

From: [Jones, Matt](#)
To: [Lisa Diesslin](#)
Subject: TRA Pension Reform (Act Now)
Date: Tuesday, May 2, 2023 9:48:41 PM

Lisa,

I am at a pivotal point in my teaching career. I am completing my 26th year of teaching and still love my teaching assignment in rural Minnesota. However, I understand that I will be vested with TRA after 30 years with the option to defer my pension until I am 66 without penalty. I previously thought that I would be able to reach full retirement at about 59 or 60. Then I discovered that I would need to teach until I'm 66 to reach full retirement. If I try to retire at age 59 or 60 the penalties would be substantial and difficult to maintain my same lifestyle in retirement.

TRA Pension Reform is critical to keeping me in the teaching profession. Otherwise, I will strongly consider other Career options to build another retirement to fill in the gaps that exist in the Tier II Pension system for TRA. After I become vested (30 years) I plan to defer my TRA retirement until 66. I expect that many other teachers nearing the 30 year mark in education are looking at the same options if our Pension Reform doesn't happen. This retirement planning won't help our teaching shortage...it will likely do the opposite.

Please do everything in your power to find a better solution to the Tier II pension program. Our state is counting on you!

Thank you,

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RESTORING VALUE

30 days of pension comprehension & discussion points for MN educators

The effect of hire and retirement dates on COLAs and future benefits

Individual 1 (Tier I)	Individual 2	Individual 3	Individual 4 (Tier I)	Individual 5	Individual 6
Hired 6/30/89 Retired 6/30/23	Hired 7/1/89 Retired 6/30/23	Hired 7/1/90 Retired 7/1/24	Hired 6/30/89 Retired 7/1/24	Hired 7/1/89 Retired 6/30/23	Hired 7/1/89 Retired 6/30/33
High 5: \$70,000	High 5: \$70,000	High 5: \$70,000	High 5: \$71,000	High 5: \$70,000	High 5: \$80,000
Benefit: \$39,340/yr	Benefit: \$16,730/yr	Benefit: \$16,730/yr	Benefit: \$41,251/yr	Benefit: \$42,840/yr	Benefit: \$64,160/yr
Retirement Age: 56	Retirement Age: 56	Retirement Age: 56	Retirement Age: 57	Retirement Age: 56	Retirement Age: 66
Collects Benefits: 56	Collects Benefits: 56	Collects Benefits: 56	Collects Benefits: 57	Defers Benefits: 66	Collects Benefits: 66
Service Years: 34	Service Years: 34	Service Years: 34	Service Years: 35	Service Years 34	Service Years 44
COLAS: 2024: 1.1% 2025: 1.2% 2026: 1.3% 2027: 1.4% 2028-2047: 1.5%	COLAS: 2024: 1.1% 2025: 1.2% 2026: 1.3% 2027: 1.4% 2028-2047+: 1.5%	COLAS: 2025: 0% 2030: 0% 2026: 0% 2031: 0% 2027: 0% 2032: 0% 2028: 0% 2033: 0% 2029: 0% 2034 - 2047+: 1.5%	COLAS: 2025: 1% 2026: 1.1% 2027: 1.2% 2028: 1.3% 2029: 1.4% 2030-2047+: 1.5%	COLAS: 2034-2047: 1.5%	COLAS: 2034-2047: 1.5%
Non-COLA benefits (2023-2047) \$944,160	Non-COLA benefits (2023-2047) \$401,520 (-\$542,640)*	Non-COLA benefits (2024-2048) \$401,520 (-\$542,640)*	Non-COLA benefits (2024-2047) \$948,773 (+4,613)*	Non-COLA benefits \$599,760 (-\$344,400)*	Non-COLA benefits \$898,240 (-\$45,920)*
Including COLA (2023-2047) \$1,171,848	Including COLA (2023-2047) \$498,348 (-\$652,002)*	Including COLA (2024-2048) \$433,849 (-\$737,999)*	Including COLA (2024-2047) \$1,174,600 (+\$2,752)*	Including COLA (2034-2047) \$714,663 (-457,185)*	Including COLA (2034-2047) \$1,070,826 (-101,022)*

* difference in benefit amount from Individual 1

Thanks to: Robert Laine & Paul Peterson for their help with this infographic