

PERA BOARD RECOMMENDATIONS TO PROTECT PERA'S LONG-TERM HEALTH

After meeting with many members, retirees, employers, and community leaders and hearing from thousands more via phone and online, the Colorado PERA Board of Trustees is preparing to make a recommendation to the State Legislature in the 2018 legislative session that will impact all PERA membership. This recommendation would improve PERA's risk profile and funding status. It is important to remember that the Board's recommendations are not final, and ultimately, the State Legislature is responsible for passing legislation that would make lasting and positive changes to the PERA retirement plan.

	Current Vested* Members (As of 1/1/2020)	Current Non-Vested* Members (As of 1/1/2020)	Current Retirees	Future Members (Starting Membership 1/1/2020)	Employers
MODIFY BENEFITS					
Increase eligibility requirements (age and service) for full service retirement benefits to age 65 for most divisions with a minimum of five years of service and age 55 with 25 years of service for a reduced service retirement (for State Troopers, the minimum age will increase to age 55 for full service retirement benefits)				✓	
Increase number of years used in the HAS calculation from three years to five years (Judicial Division members will increase to a three-year HAS)		✓		✓	
Reduce the Annual Increase from a cap of 2% to a cap of 1.5%	✓	✓	✓	✓	
Suspend the Annual Increase for two years			✓		
Change Annual Increase waiting period from one year to three years	✓	✓		✓	
INCREASE CONTRIBUTIONS					
Increase member and working retiree contribution rates by an additional 3% of pay, totaling 11% (for most members)	✓	✓			
Increase member and working retiree contribution rates by an additional 2% of pay for <u>new hires</u> as of January 1, 2020, totaling 10% (for most members)				✓	
Increase employer contribution rates by an additional 2% of pay					✓
ENSURE ALIGNMENT OF CONTRIBUTIONS, SERVICE CREDIT, AND BENEFITS					
Redefine PERA-includable salary from net pay to gross pay	✓	✓		✓	✓
Change service credit accrual standard for part-time work				✓	

* Vested members have five or more years of service credit; non-vested members have less than five years of service credit.



Changes effective immediately after legislation is signed into law



Changes effective January 1, 2020

To learn more, please join us for an upcoming telephone town hall or at a community outreach meeting. Visit www.peratour.org for dates and more information.

