

As a member of PERA, you have options when you leave public employment. If you are not vested and remain out of PERA service, you should apply for a refund within five years after your last member contribution was made. If you are vested, you may leave your money in PERA for a present or future pension. Your options depend on your age and years of participation in PERA.

Option 1: Refunds

You may apply for a refund immediately upon termination of your PERA-covered employment. The refund consists of your employee contributions plus interest, compounded annually.

A refund is payable in a lump sum between 30 and 120 days after PERA receives your completed refund application. PERA cannot accept your refund application prior to your termination date. You are not eligible for a refund if you are in another PERA-covered position with the same employer or are working for a different employer, covered by the same PERA plan.

For more information about applying for a refund and taxes, see our brochure *Important Information About Your PERA Refund and Taxes* at mnpera.org.

Option 2: A pension today

If you meet the age and service requirements (see below), you may begin drawing a pension immediately upon leaving public service. Your pension can be in the form of a single-life benefit, or one of four survivor options. All are lifetime pensions. A survivor option, while reducing the size of your initial pension, provides a continuing benefit for your survivor upon your death.

Qualifications

In order to receive a pension, you must be vested in your retirement plan. This requires that you have a minimum of three years of public service (five years if hired after June 30, 2010, 10 years if a Police & Fire Plan member hired after June 30, 2014). If you were first hired into public service prior to July 1, 1989, the pension may begin at any time if you have 30 or more years of service. With less than 30 years of service, Coordinated Plan members may draw a pension as early as age 55. Police & Fire Plan members and members of the Local Correctional Employees Plan first qualify at age 50.

Coordinated plan members qualify for a full (unreduced) benefit at age 65 or under the Rule of 90

if hired into public service prior to July 1, 1989. Full retirement age is tied to full retirement under Social Security (capped at age 66) for Coordinated members hired after June 30, 1989. Police & Fire and Correctional Plan members qualify for a full benefit at age 55 or under the Rule of 90 if they meet full vesting requirements.

Additional information is available at mnpera.org in the member handbooks.

Calculating a pension

If you are currently employed in a PERA-covered job, PERA calculates a pension amount based upon your age, years of service, and average salary over your five highest-paid years of service (60 consecutive months) when you terminate your employment.

Option 3: Defer your pension

In most cases, if you are vested in your retirement plan, you can leave your contributions with PERA and receive a lifetime pension any time after you reach retirement age. You are deferring your benefits.

Your eligibility for a deferred pension and the age at which you may first begin receiving retirement benefits depend upon the plan you participated in and the date of your last termination from public service.

PERA calculates your pension using your service credits and salary earned up until your date of termination. If eligible the Rule of 90 also applies in calculating deferred benefits. Additional information is available at mnpera.org in the member handbooks.

If you are not vested in your retirement plan, you must receive a refund within five years of your last PERA contributions or risk forfeiting your member contributions an interest from PERA. If you leave your member contributions in PERA, do not make any contributions for five years, and are not vested

Options When You Leave Public Service (based on current law)

	Not vested for PERA benefits; Under age 65** <small>(Under 55 for Police & Fire; Correctional)</small>	Vested for PERA benefits; Under age 55* <small>(Under 50 for Police & Fire; Correctional)</small>	Vested for PERA benefits; Age 55 or over* <small>(50 or over for Police & Fire; Correctional)</small>
Refund + Interest	✓	✓	✓
Deferred Pension		✓	✓
Retirement Pension		✓	✓

* Any age with 30 or more years of service if first hired prior to July 1, 1989

** If you remain out of PERA service, are not vested, and do not apply for a refund within five years after your last member contribution was made, you will forfeit your member contributions and interest from PERA.

(Continued on reverse side)

in the pension plan, PERA will automatically consolidate your member contributions and interest to the PERA fund. The consolidated member contributions are automatically forfeited by you (the member), and can only be restored if you return to PERA covered employment or apply for a retirement benefit with another public pension plan.

Pre-Retirement Deferred Survivor benefits

Under current law, if you are a vested deferred member and die before beginning to receive a benefit, your surviving spouse may qualify for a 100 percent survivor option benefit. (Deferred vested Police & Fire members must be at least age 50 at the time of death for a survivor benefit, which becomes payable immediately.)

If you have 30 or more years of service, the benefit for your spouse can begin immediately. If you have less than 30 years of service, the survivor benefit cannot begin until you would have reached age 55. The benefit is payable to your spouse for his or her lifetime, even upon remarriage.

As an alternative, your surviving spouse, if named as your primary beneficiary, may choose to receive a refund of your employee contributions to PERA plus interest, compounded annually.

Combined Service Annuity (CSA)

If you leave PERA-covered employment, do not take a refund and accept a position covered by another Minnesota public pension plan, you may become eligible for a CSA. The same applies if you leave a job covered by another qualified plan and enter employment covered by PERA.

Upon retirement you may collect a retirement benefit from each plan. Your benefit would be based on your years of credited service with each plan, your average salary over your five highest-paid years

of service, no matter when earned, in each plan's pension calculations. If you leave all government employment, which includes service in a PERA-covered position, before reaching retirement age, you may also qualify for a benefit at retirement age under combined service. To take advantage of combined service, the effective dates of all your benefits must be within one year of each other. For more information on CSA, see the *Combined Service Annuity* publication at mnpera.org.

Retirement systems qualifying for CSA

- Public Employees Retirement Association (PERA)
- Minnesota State Retirement System (MSRS)
- Teachers Retirement Association (TRA)
- St. Paul Teachers Retirement Fund Association (SPTRFA)



Public Employees Retirement Association
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A Refund is Just One Option

**Your benefit options
when you leave
public service**

Public Employees Retirement Association