

RECOMMENDED PLAN CHANGE	EFFECTIVE DATE OF CHANGE	IF YOU ARE A RETIREE ON JANUARY 1, 2011	IF YOU ARE A MEMBER ELIGIBLE FOR RETIREMENT* ON JANUARY 1, 2011	IF YOU ARE VESTED** BUT NOT ELIGIBLE FOR RETIREMENT* ON JANUARY 1, 2011	IF YOU ARE NOT VESTED** AND NOT ELIGIBLE FOR RETIREMENT* ON JANUARY 1, 2011	ADDITIONAL INFORMATION
Continue to increase AED by .4% per year to a total rate of 5% by 2017 <i>(Currently AED caps at 3% in 2012)</i>	Phased implementation starting in 2013	AED will be paid if retiree is working after retirement	N/A	N/A	N/A	When the divisional trust fund reaches 110% funding, the AED will be reduced Local Government and Judicial Divisions' AED is frozen at 2010 levels
Continue to increase SAED by .5% per year to a total rate of 5% by 2017 <i>(Currently SAED caps at 3% in 2013)</i>	Phased implementation starting in 2014	SAED will be paid if the retiree is working after retirement	SAED is funded by employees' foregone salary increases	SAED is funded by employees' foregone salary increases	SAED is funded by employees' foregone salary increases	When the divisional trust fund reaches 110% funding, the SAED will be reduced Local Government and Judicial Divisions' SAED is frozen at 2010 levels
Reduce the Cost of Living Adjustment (COLA) to an amount equal to the CPI-W with a cap of 2%	Immediately upon effective date of the bill	Applies	Applies	Applies	Applies	The upper limit of the COLA for all members and retirees will be 2%
Establish a 5-year HAS with a base year and an 8% salary increase cap	January 1, 2011	N/A	Does not apply	Applies	Applies	The 8% salary cap is currently in place for members hired on or after January 1, 2007
Establish a 5-year earned service credit vesting requirement for the 50% refund match for future contributions	January 1, 2011	N/A	Does not apply	Does not apply if member has 5 years of earned service credit	Applies	5-year vesting requirement does not include purchased or reinstated time The 50% match on contributions received prior to January 1, 2011, are not impacted by this recommendation
Add employee contribution of 8% of salary for all retirees working after retirement	January 1, 2011	Applies if working after retirement for a PERA-affiliated employer	N/A	N/A	N/A	Will apply to all current and future retirees who return to work for PERA-affiliated employers The 8% is not part of the member account and is nonrefundable

* Reduced or Service Retirement

** Vested member has five years of PERA service credit

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Prevent recalculation of original retirement benefits for retirees who have suspended their benefits and returned to work	January 1, 2011 (For retirees who suspend their benefits on or after this date)	Applies	Applies	Applies	Applies	If more than 12 months of service credit is earned during the period of suspension, an additional benefit segment would be calculated based upon years worked and salary earned during this period
Change the COLA payment month from March to July	Immediately upon effective date of the bill	Applies	Applies	Applies	Applies	
Implement a one calendar-year delay on the COLA after retirement before the COLA will be paid	January 1, 2011 (For retirements on or after this date)	Applies to retirements effective after January 1, 2011	Applies	Applies	Applies	A one calendar-year delay on the COLA is currently in place for members hired on or after January 1, 2007
Eliminate retroactive payment of benefits and prevent accumulation of COLA unless benefit is presently being paid	January 1, 2011	N/A	Does not apply	Applies	Applies	Currently, members hired on or after January 1, 2007, do not receive any retroactive payment of benefits
Revise the existing reduction factors for early reduced retirements to reflect an actuarial reduction	January 1, 2011	N/A	Does not apply Current statutory reduction factors will continue	Applies	Applies	For most members, the actuarial reduction will result in a lower benefit
Implement a modified Rule of 90 (age and service add to 90) with a minimum age of 60 while not negatively impacting retiree access to PERACare for current and future members	January 1, 2011	N/A	Does not apply Current age and service requirements remain the same	Does not apply Current age and service requirements remain the same	Applies	The proposed Rule of 90 would not change the age and service credit differential available to State Troopers

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