Welcome! Whether you are a new or returning member, we are pleased to have you participate in the Public Employees Retirement Association (PERA).

As a Coordinated Plan member of PERA, you are part of Minnesota’s largest public pension plan. Today the Association serves over 160,000 public employees from approximately 2,100 cities, counties and school districts across the state. We currently pay benefits to over 90,000 retirees, disabled members and survivors of deceased members.

ERA is a traditional pension plan

Recognizing the need for a retirement program for employees of county and local governments, the Minnesota Legislature created PERA in 1931, four years prior to the creation of Social Security.

Unlike most retirement plans today, traditional pension plans like PERA—also known as defined benefit plans—provide you with the security of a pension plan. Similar to a defined benefit plan, the Coordinated Plan was created when the Minnesota Legislature established PERA in 1931. It is a defined benefit plan, which means the benefits are based on a formula that takes into consideration your individual contributions and membership data.

While contributions and investment earnings are critically important to the long-term funding of the Association, they do not determine the value of your individual benefit. Instead, your benefit is based on a formula that takes into consideration three factors:

1. **Age** — The closer you are to full retirement age, the larger the monthly benefit you will receive. While there are exceptions, full retirement age is typically age 65 to 66 for Coordinated members. The earliest age at which most members can receive a benefit is 55, but this will result in a lower monthly benefit because you will be receiving a pension from PERA over a longer period of time.

2. **Service** — The longer you are employed in public service, the greater the benefit. After you are enrolled in PERA, you earn one service credit for each month in which you worked and were compensated. Once you have earned enough service credits to be vested (60 credits for members hired after June 30, 2010) you qualify for future lifetime benefits.

3. **High-five average salary** — This is the 60 consecutive months during which your earnings are the greatest. Typically, this is the five years just prior to retirement.

As an example, 30 years of service would result in a benefit of 51 percent of your high-five salary at full retirement age. PERA also provides survivor benefits to members and survivors of deceased members. If you do not have a spouse as your beneficiary, you can choose from among the following options:

- **Spouse**
- **Children**

**Eligibility**

Your employer enrolled you in PERA after determining you qualified for membership. Membership is required for employees who are expected to earn a minimum of $5,100 in a year ($3,800 for school employees) unless their position is excluded by law.

As a Coordinated Plan member, you and your employer contribute a percentage of your gross salary to the Association. In turn, PERA invests these contributions to fund benefits for our members. Go to MY PERA at www.mnpera.org to check details of your contributions and membership data.

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Disability benefits

You may be eligible for benefits from PERA if you are unable to work, not just at your job, but any job because of a physical or mental disability. That is, you must be totally and permanently disabled and unable to engage in any substantial gainful activity. You become eligible for disability benefits once you are vested with the Association — after three or five years of service, depending on when you first entered public service.

Alternatively for survivors

PERA also provides survivor (death) benefits for families of members who unfortunately die before receiving a retirement benefit.

Survivor benefits follow a simple succession. Should you die, any survivor benefits due would first go to your surviving spouse. If there is no spouse, benefits would then be payable to any dependent children. Finally, if there are no survivor benefits due, the balance in your account, plus interest, would be distributed to your beneficiaries. If we have no listed beneficiaries, the funds would be paid to your estate. (A form for changing your beneficiary(ies) can be found on our website in Forms & Publications.)

If you leave before retirement

If you terminate public employment after you have become vested (five years of service if hired after June 30, 2010), you can leave your contributions with PERA and qualify for a pension any time after reaching retirement age.

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Regardless of your length of service, you are entitled to a refund of your employee contributions plus interest, compounded annually, after your termination of public employment. Keep in mind, however, that employer contributions are not refundable and you will forfeit all future PERA benefits.

Repayment of a refund
If you were previously a PERA member who left public service and received a refund, you have the option to repay the refund to restore lost service credit with PERA after you have earned an additional six months of service credit as a member.

Combined service benefits
You may combine your service in PERA with service in other covered Minnesota public pension plans. This entitles you to a combined service pension from each of the plans in which you have service. Combined service pensions often provide a higher overall level of retirement income.

How to learn more
As this pamphlet’s name implies, this is a very brief summary of your retirement plan provisions. For a more comprehensive overview, take a few minutes to visit our website at www.mnpera.org. If you visit our website, you’ll find much more information about your retirement plan and PERA itself.