46.4	48.4	50.5	52.6	55.0	57.5	57.5	57.5	57.5
	24						46.6	48.6	50.6	52.8	55.0	57.5	60.0	60.0	60.0	60.0	60.0
	25	41.6	43.3	45.0	46.8	48.7	50.7	52.8	55.0	57.3	59.9	62.5	62.5	62.5	62.5	62.5	62.5
	26	43.3	46.9	48.8	50.7	52.8	55.0	57.3	59.7	62.3	65.0	65.0	65.0	65.0	65.0	65.0	65.0
	27	44.9	48.7	52.8	55.0	57.2	59.6	62.0	64.7	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5
	28	46.6	50.5	54.7	59.4	61.9	64.4	67.2	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
	29	48.3	52.3	56.7	61.5	66.7	69.6	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5
	30	49.9	54.1	58.6	63.6	69.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
	31	56.0	55.9	60.6	65.7	71.3	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5
	32	62.8	62.7	62.6	67.9	73.6	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0
	33	70.2	70.2	70.1	70.0	76.0	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5
	34	78.5	78.4	78.4	78.3	78.3	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
	35	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5

Reduced Retirement (Shaded Area)

Service Retirement

PERA Benefit Payment



Refunds may be subject to taxes and tax penalty

Built-in Benefits



Survivor Benefits

Survivor benefits provide monthly benefits to qualified survivors of deceased PERA benefit structure members

	Payment Order
Qualified Survivors <ul style="list-style-type: none"> • Active Members • Retirement Eligible 	<ol style="list-style-type: none"> 1. Cobeneficiary (if one has been chosen by member) 2. Spouse 3. Dependent children 4. Disabled adult children 5. Dependent parents
Qualified Survivors <ul style="list-style-type: none"> • Active Members • Not Retirement Eligible • 1+ Year of Service 	<ol style="list-style-type: none"> 1. Dependent children 2. Spouse 3. Disabled adult children 4. Dependent parents
No Qualified Survivors <ul style="list-style-type: none"> • Less than 1 Year of Service 	Named beneficiary receives single lump-sum payment of member contributions plus interest and 100% match



PERA Disability Program

- Requires five years of earned service credit, including six months earned during current membership period
- Program provides
 - Short-term disability insurance
 - Disability retirement
- **Must** submit application within 90 days of terminating employment

Voluntary Programs



Attend All Three

Enrolling in PERAPlus

Provides information on your retirement savings plan options

Investing Made Simple

Helps you choose an investment path

Developing a Savings Plan Through PERAPlus

Helps you develop a savings plan



Financial Protection: PERA Life Insurance

- PERA offers life insurance you can buy in addition to your employer plan
- Review the Life Insurance Program Highlights fact sheet

After Retirement





Social Security Benefit Reductions

- PERA benefits are not reduced
- Social Security benefits are adjusted for PERA members not paying Social Security taxes on public employment.
- Review PERA and Social Security fact sheet

PERACare

- Optional health, dental, and vision insurance plans for benefit recipients
- Learn more at PERACare Information Meeting (PCI)





Action Steps

- Log in to your account on www.copera.org
- Consider saving additional money in PERAPlus 401(k)/457 Plans
- Use calculators to begin your plan for retirement
- Consider changing to post-tax deductions during open enrollment (if applicable)
- Review BIM Resource Page
- Attend other webinars

Contact Colorado PERA



- **Web address**
 - www.copera.org
- **Mailing address**
 - PO Box 5800, Denver, CO 80217-5800
- **Office locations**
 - 1301 Pennsylvania Street, Denver
 - 1120 West 122nd Avenue, Westminster
- **Phone number**
 - 1-800-759-PERA (7372)

Survey

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- Scan this QR code on your smartphone to take our survey.

