

Q. How many years of PERA service credit will I need to qualify for a monthly benefit?

A. At age 65 you may elect to receive a monthly benefit even if you have as little as one month of service credit. The service requirement for retirement eligibility varies with age. See the appropriate Highest Average Salary table in the *Your PERA Benefits* booklet.

Q. How is PERA service credit calculated?

A. To earn one month of service credit, your reported PERA-includable salary for that month must equal at least 80 times the federal minimum wage in effect at the time the work is performed. Monthly earnings below that level will result in prorated service credit.

Q. How is my PERA benefit calculated?

A. In most cases, your age, service credit, and Highest Average Salary will determine your monthly lifetime PERA benefit. However, an alternative calculation based on your account balance plus a 100 percent matching amount will be used if such calculation yields a higher benefit.

Q. If I choose a monthly retirement benefit, how will it be paid?

A. You have three lifetime benefit options. Option 1 is for you alone. Options 2 and 3 allow you to designate any one person as a cobeneficiary who will receive a monthly lifetime benefit following your death (half of the benefit amount you were receiving at the time of your death under Option 2, or the same benefit amount you were receiving at the time of your death under Option 3). Your benefit amounts under Options 2 and 3 are reduced from Option 1 to pay for this continuing benefit to a second person. See PERA's *Retirement Process* booklet for more information.

Q. Will I receive annual increases to my PERA benefit in retirement?

A. Yes. The timing of when you begin receiving your annual benefit increase and the amount you will receive is dependent on when you began PERA membership and when you retire. See the *PERA Retirement Process* booklet for more information.

Q. Previously, I was a PERA member and refunded my account; can I get that service credit back?

A. Yes, you can purchase service credit based on a refunded PERA account if you are an active member and have at least one year of PERA earned service credit. *Note:* Purchasing service credit based on a refunded account will not entitle you to the benefit rights associated with the refunded account. See PERA's *Purchasing Service Credit* booklet for more information.

Q. Can I add to my service credit for any other work experience?

A. Yes, however, there are different requirements to be eligible to purchase, different costs depending on the member's age, limits on the amount of time that can be purchased, and other requirements related to the purchase. See PERA's *Purchasing Service Credit* booklet for more information.

Q. How is my retirement date determined?

A. You are eligible to retire when you meet the age and service requirements on the appropriate Highest Average Salary Percentages table, but you are not required to retire when you are first eligible. You must terminate active PERA employment and submit a complete *Retirement Application*. Retirement is always effective on the first day of the month.

Q. What happens to my PERA benefit if I die before retirement?

A. PERA will pay a monthly survivor benefit to your eligible survivors. If there are no eligible survivors, a lump-sum payment of your member contributions, accumulated interest on those contributions, plus a 100 percent match will be paid to your designated account beneficiary(ies) or your estate. See the *Survivor Benefits* brochure for more information.

Q. Does PERA offer disability benefits?

A. Yes. To be eligible to apply for PERA disability benefits you must be an active PERA member with at least five years of earned service credit, of which six months must have been earned during your current membership period. You are not eligible for disability benefits if you are eligible for service retirement. See the *Colorado PERA Disability Program* booklet for more information.

Highest Average Salary

One-twelfth of the average of the three highest salaries earned in periods of 12 consecutive months under PERA-covered employment. These need not be consecutive years nor a member's last three years of salary. There is an annual limit in salary increases; the limit percentage is dependent on when you began PERA employment.

Q. What are PERA's disability benefits?

A. PERA provides vested members with a two-tier Disability Program consisting of short-term disability retirement (STD) insurance and a disability retirement benefit. Following a 60-day waiting period for non-permanent, non-total disabilities, short-term disability benefits are paid at 60 percent of your pre-disability earnings for up to 22 months. Disability retirement benefits (for those who are totally and permanently disabled from regular and substantial gainful employment) are based on Highest Average Salary and earned, purchased, and, in some cases, projected service credit and are payable as long as you remain totally and permanently disabled. See the *Colorado PERA Disability Program* booklet for more information.

Q. What are my choices if I leave PERA-covered employment before I'm eligible to retire?

A. You may leave your account with PERA for a future refund or benefit. If you refund your account, you may have it paid as a payment to you, as a direct rollover to another tax-deferred plan or IRA, or a combination of these two. See the *Terminating PERA-Covered Employment* booklet for more information.

Q. If I leave PERA-covered employment and elect to take a refund of my account rather than a monthly benefit, do I get any of the employer's contributions to PERA?

A. Yes. A refund will include either a 50 percent match on your total contributions and interest (if you are not yet retirement-eligible) or a 100 percent match on your total contributions and interest (if you are retirement-eligible).

Q. Does PERA offer life insurance?

A. Yes. PERA offers decreasing-term group life insurance. The premiums are fixed and the death benefit amounts decrease with age. You are eligible to enroll while you are an active member and you may continue your life insurance into retirement. See the Life Insurance Program information on PERA's Web site at www.copera.org.

Q. Does PERA offer a tax-sheltered investment to its members?

A. Yes. PERA offers a 401(k) tax-deferred savings plan to all active members. You may enroll at any time. Contribution limits change annually; additional contribution amounts are allowed if you are age 50 or older. For more information on the 401(k) Plan, please call 1-800-759-7372 and select the 401(k) option or go to PERA's Web site at www.copera.org and select "401(k) Information" located on the PERA home page.

Q. How are PERA benefits coordinated with Social Security benefits?

A. Your PERA benefit is not affected by Social Security. However, your Social Security benefit may be reduced if you are receiving a PERA benefit. See the *PERA & Social Security* brochure for more information. For specific information about a reduction to your Social Security benefit, contact Social Security by calling 1-800-772-1213 or through their Web site at www.ssa.gov.

Q. Will I be eligible for Medicare as a PERA retiree?

A. At age 65, you are eligible to enroll in Medicare, even if you have worked only for a PERA employer and have not paid into Social Security. If you enroll in a PERACare plan, you will be required to enroll in Medicare Part B three months before turning age 65. For more information on Medicare, log on to Medicare's Web site at www.medicare.gov or call Medicare at 1-800-MEDICARE (633-4227).

For more information on Medicare and PERACare, review the *PERACare Health Benefits Program Medicare Coverage* booklet.

Q. Do I need to inform my employer about my plans to retire?

A. Yes. Three to four months before you expect to retire, notify your employer of your anticipated date of retirement and request an estimate of benefit and a Retirement Kit from PERA. Included in the Retirement Kit will be a *Final Six Months' Salary Report* form for you to give to your payroll office as soon as possible. Return the *Retirement Application* and other tax withholding, direct deposit, and PERACare forms to PERA about 90 days in advance of your anticipated retirement date.

For other PERA information resources

- Visit PERA's Web site at www.copera.org
- E-mail PERA through the PERA Web site; click on the "Contact Us" link
- Call PERA at 303-832-9550 or 1-800-759-PERA (7372)

Applying for Retirement

You must apply for your PERA retirement benefit—it will not begin automatically. Call PERA to request a *Retirement Kit* and send your completed *Retirement Application* to PERA 60 to 90 days before your last day on the job. If you change or cancel your planned retirement date, you should notify both PERA and your employer promptly.

This fact sheet provides general information about Colorado PERA benefits. Your rights, benefits, and obligations as a PERA member are governed by Title 24, Article 51 of the Colorado Revised Statutes, and the Rules of the Colorado Public Employees' Retirement Association, which take precedence over any interpretations in this fact sheet.