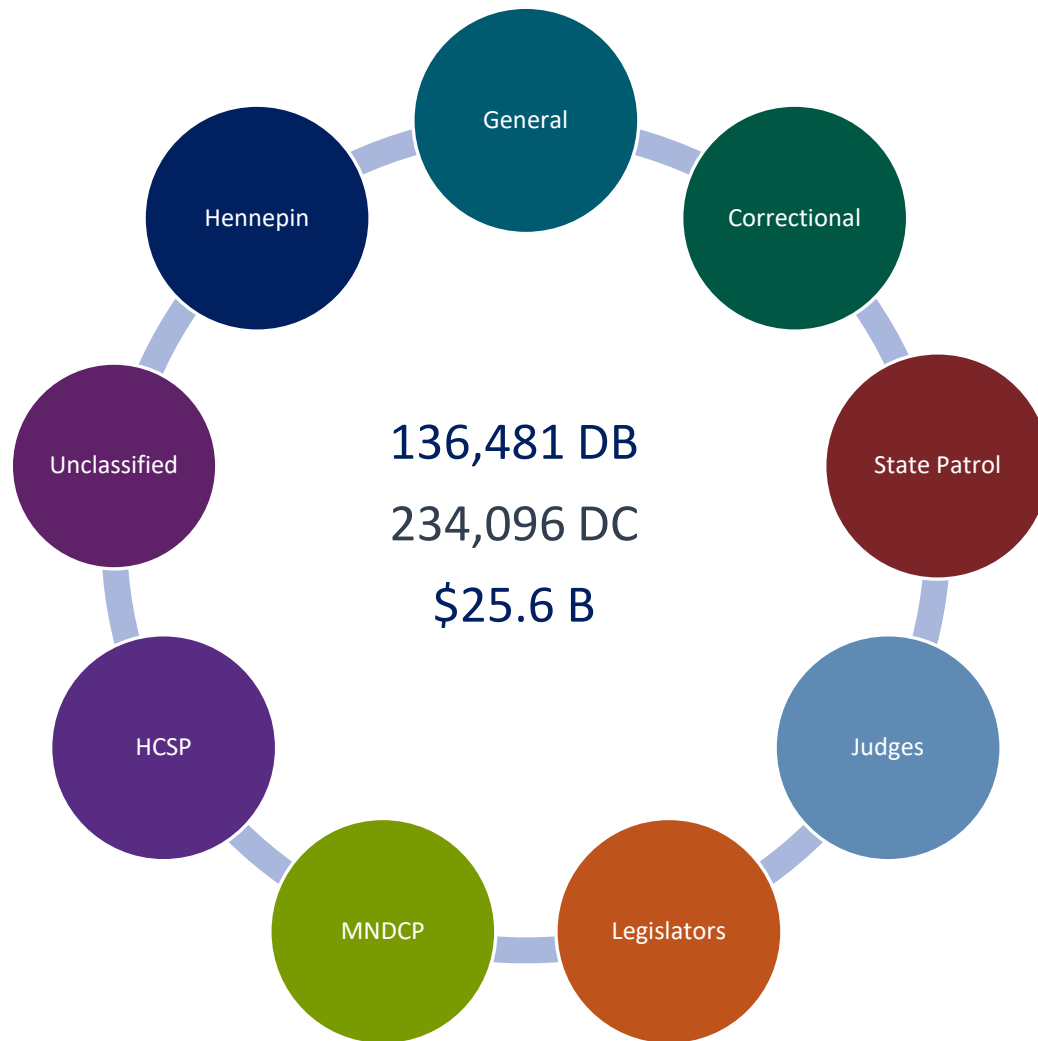




# General & Correctional Plan Overviews

## July 30, 2021

Erin Leonard, Executive Director



## General Plan

### 122,664 Members

- 51,742 Active Members
- 43,919 Benefit Recipients
- 27,003 Deferred

## Correctional Plan

### 10,543 Members

- 4,523 Active Members
- 3,586 Benefit Recipients
- 2,434 Deferred

# Correctional Plan Coverage

## Defined in Minnesota Statutes 352.91

- Correctional Officers or Security Counselors
- Positions in the Department of Corrections or Department of Human services if they are certified to spend 75% of their time working directly responsible for inmate or patient care

# Benefit Eligibility- Vesting

## GENERAL PLAN

**Based on Date of Hire**

**3** years of service < 7/1/2010

**5** years of service > 7/1/2010

## CORRECTIONAL PLAN

**Based on Date of Hire**

**3** years of service < 7/1/2010

**10** year graded vesting >7/1/2010

5 years	50%
6 years	60%
7 years	70%
8 years	80%
9 years	90%
10 years	100%

# Eligibility- Retirement Age

## GENERAL PLAN

### Full Retirement Age

- 65 or Rule of 90 hired before 7/1/89
- 66 hired after 7/1/89

### Early Retirement Age 55

- Actuarial reduction

## CORRECTIONAL PLAN

### Full Retirement Age 55

### Early Retirement Age 50

- Reduced 5% per year before age 55

Age	% Benefit
55	100%
54	95%
53	90%
52	85%
51	80%
50	75%

# Retirement Benefit Calculation

## GENERAL PLAN

**1.7% per year of service**

### Example at age 66

$1.7\% \times 25 \text{ years} = 42.5\%$

$5,000 \text{ high-five average salary} \times 42.5\% =$

**\$ 2,125 per month**

## CORRECTIONAL PLAN

**Based on Date of Hire**

**2.4% per year** < 7/1/2010

**2.2% per year** > 7/1/2010

### Example at age 55

$2.2\% \times 25 \text{ years} = 55\%$

$5,000 \text{ high-five average salary} \times 55\% =$

**\$ 2,750 per month**

Early retirement or selection of survivor option reduces monthly benefit

# Other Benefits- Disability

## GENERAL PLAN

### **Total & Permanent Disability**

Retirement benefit based on service credit without an early retirement reduction

## CORRECTIONAL PLAN

**Benefit minimums & eligibility vary by hire date**

### **Regular Disability**

- Occupational standard
- Not in the line of duty

### **Duty-related**

- Occupational standard
- The disabling condition or injury must occur while performing duties that are specific to a position covered by the Correctional Plan that are inherently dangerous.

# Other Benefits- Postretirement Increases

## GENERAL PLAN

**1% until January 2024**

**1.5% beginning January 2021**

## CORRECTIONAL PLAN

**1.5% per year**





# Contributions & Funding Requirements

## GENERAL PLAN

**6% Employee Contribution**

**6.25% Employer Contribution**

Total Statutory Contributions	12.25%
Total Required Contributions	10.74%
Contribution Sufficiency	1.51%

## CORRECTIONAL PLAN

**9.6% Employee Contribution**

**14.4% Employer Contribution**

**4.45% Supplemental Employer**

Total Statutory Contributions	28.45%
Total Required Contributions	26.37%
Contribution Sufficiency	2.08%



# Thank you

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