



**COLORADO
PERA®**

**Personal.
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Purchasing Service Credit

Includes a Service Credit Purchase Application

**Colorado
Public
Employees'
Retirement
Association**

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Part I: Purchasing PERA Service Credit

When planning for your retirement, you may decide that you would like to begin receiving a PERA benefit as soon as possible or that you want to increase the amount of your PERA benefit. Purchasing service credit may help you achieve these goals.

By purchasing service credit, you increase the amount of service PERA will use to determine your eligibility for retirement and calculate your benefit amount.

There are three ways to purchase PERA service credit:

- Purchase service credit based on a refunded PERA account
- Purchase service credit for any employment not covered by PERA or another retirement program
- Purchase service credit for any sabbatical leave during which you earned partial service credit

Purchase Based on a Refunded PERA Account

If, at some time in the past, you terminated PERA-covered employment and withdrew your PERA account, you forfeited the service credit you earned during that employment period. You may purchase all or a portion of the service credit you forfeited after returning to PERA membership and earning one year of service credit. Please note that purchasing service credit based on a refunded account will not:

- Increase your earned service
- Be used in determining your Highest Average Salary (HAS) for calculation of your PERA retirement benefit
- Count toward eligibility to apply for the PERA Disability Program
- Entitle you to the benefit provisions associated with the previous period of membership

Purchase Based on Employment Not Covered by PERA

If you are an active PERA member, you may purchase service credit based on verifiable private or public employment during which salary was earned and not covered by PERA or another retirement program. Social Security coverage and military pension coverage do not disqualify you from purchasing service credit for the employment period. Service credit

purchased will be subject to the benefit provisions in effect for your existing member contribution account.

You may purchase as little as a partial month of service credit and up to the maximum amount of service you have verified and are eligible to purchase.

There are two types of employment that may form the basis of a purchase:

- Qualified employment is defined by federal law as any employment where the employer is set up under federal, state, or local government, as well as public and private K-12 school employment, and employment with public employee organizations (such as CAPE, CEA, etc.).
- Nonqualified employment is all employment which does not fit into qualified employment as defined above.

Employment Examples

- Private sector employment (*nonqualified*).
- Military service (*qualified*).
- Employment in a public or private K-12 school not affiliated with PERA, including schools in other states (*qualified*).
- Employment in a private college or university (*nonqualified*).
- Employment in a Colorado public college or university not covered by PERA or with a public college or university in other states (*qualified*).
- Employment with federal, state, or local government in the United States or its territories (*qualified*).
- Employment in a school operated by the U.S. government in another country (*qualified*).
- Employment with a PERA-affiliated employer, during which you were exempted from PERA membership (*qualified*).
- Verifiable periods of self-employment with the appropriate documentation (*nonqualified*).
- Periods of employment for which you were covered by PERA but your PERA account was transferred from PERA to a college or university's optional retirement program, to the state's defined contribution plan, or to a plan established when your employer disaffiliated from PERA (*qualified*).

- Any employment concurrent with PERA-covered employment during which you earned partial PERA service credit (*nonqualified or qualified depending upon the non-PERA employer*).
- Employment by a foreign government or by any foreign employer (*nonqualified*).

Employment Not Eligible for Purchase

- Any employment concurrent with PERA-covered employment during which you earned full PERA service credit.
- Any period of employment for which you are eligible for a current or future benefit or payment, including a lump-sum distribution, under any other retirement program for which participation was required (except Social Security and military service), payable now or in the future.
- Any period of employment for which no monetary pay was received.

Who is Eligible to Purchase Service Credit?

If your PERA membership began before January 1, 1999, you must have one year of earned PERA service credit and you may purchase qualified or nonqualified time. The total number of years you may purchase is limited to 10 years.

If your PERA membership began on or after January 1, 1999, you must have one year of earned PERA service credit to purchase qualified time and five years of earned PERA service credit to purchase nonqualified time. You may purchase up to five years of nonqualified time and the total number of years you may purchase is limited to 10 years.

If you are a Local Government Division employee, you may qualify to purchase more than 10 years of service credit if you were employed as of the date your employer became a PERA-affiliated employer that affiliated after November 1, 2003. In this instance, you may purchase all pre-affiliation employment with that employer after earning one year of service credit. Purchase of years in excess of 10 years must be completed while employed by that employer and payments must begin within three years of that employer's affiliation date.

Provisions for Legislators and State Officials

Since January 2004, state legislators and other state officials covered by the State's Defined Contribution (DC) Plan have

had the option to return to PERA membership. Qualified time includes time covered by the State's DC Plan and may be purchased under the same conditions as other qualified time.

Documentation for a Purchase Based on Employment Not Covered by PERA

In order to purchase service credit, PERA must have documentation of the following:

1. Your beginning and ending dates of employment (see the "Employment" section of the *Service Credit Purchase Application*; last page of this booklet). These dates must be consistent with your record of salary received.
2. The salary you received during these dates of employment. Examples of acceptable records are listed in the "Earnings Records" section of the *Service Credit Purchase Application*.
3. Certification that this employment is not vested in another retirement program for which participation was required (see the "Employment" section of the *Service Credit Purchase Application*). Vested in another retirement program means that you are eligible for a current or future benefit or payment, including a lump-sum distribution.

Note: If your purchase is based on military service, this information is provided on your DD form 214.

PERA uses this information to determine the amount of service credit available for purchase. We evaluate your non-PERA employment the same way that PERA-covered employment is evaluated for earned service credit. You receive a month of service credit for each month of employment for which you earned salary that is greater than or equal to 80 times the federal minimum wage hourly rate in effect at the time of service. If that threshold is not met, you will receive a partial month of service credit.

Cost to Purchase Service Credit

The cost to purchase is different if you are purchasing based on a refunded PERA account or for employment not covered by PERA.

Highest Average Salary

Both calculations use your HAS which is one-twelfth of the average of the highest annual salaries on which PERA contributions were paid that are associated with three

periods of 12 consecutive months of service credit as of the date of the *Service Credit Purchase Agreement*.

Effective January 1, 2009, HAS will be calculated using a different method. See the *Highest Average Salary Calculation Change as a Result of Senate Bill 06-235* fact sheet on the PERA Web site at www.copera.org for detailed information.

If you are interested in estimating your cost to purchase based on a refunded PERA account or based on employment not covered by PERA, you can access calculators on the PERA Web site or you may contact PERA.

Cost to Purchase Service Credit Based on a Refunded PERA Account

If your current membership began on or before December 31, 2006, the cost to purchase service credit based on a refunded PERA account is the amount refunded plus interest.

If your current membership began on or after January 1, 2007, the cost to purchase service credit based on a refunded PERA account is the amount refunded, interest, and 1 percent of HAS for each month purchased.

Interest is the actuarial investment assumption rate from the date of withdrawal to the date of payment in full.

The HAS used in this cost calculation is the higher of the HAS associated with your current account or the HAS based on a combination of both your current and refunded accounts. The cost to purchase partial service credit is a prorated amount based on the amount refunded, interest, and 1 percent of HAS.

Cost to Purchase Based on Employment Not Covered by PERA

The cost to purchase service is the actuarial cost of providing the future benefit resulting from purchase and is calculated using your HAS and your age.

The actuarial cost is determined by your age on the date you provide PERA with a completed *Service Credit Purchase Application* and all supporting documentation upon which a *Service Credit Purchase Agreement* is issued. If an agreement for this time is issued at a later date, PERA will use your age as of this later date. See the Cost to Purchase Service Credit table on page 13 for percentages by age.

Purchase Based on Sabbatical Leave Time

During a paid sabbatical leave, you and your employer make PERA contributions on your partial salary. You receive full-time service credit if your monthly partial salary is at least 80 times the federal minimum hourly rate in effect at the time of the sabbatical. If the salary paid is not enough to earn full service credit, you may purchase the portion of service credit not earned to obtain full service credit plus PERA salary for this period. The cost to purchase a sabbatical leave is member contributions on the difference between partial salary paid and what the salary would have been if the sabbatical was not taken.

You may purchase the service credit while on sabbatical or any time after it, but it must be purchased before ending active membership. If you choose to wait to purchase this service credit, there will be an interest charge. If you are interested in purchasing service credit for sabbatical leave, contact PERA.

Purchasing Service Credit Terms and Conditions

Paying for Purchases

- Payment for purchases may be made in a lump sum or monthly installments.
- Payment of the full cost of the purchase (including installment payments) must be completed while you are an active member, that is, before the earlier of your termination of PERA-covered employment or your effective date of retirement. You are considered an active member if you are:
 - Working for a PERA employer (on the employer's payroll) with member and employer contributions being received by PERA on your behalf.
 - Working for a PERA employer, but are not on the employer's payroll because of your employment pattern such as school or seasonal employees who work only specific months during the year.
 - On a certified leave of absence without pay from a PERA employer.
- Service credit and payments are credited to your PERA account after the *Service Credit Purchase Agreement* is paid in full.

- Payments cannot be returned after a *Service Credit Purchase Agreement* has been paid in full unless you end employment and withdraw your entire account.
- The purchase amount does not begin accruing interest in your PERA account until the *Service Credit Purchase Agreement* is paid in full.
- If you withdraw your account, no match is paid on the purchase amount.
- Purchasing service credit may increase the service used to calculate your Health Care Program subsidy.
- Purchased service credit for previous employment that was not covered under PERA or a previously refunded PERA account cannot be used to become eligible for survivor benefits or disability retirement benefits.
- Purchased service credit cannot be used as salary in the calculation of your HAS.
- Your employer may reimburse you for the cost to purchase service credit, but your employer may not pay the purchase amount directly to PERA.

Making Installment Payments for Purchasing Service Credit

- Installments may be made over a period equal to twice the number of months being purchased, up to a maximum of 120 months.
- You are required to make the minimum payment needed through automatic deduction from your checking or savings account to complete the *Service Credit Purchase Agreement* within this time frame.
- Interest is charged for installment payments; the interest rate is PERA's investment assumption rate in effect at the time installment payments begin.
- Installment payments are made by automatic deduction from your checking or savings account on the 5th day of the month. PERA must receive your *Service Credit Purchase Automatic Payment Authorization* form before the *Service Credit Purchase Agreement* due date.
- If there are insufficient funds in your account, PERA will submit a deduction equal to the usual monthly installment amount plus any delinquent payment(s) in the month following the month(s) in which the deduction(s) were rejected due to insufficient funds.

- If more than three monthly payments do not clear your financial institution for any reason, your *Service Credit Purchase Agreement* shall be canceled and payments made shall be returned to you.
- You must be an active member (as described on page 6 in the second bullet under “Paying for Purchases” section) each month you make an installment payment or your agreement will be canceled.
- The required monthly installment amount must be received every month while you are making installment payments, even if you have previously paid more than the required monthly installment amount.
- You may pay the total remaining balance in full at any time.

Using Tax-Deferred Funds for Purchasing Service Credit

- You may use certain tax-deferred funds to purchase service credit, including PERA’s 401(k) Plan and if eligible, PERA’s Defined Contribution (DC) Plan.
- If you use tax-deferred funds to purchase service credit and the cost of your *Service Credit Purchase Agreement* exceeds the transferred amount, you must pay the difference by the *Service Credit Purchase Agreement* due date or provide a *Service Credit Purchase Automatic Payment Authorization* form to PERA by the 25th day of the month in which your *Agreement* is due.
- Tax-deferred payments are added to the tax-deferred balance of your account, which increases the portion of your retirement benefit that will be treated as taxable income later. Payments made with tax-paid money are added to the tax-paid balance of your account.
- If you use tax-deferred money from more than one plan or IRA, your payment(s) cannot exceed the amount of your *Service Credit Purchase Agreement*. Any excess amount will be returned to the original sender and it may result in a taxable event to you.
- Tax-deferred funds will be returned to the custodian or plan that issued the tax-deferred check if your *Service Credit Purchase Agreement* is canceled.



Canceling a *Service Credit Purchase Agreement*

- Your *Service Credit Purchase Agreement* will be canceled and only payments made (no interest) will be returned if any of the following occur:
 - Your *Service Credit Purchase Automatic Payment Authorization* form is incomplete or the form is not received by PERA by the *Service Credit Purchase Agreement* due date.
 - Your payments are delinquent.
 - You do not pay your *Service Credit Purchase Agreement* in full.
 - You stop making payments.
 - You are no longer an active member and your *Service Credit Purchase Agreement* has not been paid in full.
- If you arrange for a new *Service Credit Purchase Agreement* in the future, your new cost will be recalculated according to terms and conditions in effect at the time of the recalculation, which may result in increased cost.

Using Tax-Deferred Funds to Purchase Service Credit

PERA service credit can be purchased using tax-deferred (pre-tax) money from certain plans as allowed by the Internal Revenue Code (IRC). If you have an account in one of these plans and want to use it to fund all or part of your purchase cost, you will need to contact that plan administrator to ensure that a distribution can be made from that plan and received by PERA by your *Service Credit Purchase Agreement* due date.

Tax-deferred money from the following plans can be used to purchase service credit:

401(a) plans: Many public and private sector defined benefit and defined contribution pension plans are qualified under IRC section 401(a). This includes PERA's Defined Contribution (DC) Plan (if eligible).

401(k) plans: These plans are set up by many private sector employers and a few public sector employers for employees to invest tax-deferred dollars for retirement. This includes PERA's 401(k) Plan.

401(c) Keogh plans: A Keogh is a private sector pension plan set up by self-employed individuals under IRC section 401(c).

457 Governmental Deferred Compensation plans: These plans are set up under IRC section 457 by many public sector employers (usually states or municipalities) for employees to invest tax-deferred dollars for retirement.

403(b) Tax-Sheltered Annuities/403(b)(7) Custodial Accounts: These plans are set up under IRC section 403(b) by many educational institutions and nonprofit employers for employees to invest tax-deferred dollars for retirement.

In addition, tax-deferred money from the following individual retirement accounts or annuities (IRAs) may be used to purchase service credit:

Traditional IRAs: A regular IRA that you maintain and to which you have contributed only tax-deferred money.

Conduit IRAs: A Conduit IRA is a special IRA under IRC section 408(a) or 408(b) that contains only tax-deferred money distributed from one of the five retirement plans listed above and includes interest on that amount.

SIMPLE-IRA: After two years of participation in a SIMPLE-IRA, a rollover of the SIMPLE-IRA can be used to purchase service credit.

Roth IRAs and Coverdell Education Savings Accounts cannot be used to purchase service credit.

Tax-paid (after-tax) money cannot be accepted by PERA via a rollover or transfer. Any tax-paid money you may have in your plan or IRA must be paid to you and then you may write a personal check to PERA.

Rollover Documentation

Before PERA can accept your tax-deferred money, you must provide PERA with documentation of the source of the money. (If the money is coming from PERA's 401(k) Plan, PERA's DC Plan, or the Federal Thrift Savings Plan, this is not required.) If you plan to use acceptable tax-deferred money, your *Service Credit Purchase Agreement* will include a form for your plan administrator or IRA custodian to complete and return to PERA along with or in advance of your distribution check. If PERA unknowingly receives money that was not from one of those plans or accounts, you are responsible for any taxes assessed or penalties charged to you by the IRS.

If the plan issued your distribution check and withheld 20 percent of your distribution for federal income tax, you may

make up the amount withheld from other sources when rolling the money into PERA.

Part II: Should I Purchase Service Credit?

Purchasing service credit may or may not be helpful to you depending on your situation. Before you decide to purchase service credit, consider the following questions.

Benefit

- How much earlier will you be able to retire if you purchase service credit?
- How much will your benefit increase if you purchase service credit?
- How many years will you benefit from the purchase? (Consider average life expectancy for your gender, family longevity history, your health, etc.)
- What would your benefit be after taxes?

Cost

- Can you afford to purchase service credit?
- Will you use tax-paid or tax-deferred dollars to purchase service?
- Will it be more beneficial for you to invest the amount of the purchase with another retirement account and will the return on another retirement account be better than an increased benefit with PERA?
- If you purchase service credit using another retirement account, will you receive a higher benefit from PERA than you would if you take a benefit from both PERA and another retirement account?
- Would another retirement account allow the money to remain tax-deferred?

Health Care

- Do you plan to join PERACare (PERA's Health Benefits Program) when you retire?

If you join PERACare, you will receive a subsidy toward your health care premium based on the number of years of service credit you have. If your benefit is based on 20 years or more, you receive the maximum subsidy. If you have less than 20 years of service and you purchase

service credit, the amount of your subsidy will increase. If you are a pre-Medicare (under age 65) retiree, you will receive a maximum subsidy of \$230 (\$11.50 per year of service). If you are Medicare-eligible, you will receive a maximum subsidy of \$115 (\$5.75 per year of service). *Note:* At retirement, a portion of the purchase cost is transferred to the Health Care Trust Fund, the fund that is used to fund the PERACare subsidy.

Part III: How Do I Purchase Service Credit?

If you are ready to start the process of purchasing service credit, follow the instructions below:

- **To purchase service credit based on a refunded PERA account**, call PERA's Customer Service Center at 303-832-9550 or 1-800-759-7372. Based on the information we gather in this telephone conversation, PERA is usually able to issue a *Service Credit Purchase Agreement*.
- **To purchase service credit based upon a sabbatical during which you earned less than full service credit**, call PERA's Customer Service Center at 303-832-9550 or 1-800-759-7372. If PERA has no record of your sabbatical, you will be asked to provide a *Service Credit Purchase Application* and documentation of the sabbatical from your employer. Based on this information, we are usually able to issue a *Service Credit Purchase Agreement* for the service credit.
- **To purchase service credit for noncovered employment**, complete the *Service Credit Purchase Application* and send it to PERA. Complete all information on the form and include copies of salary verification. Incomplete applications will not be processed and will be returned to you. When all of the information is supplied to PERA, a *Service Credit Purchase Agreement* will be issued.

Once your application is processed, you will receive a *Service Credit Purchase Agreement* and the necessary paperwork for all methods of payment allowed to purchase service credit.

Cost to Purchase Service Credit Effective November 1, 2005

(As a percentage of your HAS)

Age*		All Other Members							
20	18.10%	33	24.10%	46	33.30%	59	33.36%	72	25.80%
21	18.10%	34	24.70%	47	34.20%	60	32.93%	73	25.10%
22	18.40%	35	25.40%	48	35.20%	61	32.51%	74	24.30%
23	18.90%	36	26.20%	49	36.20%	62	32.08%	75	23.60%
24	19.50%	37	26.90%	50	37.20%	63	31.65%	76	22.90%
25	20.00%	38	27.70%	51	36.77%	64	31.23%	77	22.30%
26	20.60%	39	28.50%	52	36.35%	65	30.80%	78	21.60%
27	21.20%	40	28.70%	53	35.92%	66	30.10%	79	21.00%
28	21.80%	41	28.90%	54	35.49%	67	29.40%	80	20.30%
29	22.40%	42	29.70%	55	35.07%	68	28.70%		
30	22.70%	43	30.60%	56	34.64%	69	27.90%		
31	23.10%	44	31.50%	57	34.21%	70	27.20%		
32	23.40%	45	32.30%	58	33.79%	71	26.50%		

Age*		State Troopers							
20	22.85%	33	27.10%	46	36.00%	59	34.70%	72	25.80%
21	22.85%	34	27.80%	47	36.70%	60	34.20%	73	25.10%
22	22.85%	35	28.50%	48	37.40%	61	33.60%	74	24.30%
23	22.85%	36	29.10%	49	38.10%	62	32.90%	75	23.60%
24	22.85%	37	29.80%	50	38.80%	63	32.20%	76	22.90%
25	22.85%	38	30.50%	51	38.30%	64	31.60%	77	22.85%
26	22.85%	39	31.20%	52	37.90%	65	30.80%	78	22.85%
27	22.90%	40	31.90%	53	37.40%	66	30.10%	79	22.85%
28	23.60%	41	32.60%	54	37.00%	67	29.40%	80	22.85%
29	24.30%	42	33.30%	55	36.50%	68	28.70%		
30	25.00%	43	34.00%	56	36.00%	69	27.90%		
31	25.70%	44	34.70%	57	35.60%	70	27.20%		
32	26.40%	45	35.40%	58	35.10%	71	26.50%		

Age*		Judicial Members							
20	21.75%	33	24.10%	46	33.30%	59	33.36%	72	25.80%
21	21.75%	34	24.70%	47	34.20%	60	32.93%	73	25.10%
22	21.75%	35	25.40%	48	35.20%	61	32.51%	74	24.30%
23	21.75%	36	26.20%	49	36.20%	62	32.08%	75	23.60%
24	21.75%	37	26.90%	50	37.20%	63	31.65%	76	22.90%
25	21.75%	38	27.70%	51	36.77%	64	31.23%	77	22.30%
26	21.75%	39	28.50%	52	36.35%	65	30.80%	78	21.75%
27	21.75%	40	28.70%	53	35.92%	66	30.10%	79	21.75%
28	21.80%	41	28.90%	54	35.49%	67	29.40%	80	21.75%
29	22.40%	42	29.70%	55	35.07%	68	28.70%		
30	22.70%	43	30.60%	56	34.64%	69	27.90%		
31	23.10%	44	31.50%	57	34.21%	70	27.20%		
32	23.40%	45	32.30%	58	33.79%	71	26.50%		

*Your age at the time you purchase service credit.



Highest Average Salary Percentages for Retirement Benefit Option 1 Effective June 1, 2000

Use this table if you began PERA membership on or before June 30, 2005.

Years of Service	Age at Retirement															
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
5											10.0	10.5	11.0	11.5	12.0	12.5
6											12.0	12.6	13.2	13.8	14.4	15.0
7											14.0	14.7	15.4	16.1	16.8	17.5
8											16.0	16.8	17.6	18.4	19.2	20.0
9											18.0	18.9	19.8	20.7	21.6	22.5
10											20.0	21.0	22.0	23.0	24.0	25.0
11											22.6	23.1	24.2	25.3	26.4	27.5
12											25.2	25.8	26.4	27.6	28.8	30.0
13											28.0	28.6	29.3	29.9	31.2	32.5
14											30.8	31.5	32.2	32.9	33.6	35.0
15											33.8	34.5	35.3	36.0	36.8	37.5
16											36.8	37.6	38.4	39.2	40.0	40.0
17											40.0	40.8	41.7	42.5	42.5	42.5
18											43.2	44.1	45.0	45.0	45.0	45.0
19											46.6	47.5	47.5	47.5	47.5	47.5
20						46.3	47.0	47.8	48.5	49.3	50.0	50.0	50.0	50.0	50.0	50.0
21						49.4	50.1	50.9	51.7	52.5	52.5	52.5	52.5	52.5	52.5	52.5
22						52.5	53.4	54.2	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
23						55.8	56.6	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5
24						59.1	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0
25	43.8	47.5	51.3	55.0	58.8	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5
26	49.4	49.4	53.3	57.2	61.1	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
27	55.4	55.4	55.4	59.4	63.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5
28	61.6	61.6	61.6	61.6	65.8	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
29	68.2	68.2	68.2	68.2	68.2	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5
30	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
31	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5
32	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0
33	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5
34	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
35	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5

No
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The shaded areas indicate reduced service retirement percentages. For 35+ years, add 2.5 percent to 87.5 for each year over 35 up to 100 percent. Final calculations are made to the exact amount of service you earn, not necessarily even years.

A different Highest Average Salary Percentages table applies to State Troopers and Colorado Bureau of Investigation Agents. Please refer to the special inserts to the *Your PERA Benefits* booklet available on the PERA Web site at www.copera.org.



Highest Average Salary Percentages for Retirement Benefit Option 1 Effective July 1, 2005

Use this table if you began PERA membership on or after July 1, 2005, and before January 1, 2007.

Years of Service	Age at Retirement															
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
5											10.0	10.5	11.0	11.5	12.0	12.5
6											12.0	12.6	13.2	13.8	14.4	15.0
7											14.0	14.7	15.4	16.1	16.8	17.5
8											16.0	16.8	17.6	18.4	19.2	20.0
9											18.0	18.9	19.8	20.7	21.6	22.5
10											20.0	21.0	22.0	23.0	24.0	25.0
11											22.6	23.1	24.2	25.3	26.4	27.5
12											25.2	25.8	26.4	27.6	28.8	30.0
13											28.0	28.6	29.3	29.9	31.2	32.5
14											30.8	31.5	32.2	32.9	33.6	35.0
15											33.8	34.5	35.3	36.0	36.8	37.5
16											36.8	37.6	38.4	39.2	40.0	40.0
17											40.0	40.8	41.7	42.5	42.5	42.5
18											43.2	44.1	45.0	45.0	45.0	45.0
19											46.6	47.5	47.5	47.5	47.5	47.5
20							46.3	47.0	47.8	48.5	49.3	50.0	50.0	50.0	50.0	50.0
21							49.4	50.1	50.9	51.7	52.5	52.5	52.5	52.5	52.5	52.5
22							52.5	53.4	54.2	55.0	55.0	55.0	55.0	55.0	55.0	55.0
23							55.8	56.6	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5
24							59.1	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0
25	43.8	47.5	51.3	55.0	58.8	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5
26	45.5	49.4	53.3	57.2	61.1	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
27	47.3	51.3	55.4	59.4	63.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5
28	49.0	53.2	57.4	61.6	65.8	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
29	50.8	55.1	59.5	63.8	68.2	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5
30	52.5	57.0	61.5	66.0	70.5	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
31	58.9	58.9	63.6	68.2	72.9	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5
32	65.6	65.6	65.6	70.4	75.2	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0
33	72.6	72.6	72.6	72.6	77.6	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5
34	79.9	79.9	79.9	79.9	79.9	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
35	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5

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The shaded areas indicate reduced service retirement percentages. For 35+ years, add 2.5 percent to 87.5 for each year over 35 up to 100 percent. Final calculations are made to the exact amount of service you earn, not necessarily even years.

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Highest Average Salary Percentages for Retirement Benefit Option 1

Effective January 1, 2007

Use this table if you began PERA membership on or after January 1, 2007.

Years of Service	Age at Retirement																				
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+					
5											10.0	10.5	11.0	11.5	12.0	12.5					
6											12.0	12.6	13.2	13.8	14.4	15.0					
7											14.0	14.7	15.4	16.1	16.8	17.5					
8											16.0	16.8	17.6	18.4	19.2	20.0					
9											18.0	18.9	19.8	20.7	21.6	22.5					
10											20.0	21.0	22.0	23.0	24.0	25.0					
11											22.0	23.1	24.2	25.3	26.4	27.5					
12											24.0	25.2	26.4	27.6	28.8	30.0					
13											26.0	27.3	28.6	29.9	31.2	32.5					
14											28.0	29.4	30.8	32.2	33.6	35.0					
15											30.0	31.5	33.0	34.5	36.0	37.5					
16											32.8	33.6	35.2	36.8	38.4	40.0					
17											35.7	36.6	37.4	39.1	40.8	42.5					
18											38.7	39.6	40.5	41.4	43.2	45.0					
19											41.8	42.8	43.7	44.7	45.6	47.5					
20											42.5	43.0	43.5	44.0	44.5	45.0	46.0	47.0	48.0	49.0	50.0
21											45.4	46.2	46.7	47.3	47.8	48.3	49.4	50.4	51.5	52.5	52.5
22											48.4	49.2	50.1	50.6	51.2	51.7	52.8	53.9	55.0	55.0	55.0
23											51.5	52.3	53.2	54.1	54.6	55.2	56.4	57.5	57.5	57.5	57.5
24											54.6	55.5	56.4	57.3	58.2	58.8	60.0	60.0	60.0	60.0	60.0
25	43.8	46.6	49.4	52.2	55.0	57.8	58.8	59.7	60.6	61.6	62.5	62.5	62.5	62.5	62.5	62.5					
26	45.5	49.4	52.3	55.3	58.2	61.1	62.1	63.1	64.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0					
27	47.3	51.3	55.4	58.4	61.4	64.5	65.5	66.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5	67.5					
28	49.0	53.2	57.4	61.6	64.8	67.9	69.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0					
29	50.8	55.1	59.5	63.8	68.2	71.4	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5	72.5					
30	52.5	57.0	61.5	66.0	70.5	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0					
31	58.9	58.9	63.6	68.2	72.9	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5	77.5					
32	65.6	65.6	65.6	70.4	75.2	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0					
33	72.6	72.6	72.6	72.6	77.6	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5	82.5					
34	79.9	79.9	79.9	79.9	79.9	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0					
35	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5	87.5					

The shaded areas indicate reduced service retirement percentages. For 35+ years, add 2.5 percent to 87.5 for each year over 35 up to 100 percent. Final calculations are made to the exact amount of service you earn, not necessarily even years.

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Service Credit Purchase Application

Colorado Public Employees' Retirement Association
PO Box 5800, Denver, Colorado 80217-5800
303-832-9550 or 1-800-759-PERA (7372) • Fax: 303-863-3727 • www.copera.org



Please read the *Purchasing Service Credit* booklet before completing this application. **Incomplete applications will not be processed and will be returned to you.**

Member SSN

□ □ □ - □ □ - □ □ □ □

Name _____ Daytime Telephone (____) _____

1. Employment

Provide PERA with the beginning and ending dates (years) of your former employment for which you are providing earnings records. Indicate whether the employment was private (non-governmental or nonqualified) or public (governmental or qualified). Next indicate whether or not the period of employment is vested (you are eligible for a current or future benefit or payment, including a lump-sum distribution) in a retirement program for which participation was required other than Social Security or military retirement. This information can be provided by either you or your former employer(s).

Check here if you have already provided PERA with the documentation to verify previous employment that is eligible for purchase and skip to number 3.

Year employment began _____ year employment ended _____
Check one: Private Public Check one: Vested Not Vested

Year employment began _____ year employment ended _____
Check one: Private Public Check one: Vested Not Vested

Year employment began _____ year employment ended _____
Check one: Private Public Check one: Vested Not Vested

Year employment began _____ year employment ended _____
Check one: Private Public Check one: Vested Not Vested

2. Earnings Records

Attach independent records that show pay received related to the above dates of employment. Acceptable records are Social Security Personal Earnings and Benefit Statements, year-end tax forms, paycheck stubs, or former employer records.

3. Certification

I certify that the information provided above is true and correct. If PERA later determines that this statement is incorrect, I understand that my service credit purchase based on this employment will be void and any benefits paid to me based on the service credit purchase will be recovered by PERA.

Member Signature _____ **Date** _____

More Information


So that we can issue a *Service Credit Purchase Agreement* that meets your purchasing goal, please indicate how many years of service credit you want to purchase: _____.

Once this application is processed, you will receive a *Service Credit Purchase Agreement* and the necessary paperwork for all methods of payment allowed to purchase service credit. If you do not receive your *Service Credit Purchase Agreement* within four weeks, contact PERA.

This booklet provides information about purchasing service credit. 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 booklet.

Colorado Public Employees' Retirement Association
1300 Logan Street
Denver, Colorado 80203
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