

Parameters for Potential New PERA Plan Cost Study

PERA's Board position is to support an actuarial study. The Board does not have a position beyond performing a study. The approved scope of the study includes a baseline and two alternate scenarios. PERA staff requests that stakeholders help ensure staying within scope by determining an agreed upon baseline for the study. The parameters presented in the final column are for discussion purposes only and do not reflect a PERA recommendation.

	PERA General	PERA Correctional	PERA Police & Fire	Potential New PERA Plan
Eligibility	Employees of cities, counties, and school districts	Members responsible for the security, custody and control of the correctional facilities and the inmates.	Members include most local governmental firefighters and law enforcement officers who meet job-related duties specified by statute.	911 Tele-communicators and Probation Officers*
Normal (Unreduced) Retirement Age	66	55	55	60
Earliest (Reduced) Retirement Age	55	50	50	50
Early Retirement Reduction	Actuarial Equivalence	Actuarial Equivalence	5% per year	Actuarial Equivalence
EE Contribution Rate	6.5%	5.83% before 7/1/2025 6.83% after 6/30/2025	11.8%	To Be Determined
ER Contribution Rate	7.5%	8.75% before 7/1/2025 10.25% after 6/30/2025	17.7%	To Be Determined
Benefit Multiplier	1.7%	1.9% for service before 7/1/25 2.2% for service after 6/30/25	3.0%	2.2%
Disability Benefit**	Accrued Benefit if unable to do any occupation	Accrued Benefit, but not less than 45% FAS if unable to do own occupation for at least 12 months	Accrued Benefit, but not less than 60% FAS if unable to do own occupation for at least 12 months. Accrued Benefit, but not less than 99% FAS if unable to do any occupation.	Two scenarios: 1. Similar to General Plan 2. Similar to P&F Plan
Termination Benefit - Vested	Accrued Benefit @ Retirement	Accrued Benefit @ Retirement	Accrued Benefit @ Retirement	Accrued Benefit @ Retirement
Termination Benefit – Non-vested	Employee Contributions with Interest	Employee Contributions with Interest	Employee Contributions with Interest	Employee Contributions with Interest
Post-retirement Increases	100% of CPI, 1.0% Min, 1.75% Max	50% of CPI, 1.0% Min, 2.5% Max	1% fixed	100% of CPI, 1.0% Min, 2.5% Max

* GRS study included parole officers. Refinement is needed for eligibility.

** Disability benefits are complex and greatly simplified in this summary chart